

Star BUSINESS

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WB calls for focusing on broader reform agenda

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Termining the Adamjee Jute Mill closure a bold decision, the World Bank Country Director Frederick T. Temple called for focusing on broader agenda of reforms necessary for sustainable private sector-led economic growth.

"I would put law and order, the banking sector, the power system, Chittagong port, and governance improvements at the top of this agenda," Temple said while addressing as guest of honour the monthly luncheon meeting of the Foreign Investors' Chamber of Commerce & Industry (FICCI) at Sonargaon Hotel in the city yesterday.

Adamjee Jute Mill was the tip of iceberg of loss-making SOEs, which accounted for only about 11 per cent

of the total losses in recent years, Temple said.

He said Adamjee had been losing over Tk 1 billion annually during recent years. Its accumulated losses until last October rose to Tk 11.4 billion and every year it was adding to its liability of some Tk 3.2 billion to four nationalised commercial banks, which of course it could never hope to repay. In recent years, Adamjee's annual losses were equivalent to about Tk42,350 per worker.

"The government is committed to applying a hard budget constraint to state-owned enterprises (SOEs) which curtails their access to budgetary as well as public bank financing," Temple said.

In recent months, in addition to generally sound budget manage-

ment, the government has taken some initiatives in all of these areas. "Let us hope the government will have the political will to build on these initiatives and that its reform efforts will develop the momentum and breadth necessary to realise the growth potential of Bangladesh's domestic entrepreneurs and foreign investors," Temple noted.

A sound macro-economic framework is essential for the private sector to flourish. If the macro-economy gets out of balance, the government will crowd out the private sector, real interest rates will remain high, inflation can emerge and the economy can be constrained by shortages of foreign exchange, Temple added.

In the FY03 budget, the government expects to reduce the central

government deficit by about 2 per cent of GDP -- from 5.9 per cent in FY01 to 3.9 per cent during this fiscal year. This represents a major effort to get the central government back on a sustainable fiscal track, the WB country director observed.

Speaking at the meeting earlier, FICCI president Wali Bhuiyan said issues like tariff liberalisation should be handled with utmost sensitivity. Industrial development in poorer countries should be encouraged and supported at the initial stages.

The WB could play an important role in encouraging more foreign direct investment in Bangladesh and working with the government to encourage a platform for building robust industrial base in the face of increasing global competition, Bhuiyan added.



Frederick T Temple, country director of World Bank, speaks at the monthly luncheon meeting of the Foreign Investors' Chamber of Commerce & Industry (FICCI) held at a city hotel yesterday. FICCI President Waliur Rahman Bhuiyan, Secretary Jahangir Bin Alam and Vice President Md Nurul Islam are also seen in the picture.

Experts call for streamlining ICT policies

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Experts at a discussion have underscored the need for streamlining policies for speeding up the country's information communication technology (ICT) sector to pave the way for e-commerce and e-governance.

Speaking at a discussion Saturday on a paper titled "Draft Readiness and ICT Need Assessment Report for Bangladesh," they expressed dissatisfaction over the prevailing scenario of the sector. The paper prepared by Sustainable Development Networking Project, Bangladesh (SDNPB), will be submitted to the Info Dev of the World Bank.

Organised at the conference room of the Bangladesh Institute of Development Studies (BIDS), the session was chaired by Dr. M Asaduzzaman, research director of BIDS, while Hakikur Rahman, project coordinator of SDNPB, moderated the discussion.

Participants in the discussion said adequate telephonic infrastructure is a must for fast growth of ICT. It is mentioned in the paper that the state-run Bangladesh Telegraph and Telephone Board (BTTB) can create facilities for low-cost high-speed communication link and set up ISDN/HDSN lines throughout the country.

3 CEMS shows begin Aug 2

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Three separate exhibitions on information technology, services and education and immigration, organised by CEMS (Conference & Exhibition Management Services) begin at Sonargaon Hotel on August 2.

Commerce Minister Amir Khosru Mahmud Chowdhury will inaugurate the three-day exhibitions -- Comteq'2002 featuring information technology, telecommunication and office equipment; Servexpo'2002 showcasing service sectors and Edimexpo'2002 featuring education system and immigration rules.

CEMS Managing Director Meherun N Islam at a press conference yesterday said some reputed organisations will take part in the shows, which remain open to public from 10 am to 8.30 pm everyday.

Among others, Fantasy Kingdom, Malaysian Airlines, Iran Airlines, Best Aviation, Bangkok Hospital, Delta Brac Housing, Cab Express (BD), Times Tours, Docom Online, Flora Ltd, Trade Linker Office Automation, State University, International Islamic University, Chittagong, Fornix Soft Ltd, Perdana College-Malaysia, Miah Immigration, and Australia Institute of Business and Technology are the participating organisations.

IT dot One launched

IT dot One, an education service provider, has been launched.

Dr Abdul Moyeen Khan, Minister for Science and Information Technology, inaugurated the trading centre as chief guest at a function held at a city hotel on Saturday, says a press release.

The Education Minister Dr M Osman Farruk was the special guest on the occasion while its other special guest was Christopher W Webster, Charge d'Affaires of US Embassy in Bangladesh.

The Chairman of IT dot One Mustaque Alam Chowdhury and its Managing Director M A Matin also spoke on the occasion.

Among others present on the occasion were Kazi Bahrul Islam, and Major General (Retd) Sadequr Rahman Chowdhury, both directors of IT dot One.

Stocks market woes threaten global economic recovery

AFP, Paris

The seemingly relentless plunge on world stock exchanges now weighs heavily on global economy, calling into question the recovery promised

by political and monetary authorities.

With each passing day, household savings in the some of world's richest countries shrink a bit further, depriving businesses of critical

financing needed for development.

The threat to consumption and investment -- two critical growth pillars -- is therefore real.

"It is a sure thing that the stock decline will have repercussions," said Sherry Cooper, an economist with the investment bank Nesbitt Burns.

"The falling stock market increases the cost of capital and reduces the return on investment."

In recent days politicians and central bankers have mobilized to stop the rot, issuing reassuring statements about the broader economy in a bid to shore up depressed sentiment on financial markets.



Abdul Moyeen Khan, minister for Science and Information Technology, speaks as chief guest at the inauguration of IT dot One, a training centre, held at a city hotel on Saturday.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling	BC	Currency	Buying		
			TT Clean	OD Sight/Doc	OD Transfer
58.5500	58.5800	USD	57.6000	57.4308	57.3629
58.6212	58.7081	EUR	56.1673	55.9839	55.9073
92.4889	92.5309	GBP	89.4528	89.1863	89.1317
32.1648	32.1893	AUD	30.1059	30.0134	29.9333
0.4956	0.4957	JPY	0.4803	0.4801	0.4791
40.2562	40.2807	CHF	38.9905	38.8960	38.8115
6.2644	6.2896	SEK	6.0511	6.0334	6.0175
37.0612	37.0858	CAD	36.0648	35.9711	35.8879
7.5143	7.5156	HKD	7.3806	7.3629	7.3455
33.360	33.3816	SGD	32.5330	32.4892	32.3745
16.0710	16.0886	AED	15.5465	15.5246	15.5061
15.7369	15.7553	SAR	15.2431	15.2064	15.1882

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thaisaht	Nor kroner	NZ dollar	AUD
48.65	80.15	96.05	42.025	7.889	0.46275	0.5362

The local interbank foreign exchange market was subdued on Saturday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call was steady and the call rate ranged between 4.0 and 4.50 per cent for the day.

SHIPPING

Chittagong port

Berth position and performance of vessels as on 28.7.2002

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc.
J/1	Xuan Cheng	Sugar (P)	Bank	MSA	15/7	30/7	2080
J/2	An Shun Jiang (Liner)	GI	Sing	BDSHIP	24/7	29/7	2098
J/3	Mercs Kirinda	Sugar (P)	Col	RSA	9/7	30/7	X
J/5	A.A. Venture	GI (St C/Ash)	Ind	CLA	24/7	30/7	1287
J/6	Xpress Resolve	Cont	Col	Everbest	25/7	30/7	100/24
J/7	Win Song	GI(BIT)	B Abb	RKSHIP	5/7	29/7	253
J/8	Nand Srishiti	C Clink	Sikka	BSL	6/7	-	1780

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port.
Banga Borat (Cont)15/7	28/7	Sing	Bdship	Cont	Sing
Banglar Doot	28/7	Tuti	BSC	Sugar	-
Kota Naga (Cont)17/7	28/7	Sing	PI (BD)	Cont	Sing
Orient Freedom (Cont)20/7	28/7	Sing	PSSL	Cont	Sing
Alessia Prima	28/7	Sing	OTBL	-	-
Deep Sea-03	28/7	-	SRL	Fishing Trawler	-
Hartford-10	28/7	-	SRL	Fishing Trawler	-
Dea Captain	28/7	Sing	Arafeen	Ballast	-

Vessels at Kutubdia

Dea Chancellor	-	-	Arafeen	RIA(2/7)
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Vessels at outer anchorage Ready on

Asimon(Cont)	Cont	P Kel	Seaborne	25/7
Kuo Hsiung (Cont)	Cont	P Kel	QCSL	27/7

The above are shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

STOCK