Star BUSINESS

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Regulators settle on Microsoft's failure to protect privacy

AFP, *Washington*

US regulators said Thursday they had reached a settlement with Microsoft over its failure to protect users' personal data in its "Passport" Internet service.

The Federal Trade Commission said Microsoft had falsely told consumers that it adequately protected personal data, including credit card numbers, which were collected by the Passport program.

The Passport service stores personal data so that users need not retype it on each website. Passport Wallet does the same thing for Internet purchases. Kids Passport lets parents restrict the information collected from the system's participating websites.

As part of the settlement, Microsoft is required to implement a comprehensive information security program, to be certified by an independent expert every two years. It also must refrain from making false claims about the Passport service.

"Good security is fundamental to protecting consumer privacy," Federal Trade Commission chairman Timothy Muris said.

"Companies that promise to keep personal information secure must follow reasonable and appropriate measures to do so. It's not only good business, it's the law," he added.

"Even absent known security breaches, we will not wait to act."

The commission said it found no security breaches but it did detect vulnerabilities that could lead to such breaches.

CCCI for home ministry move to stop sugar smuggling

SHAHIDUL ISLAM, *Chittagong*

In the face of rampant smuggling of low quality sugar into the country, Chittagong Chamber of Commerce and Industry (CCCI) has urged the home ministry to take immediate steps to stop the bootlegging.

The CCCI, in a recent faxed message, told the ministry hundreds of trucks carrying smuggled sugar are entering the country everyday through Feni, Chhagalnaiya, Chowddagram, Miah Bazar, Tamabil, Hili, Darshana, Bhomra, Bureemari and Benapole border points.

The smuggling is not only pushing the importers on the back foot but also depriving the government of huge revenue, industry sources said.

The government recently has allowed private sector to import sugar, creating enthusiasm among the local importers.

But, the euphoria has started fading away in the wake of unabated smuggling. The 'good quality' imported sugar now sells between Tk 28 and Tk 30 per kg in market. But the 'low quality' smuggled sugar sells below the price of imported sugar.

The bootlegging has also started taking its toll on the business. At present, there is no vessel with imported sugar at the jetties of Chittagong port. But a few weeks ago, at least five vessels with about 46 thousand tons of imported sugar remained anchored at the port.

Traders and importers of Chaktai and Khatunganj areas in the port city said about 25 to 30 trucks each carrying around 10 to 12 tons of smuggled sugar enter everyday in these two markets.

According to official estimate, annual demand for sugar in the country is around 3.5-4 lakh metric tons. The country's 15 state-run sugar mills produced more than two lakh metric tons of sugar in the last season.

PHOTO: TRUST BANK

Chief of Army Staff and Chairman of the Board of Director of the Trust Bank Limited Lt Gen Hasan Mashhud Chowdhury presides over the 3rd annual general meeting of the bank at head office of the bank in the city on Wednesday. Maj Gen Jalaluddin Ahmed, vice chairman, Zahid Hossain Chowdhury, managing director, and other directors of the bank also attended the meeting.

PHOTO: SIBL

Photo shows (from left) Vice Chairman Kamal Uddin Ahmed, Chairman Ahmed Akbar Sobhan, Vice Chairman Mohammad Shamsuzzaman and Managing Director Golam Mustafa of SIBL attending the bank's half-yearly branch managers' conference in the city on Wednesday.

Half-yearly confce of SIBL held

The half-yearly Branch Managers' Conference 2002 of Social Investment Bank Limited (SIBL) was held at the boardroom of the bank in the city on Wednesday, says a press release.

The Chairman of Bashundhara Group of Companies and the bank, Ahmed Akbar Sobhan, was the chief guest.

Among others, Vice-Chairman Kamal Uddin Ahmed and Mohammed Shamsuzzaman and Directors Humayun Kabir Khan, Afzal Hussain and Saidur Rahman were present at the conference while the Managing Director of the bank, Golam Mustafa, presided over the conference.

The overall performance of all the branches of the Bank for the past month was discussed and targets of deposit, investment, foreign exchange business and profit for the next remaining months were setforth.

Speaking on the occasion the chairman of the bank promised to donate lands to establish two schools to be financed by the bank.

The managing director advised the branch managers to work with total commitment to achieve the business targets for the year 2002.

Kamal Uddin Ahmed and Mohammed Shamsuzzaman, vice chairmen of the bank, also spoke on the occasion.

M. Nazrul Islam, deputy managing director, and other senior executive of the bank were present on the occasion.

Russia, US settle poultry dispute

AFP, *Moscow*

Moscow said Thursday it had struck a deal with Washington that will allow US poultry imports to continue, ending months of uncertainty over a major export earner for the United States.

Agriculture Minister Alexei Gordeyev said the two sides had agreed on a new veterinary certificate stipulating health safety rules for imported chicken and turkey meat that will take effect on September 15.

"The new certificate assures sanitary-hygienic norms in line with Russian legislation," he was quoted as saying by the Interfax news agency.

The minister added that the US side was currently studying the new rules "to apprise their (poultry) industry about Russian requirements and to make certain changes in the system for feeding poultry."

The US embassy in Moscow could not confirm the minister's announcement but said a deal was imminent.

"The negotiations are close to a resolution," an embassy spokeswoman told AFP, speaking on condition of anonymity.

Govt urged to battle deflation

Japan economy to contract 0.5pc this year: IMF

REUTERS, *Washington*

The International Monetary Fund Thursday said Japan's beleaguered economy is poised to contract this year as risks remained, and it urged authorities to battle pervasive deflation.

In its annual review of the country's economy, the Washington-based lender projected Japan's economy will contract 0.5 per cent in 2002, as it did last year, while prices are expected to tailspin for the fourth year running.

The IMF forecast prices will drop 1.0 per cent this year, after a 0.7 per cent decline in 2001, a situation with no end in sight as wholesale prices remained flat for the fifth consecutive month in July. Consumer spending was also stagnant and imports remained cheap.

The world's second richest economy is in its third recession in a decade -- its worst in a generation.

While the fund welcomed recent improvement, such as higher private consumption and business investment in the first quarter, it said "considerable downside risks" remained in Japan.

The lender called on the Bank of Japan to implement monetary policy that would put an early end to deflation, which has plagued its economy since 1999. The BOJ's current expansionary monetary policy was unlikely to stop prices from tumbling, the IMF said.

Japan's central bank, whose board began a two-day policy meeting on Thursday, has been pumping huge amounts of money into the financial system, but demand for funds from debt-wracked firms remains puny.

Japan's economy was hit hard by drops in investment and exports in 2000 and by the global economic downturn the last year, which saw profits take a plunge.

In the first quarter of this year, the economy rebounded strongly, but these gains could be short lived unless the banking and corporate sectors are reformed, the IMF said.

IMF to freeze list of global money laundering centres

REUTERS, *Washington*

The process of "naming and shaming" nations acting as centres for global money laundering would be delayed for at least a year under a plan endorsed by International Monetary Fund officials.

Instead, the IMF agreed to add assessing vulnerability to money laundering to its existing lists of areas it examines in its work with individual countries, according to a press release issued late Thursday. The move, under a 12-month pilot programme, would use the same standards to assess that risk as used by the Paris-based Financial Action Task Force.

The move casts into doubt the extent of the future role of the FATF, created in 1989 by the Group of Seven major industrialised nations. The FATF has been the highest profile international programme aimed at stamping out money laundering and its weapon of choice in recent years has been a blacklist of allegedly "non-cooperative" countries that it said were not doing enough to deter money launderers. As of June, 15 countries, ranging from the Philippines to Ukraine, were on the so-called "name and shame" list.

Other countries have come off the list after passing stricter, laws or regulations aimed at tightening their financial systems' controls. While the process has been effective in getting some countries to change their laws, it has also drawn criticism as being heavy-handed.

In setting up its pilot programme, the IMF said it would use the 48 recommendations the FATF came up with as standards for assessing an individual country's progress in combating money laundering. Some assessments would be done by the FATF and similar organisations, while others would be done by staff from IMF or the World Bank, the IMF said.

However, the IMF Executive Board, which includes as US representative, agreed to the pilot assessment project only if four conditions were met, including that the FATF agrees at its October meeting to endorse the plan and agrees to refrain from conducting another blacklist round for the 12 months of the IMF's pilot project.

Emirates to start cargo service to China

Emirates SkyCargo will start cargo flights on September 15 between Dubai and Shanghai, mainland China's leading commercial centre, using a Boeing 747-400 freighter with its 120-tonne capacity, says a press release.

The weekly flights, on Sundays, will be the first-ever direct air link between Dubai and mainland China and will give shippers and freight forwarders at both ends of the route fast, convenient connections to each other's markets.

Fast transit times at Emirates' Dubai hub will give Shanghai shippers and freight forwarders swift and easy access not just to Gulf markets but also to points throughout the Middle East and Africa.

The Emirates SkyCargo Centre, the airline's cargo hub at its Dubai base station, is tailor-made to handle large quantities of transit shipments. Aircraft to aircraft transfers take as little as 45 minutes.

Shanghai will be Emirates' second cargo-only route, after Amsterdam. The award-winning airline already flies freighters between Dubai and Amsterdam and Dubai and Hong Kong, as well as ad hoc charters. It is increasing Amsterdam services from four to five a week.

Singapore emerging from recession

REUTERS, *Singapore*

Singapore's economy has emerged quickly from recession with prospects brighter than a year ago and the economy growing at 3.9 per cent year-on-year in the second quarter, Prime Minister Goh Chok Tong said Thursday.

"We have good reasons to be confident. We are pulling out of our recession sooner than we had expected," Goh said in an optimistic speech ahead of National Day on Friday.

Many in the small island nation, celebrating 37 years of independence, are yet to be convinced as they face structural unemployment or have already lost their jobs after Singapore fell into its worst recession in four decades last year.

Singapore's economy contracted by two per cent in 2001 after a blistering 10.3 per cent growth in 2000.

Goh added that as Singapore was now more like a developed economy, it could expect more moderate rates of growth.

Over the medium term, Singapore should be able to grow at about four to six per cent on average, if the US economy stayed resilient and the global environment remained stable, Goh said.

Goh told the nation that challenges and competition remain formidable and the economy had to diversify into high technology areas, while its citizens needed to be less choosy about jobs.

EU, Brazil sign deal to boost textile trade

AFP, *Brussels*

Brazil and the European Union signed an agreement Thursday aimed at boosting trade in textiles, the European Commission said.

Under terms of the deal, Brazil will limit customs duties on European cotton and nylon thread to 14 per cent and to between 16 and 18 per cent on other textile products, the EU's executive arm said. Duties on European clothing exports will be capped at 20 per cent.

Brazil has also agreed to abolish a 1.5-per cent entry tax on such products at the end of the year.

The EU for its part will suspend import quotas on 10 Brazilian products, notably cotton and synthetic textiles and thread, shirts, tee-shirts and trousers.

The parties also agreed to steer clear of non-tariff barriers to trade in textiles.

Last year the EU exported textiles and clothes to Brazil worth 242 million euros (234 million dollars) and imported similar Brazilian goods worth 237 million euros.

The accord is the result of negotiations between the Brazilian authorities and EU negotiators that began in March and were concluded Thursday in Brasilia.

"This agreement makes a significant contribution to improving trade relations between the EU and Brazil and is an early deliverable for the ongoing trade negotiations between the EU and Mercosur (Argentina, Brazil, Paraguay and Uruguay)," said EU Trade Commissioner Pascal Lamy.

PHOTO: RUPALI BANK

Rupali Bank Managing Director Md Yeasin Ali speaks at the branch managers' conference of the bank's Dhaka South Zone in the city on Wednesday. DGM & Zonal Head Tasnim Uddin Ahmed and AGM AKM Yousuf Ali Munshi are also seen in the picture.

CRS Worldspan popular with travel agencies

World famous computerised reservation system (CRS) Worldspan is gaining popularity with local travel agencies, says a press release.

The reservation software, developed by Worldspan, after a year of its introduction in local market is being used by many travel agents in Dhaka, Sylhet, Chittagong, Moulvibazar and Feni.

CRS Worldspan is a state of the art product, which offers connectivity over Internet, allowing easy access from anywhere with passwords available to its clients. Worldspan is also planning to introduce more of its Internet products in Bangladesh. Mars Aviation Limited is the local agent of Worldspan.

Worldspan is also the fastest growing CRS in the world with Delta Airlines, Northwest Airlines and American Airlines using it.

Worldspan provides worldwide electronic distribution of travel information, Internet products and connectivity and e-commerce capabilities for travel agencies, travel service providers and corporations.

Indian industry for copying China's economic zones

AFP, *New Delhi*

The Indian government should establish special economic zones (SEZs) like those in China to attract more foreign investors, business leaders said Thursday at a conference.

Prashant Mehra of India's manufacturing conglomerate SRF Ltd told the Confederation of Indian Industry (CII) that China's 50-odd SEZs which offered incentives such as 15 per cent income tax instead of the usual 33 per cent rate had played a big role in attracting foreign investment.

"Chinese SEZs should be a role model for us. The special economic zone in Tianjin has such modern infrastructure that it has tempted the world's 300 biggest manufacturing and engineering giants to set up shop in China," said Mehra.

"The Chinese economic development board gives you a business licence to set up a plant in 21 days. We really need to learn something from China when it comes to getting things done in speed and style."

Indian Junior Minister of State for Commerce and Industry Rajiv Pratap Rudy said at the conference that "a lack of labour reforms" held India back from copying the Chinese SEZs.

"China's SEZs have been a success story in attracting foreign investment to a large extent because of their completely employer-friendly labour laws," said Rudy.

"In India a firm runs into a problem with laying off a thousand people."

In February this year, the Indian cabinet gave its approval to amend a 54-year-old industrial employment law, giving some employers the right to dismiss workers without government approval.

Industrial establishments employing less than 1,000 workers can now lay off staff or carry out closures without prior government permission, raising the threshold from 100 workers.

The measure was announced by India's then finance minister Yashwant Sinha nearly a year ago but was not implemented due to opposition from the then labour minister.

Indian trade unions have opposed labour reforms tooth and nail for the past year fearing job losses.

Zoellick upbeat on US-LatAm free trade

REUTERS, *Bogota, Colombia*

US Trade Representative Robert Zoellick said Thursday he was confident he could sign free trade agreements with several Latin American nations ahead of a 2005 deadline for Washington's proposed Free Trade Area of the Americas (FTAA).

Zoellick, speaking to reporters in Bogota, said he expected to complete a free trade agreement with Chile by the end of 2002 and move toward an accord with Central American nations now that the White House has fast track trade-negotiating authority. He also dangled the possibility of the United States providing new market openings for Argentine products to help the financially-strapped country.

"With the trade promotion authority, I expect we'll finish the Chile agreement this year. We'll launch the Central American free trade agreement," Zoellick said.

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Seven Wonders

A group of students were asked to list what theyÊthought were the present Seven Wonders of the World.ÊThough there were some disagreements, the following gotÊthe most votes:

1. Egypt's Great Pyramids, 2. Taj Mahal, 3. Grand Canyon, 4. Panama Canal, 5. Empire State Building, 6. St. Peter's Basilica, 7. China's Great Wall.

While gathering the votes, the teacher noted that one quiet student hadn't turned in her paper yet. So she asked the girl if she was having trouble with her list. The girl replied, "Yes, a little. I couldn't quite make up my mind because there were soÊmany." The teacher said, "Well, tell us what you have,Êand maybe we can help."

The girl hesitated, then read, "I think the Seven Wonders of the World are: 1. to touch, 2. to taste, 3. to see, 4. to hear. She hesitated a little, and then added, 5. to feel, 6. to laugh, 7. and to love.

The room was so full of silence you could have heard aÊpin drop. Those things we overlook as simple andÊ"ordinary" are truly wondrous. A gentle reminder that the most precious thingsÊin life cannot be bought and neither do they manifest in grandeur. Do we carry these values in our day-to-day business life?

Let me ask you, when did you last shake hands with your colleagues? Why not make it a practice for every day? A simple touch like a handshake can be quite invigorating, especially if you are the senior.

Bring in some pitha or some chutney to share with colleagues. Do you really see your colleagues and what they do? Do you invest some of your time with them, to appreciate their work, their creativity? Are you patient to listen to their stories - successes, dilemmas, problems?

The hectic pace of today's world leaves so little time for us to enjoy 'quality time' time to feel, to laugh, to love. We have to put a break to this pace and find and enjoy 'quality time' even with the colleagues that we have in our work place. If you look at the time span you spend at work, and your colleagues with whom you are together doesn't it make sense that you do something to improve the quality of this time spent together? We normally think of quality time only for family and friends. You need to do that too at your office as you spend so much of your life there.

When we work, we tend to forget that our colleagues are as humans as we are and as we are humans, we need to 'connect' to perform. Humans are not machines we have emotions, feelings and the need to be together.

Find time to time out of the time pressures to lead a quality life look at the seven wonders we all have but fail to see due to blinding pace of our lives.

Oil prices rise

REUTERS, *New York*

Oil prices edged higher Thursday amid uncertainty as to whether OPEC will relax supply curbs at its meeting next month, analysts said.

Ahead of its Sept. 19 meeting in Japan to decide output for the rest of the year, OPEC's Secretary-General Alvaro Silva said Thursday it was too early to say whether the oil cartel will raise output in the fourth quarter.

In Iraq, President Saddam Hussein said Thursday he was not frightened by US threats to topple his administration and was ready to repel any attack. Washington called Saddam's tough talk "irrelevant."

September light crude oil futures on the NYMEX settled 17 cents firmer at \$26.67 a barrel while London Brent futures stood 16 cents higher at the settle at \$25.10 a barrel.

"The market got pushed down yesterday by the comments from President Bush in particular, but it didn't really change anything," said Timothy Evans, analyst at IFR/Pegasus. "The Bush administration still has (Iraq) regime change as a goal."

"President George W. Bush said he would be patient and consult with Congress and US allies before deciding on how to deal with Iraq.