

Jenbacher FZE MD due today

Siegfried Spiegl, managing director of gas engine manufacturer Jenbacher FZE, arrives in the city today, says a press release.

During his stay, he will hold a series of meetings with Mampower Generation Company Ltd's Chairman Engr Manzurul Ahsan Munshi (MP), and Managing Director, Rezwana Ahsan about marketing and servicing of Jenbacher gas engines.

Jenbacher currently has 22 gas engines operating in the country's various industrial sectors.

Excelsior starts marketing of Yashica MF-2 camera

Excelsior Home Appliances Ltd, authorized distributor of "Yashica" camera in Bangladesh, has started marketing Yashica MF-2 camera in gift pack, says a press release.

This attractive gift pack includes one MF-2 camera, one film, two batteries and a camera cover as a gift for the customers.

The gift box bears the warranty/guarantee, which is also offered to other models of Yashica camera, marketed by Excelsior Home Appliances Ltd in Bangladesh.

This attractive gift pack is available at the showrooms of Excelsior Home Appliances Ltd at 345, Segun Bagicha.

ADB-BRAC workshop held

A workshop on ADB-NGO cooperation was held at BRAC Centre in the city yesterday.

Jointly organised by ADB and BRAC, the workshop was addressed by the Principal Secretary to the Prime Minister Dr Kamal Uddin Siddiqui, Country Director of ADB Toru Shibuichi, and Representative of ADB headquarters in Manila Bard Edes.

Speakers stressed the need for more effective collaboration between the Asian Development Bank (ADB) and the NGOs.

Dr Kamal Siddiqui said Bangladesh had rich experience in NGO activities which could be fruitfully shared with others. Describing ADB as highly committed organisation he hoped that the workshop would device new ways of more effective cooperation between ADB and the NGOs.

Shibuichi commented that Bangladesh had the most dynamic NGOs among the ADB assisted countries.

He referred to a number of ADB assisted programmes especially the non-formal education, participatory livestock development programme and also other programmes like rural infrastructure, urban and rural primary health care.

Edes said the workshop would set action plan for ADB collaboration till the year 2005.

Prime Bank's training course begins

A week-long training course on 'law and practice on banking' organised by Prime Bank Limited has begun.

M Shahjahan Bhuiyan, additional managing director of the bank, inaugurated the course as chief guest at the bank's training institute in the city on Saturday, says a press release.

Shafiqul Alam, EVP & Head of the Human Resources Division, was the special guest on the occasion. Officers from different branches and head office division participated in the course.

Speaking on the occasion, Bhuiyan stressed the need for acquiring knowledge on different laws, rules and regulations in force governing the operation of the bank.

Shafiqul Alam also spoke on the occasion.

Russian factory output rises 3.4pc in Aug

AFP, Moscow

Russian industrial production rose 3.4 per cent in August from the same month in 2001 when growth of 4.9 per cent was recorded using adjusted data, the state statistics committee said Monday.

Compared to figure for the previous month, industrial output grew 1.8 per cent, or 3.4 per cent when calculated using the same number of working days, marking a recovery after a slowdown in the first half of the year.

Farm subsidy still below WTO permissible limit

STAR BUSINESS REPORT

While multilateral agencies are opposed to farm subsidy in Bangladesh, speakers at a seminar yesterday observed the amount of subsidy is far below the WTO (World Trade Organisation) permissible limit.

The multilateral lending agencies like the World Bank and IMF had been opposing subsidy in the country's agricultural sector.

The speakers said the existing limit is 10 per cent of the production cost whereas the country's subsidy in the sector accounted for only one to 1.5 per cent of total agri production value during 1995-96.

They were addressing a seminar on 'Bangladesh and the WTO Preliminary Results and Policy Implications' organised by Bangladesh Institute of Development Studies (BIDS) in collaboration with International Food Policy Research Institute (IFPRI), USA and Agricultural Economics Research Institute (LEI), the Netherlands at the BIDS

conference room in the city. M Asaduzzaman, project director of Bangladesh and the WTO, made presentation on his research findings at the seminar.

In his findings, Asaduzzaman said: "This ground reality of the country's fiscal limits is much more constraining than the WTO limits, a situation that seems unlikely to change for a long time. There is still considerable scope for providing support to domestic producers within the existing limit."

Since support for agriculture in Bangladesh is more of an economic and resource issue than one of compliance with WTO-related legal provisions, it is more pertinent to concentrate on the economics of domestic support and to establish a WTO position on that basis, he said in the study jointly prepared by him and Rashed AM Titumir, assistant professor of Bangladesh Open University.

Participating in the panel discussion, President of International Chamber of Commerce Bangladesh Mahbubur Rahman

said Bangladesh is under pressure from the World Bank not to provide subsidy.

"We are hardly giving any subsidy. Providing electricity at a concession rate and fertiliser subsidy is not comparable at all with the subsidies provided by the developed countries," Rahman said.

Referring to the present situation in the apparel sector, he observed that the situation was likely to be disastrous in terms of export earning and employment.

Bangladesh did not participate in many negotiations of the WTO, he said. "And the country has not been able to put forward its argument in the negotiations."

Commerce Secretary Suhel Ahmed Chowdhury making remarks about the latest situation of the apparel sector said readymade garment is now facing a critical situation as two category items -- 331 and 847 -- have lost their market share by 40 per cent in the first five months of 2002. India and China have gained market share significantly in those categories.

"Withdrawal of quota will really make problem for us. And we have not been able to take benefit from the European Union offer - everything but arms," he felt.

Tariff Commission Chairman Professor MA Taslim stressed the need for diversifying the country's export basket.

Bangladesh should be able to compete with other countries, he felt mentioning the country's apparel products are not that much less competitive because Canada abolished quota four and a half years ago but Bangladesh share has increased there.

"If RMG faces a blow after 2004 it would have a serious impact on economy," he observed.

BIDS consultant Dr MK Mujeri termed patent issue a very important one and observed that the country can explore the possibilities of service sector.

Former state minister and entrepreneur in the agro-based sector Fakhru Islam identified home textile as a potential area for the country.



Syed Munsif Ali, chairman of Golden Life Insurance Limited, presides over the second annual general meeting of the company at its head office in the city on Saturday. Vice-Chairman Md Atiur Rahman Laskar, directors Md Musa Meah, Md A Rob Mia, Md Soheb Suhan, Ahmed Yusuf Walid, Managing Director (CC) Md Ruhul Amin and Additional Managing Director M Towhidul Alam attended the meeting.

Vietnam orders 2 tobacco giants to cease ads

AFP, Hanoi

Vietnam said Monday it has ordered US cigarette giant Philip Morris and Japan Tobacco International to recall their marketing materials for violating laws prohibiting tobacco advertising.

Phan An Sa, a senior inspector at the Ministry of Culture and Information, said the two cigarette manufacturers had been instructed to cease all forms of advertising because they had breached government regulations.

Sa said he had sent letters to the two companies on September 6 asking them to cease all promotional campaigns. Tobacco advertising is completely banned in Vietnam.

Sa said a campaign by Philip Morris Vietnam for its world famous Marlboro cigarettes, which began on August 15 and was intended to run until November 30, violated Vietnamese law.

The promotional push involved 80,000 gas lighters, 1,500 fuel lighters and thousands of boxes of matches all bearing the Marlboro logo.

Rakesh Sood, general manager of Philip Morris Vietnam, said it had been sanctioned by the Ministry of Trade and was permitted under current advertising legislation.



M Shahjahan Bhuiyan, additional managing director of Prime Bank Limited, inaugurated a week-long training course on "Law and Practice of Banking" as chief guest in the city on Saturday. Shafiqul Alam, EVP, and Md Anwar Hossain, EVP and principal of Prime Bank Training Institute, are also seen in the picture with the participants.

Thai domestic vehicle sales jump 35pc

AFP, Bangkok

Thailand's domestic vehicle sales in the first eight months of 2002 grew 34.9 per cent over the same period last year to 251,752 units, according to industry figures released Monday.

The numbers were boosted by robust sales growth of 51.2 per cent in August, according to the industry's appointed monitor Toyota.

"It is the sixth straight month that vehicle sales have reached more

than 30,000 units," Toyota said in a statement. "The growing number of commercial car and pick-up truck sales shows that steady growth."

The statement did not include full-year predictions, but in June the industry tipped auto sales to reach 350,000 units in 2002, compared to 297,052 units sold in 2001.

Toyota led with an 83.5 per cent share for August, mostly in passenger car sales, while Isuzu topped the list of commercial and pick-up truck

sales. The sharp increases reflect growing public confidence in the Thai economy which the National Economic and Social Development Board said Monday is expected to grow at 4.0-4.5 per cent this year.

However, the industry forecast a possible drop in September car sales due to recent heavy flooding which affected much of Thailand's northern, northeastern and central provinces.

ICB says its Funds comply with laws

Investment Corporation of Bangladesh (ICB) has said the disclosures, valuations and borrowings of its mutual funds are done in accordance with the provisions of law applicable to ICB and the conditions outlined in the prospectus at the time of floatation of the funds.

In a statement, issued yesterday in the city, the ICB said the scheme and prospectus of each of the mutual funds were approved by the then Controller of Capital Issues.

ICB is one of the few institutions in the country which strives to provide maximum disclosures to its investors and shareholders regularly, it claimed.

About compliance with the SEC Mutual Fund Regulations, 2001, it noted that the ICB mutual funds were floated long before the promulgation of SEC Mutual Fund Regulations, 2001. At that time, four-tier mutual fund structure was not necessary.

The terms and conditions of offers were also different. The mutual funds floated and operated by ICB are governed by its ordinance and by the Mutual Fund Regulations framed under the ordinance. The terms and conditions and other guidelines for operating the mutual funds were clearly spelt out in the prospectus.

Regarding borrowing, the ICB said in the past, in some cases borrowings helped in reshuffling and balancing the portfolios to minimise costs and maximise profits for the benefit of its investors. This practice is also followed in some countries including India.

German govt to bail out MobilCom

AFP, Berlin

The German government has agreed to inject 400 million euros (388 million dollars) into troubled telephone operator MobilCom to save it from imminent bankruptcy, Economy Minister Werner Mueller said on Sunday.

Mueller also said France Telecom, MobilCom's major shareholder and sole source of cash, "still had obligations" to the German operator, despite announcing on Thursday that it was pulling out of the beleaguered firm.

Both operators are drowning in debt, largely due to investments in new generation mobile phone technology.

The German government considered MobilCom to be "a company with a solid base" and had therefore decided to help it "overcome its short-term cashflow problems", Mueller told a news conference.

He was speaking after marathon talks with company chairman Thorsten Grenz that also involved Bernd Rohwer, the economy minister of the northern state of Schleswig-Holstein where MobilCom's headquarters are based, and the operator's founder Gerhard Schmid.

Mueller said the regional public bank in Schleswig-Holstein, where nearly 6,000 jobs would be lost if MobilCom went under, would provide the firm with 320 million euros and state-owned development bank KfW would provide the remaining 80 million.

He did not make clear whether the aid was a subsidy or a loan.

Country witnesses unfavourable int'l trade in July

BSS, Dhaka

The country's international trade during the first month of the current fiscal was unfavorable as the import payments rose significantly, although export earnings during the same period exceeded the target. The export earning, however, was lower compared to the same month in last fiscal.

According to Bangladesh Bank and Export Promotion Bureau (EPB), during July 2002, the country marked a trade deficit of over Tk 1.56 billion (USD 27.01 million).

The import payment during the period under review was Taka 37,008.4 billion or USD 639.18 million, while the export earnings during the month amounted to Taka 35.45 billion or USD 612.17 million.

The export earnings during this month surpassed its target by Taka 2.88 billion or USD 49.67 million, indicating a rise by 8.84 per cent. The target of export earnings during the month was Taka 32.57 billion or USD 562.50 million. Although the volume of export during July 2002 increased by 14.98 per cent, its

value decreased by 16.19 per cent compared to the same month of last fiscal as the country's exportable items faced tough competition in the international market.

The export earnings during the month, however, showed a rise by Taka 130 million or 0.37 per cent, but it was USD 7.48 million or 1.21 per cent lower than that of corresponding month of last fiscal.

The exports earnings in woven garments, knitwear, jute goods, frozen foods, chemical products, engineering products, agricultural products, electronics, and other industrial products exceeded the target. But in agricultural products, raw jute, frozen foods, chemical products, electronics, bi-cycle, jute goods, engineering products, and other industrial products, the export earnings was lower than that of the same month of the last fiscal.

During the period under review, the country failed to reach its target of earning foreign currency from the export of bi-cycle, tea, leather, home textile, textile fabrics, ceramic tableware, petroleum bi-products and handicrafts.

Broiler chicken demand to rise 16.66pc in Dhaka by 2005

STAR BUSINESS REPORT

Demand for broiler chickens in Dhaka will rise by 16.66 per cent from present 60,000 to 70,000 metric tons by 2005, according to a market study, conducted by Agro-based Industries and Technology Development Project, Phase-II (ATDP-II).

The study said the market for chicken meat in the country has increased by 10 to 15 per cent annually over the past several years.

Broilers were only about 15 per cent of the total chicken meat production in 1991, rising to 70 per cent in 2002, the report observed.

The Dhaka market alone represents 30 per cent of the national market for broilers, the assessment

said. The study said declining fish harvests and recent increases in goat and beef prices have contributed to the increased demand for chickens.

The study is based on data from poultry wholesalers, retailers, distributors, Bangladesh Bureau of Statistics and interviews with industry specialists.

The ATDP-II is managed by The Louis Berger Group, a US consulting firm, in collaboration with Cargill, the world's largest agri-business company, Land O' Lakes, the largest agri-business cooperative in US, the United States Agency for International Development and the government.



Grandeur Apartments, a residential project of Building Technology & Ideas Ltd (BTI), was inaugurated by Eng F R Khan, deputy managing director of BTI. Other high officials of the ISO 9001-certified real estate developer were also present at the inauguration of the six-storey complex at Banani in the city.

EU likely to probe German bailout of Mobilcom

AFP, Brussels

The European Commission said Monday it was likely to investigate the German government's decision to rescue telephone operator MobilCom with 400 million euros (388 million dollars).

"The answer is yes, it seems to me," Amelia Torres, a spokeswoman for the European Union's executive arm, said when asked if the commission would open an inquiry into the bailout for the German company.

Torres said the commission had not yet been notified formally or informally by the German government.

But she noted that under commission trade rules, "rescue aid must only meet the short-term needs of the company" and the

firm must present a restructuring plan to the EU within six months to show it is viable.

France Telecom, which holds a 28.5-per cent stake in MobilCom, announced last week that it was pulling out of the German mobile phone market and cutting its financial lines to MobilCom, effectively pushing the German firm into insolvency.

But with the German elections barely a week away, Berlin intervened and negotiated the 400-million-euro rescue package on Sunday evening, averting bankruptcy and the loss of more than 5,000 jobs.

MobilCom chief Thorsten Grenz said Monday, however, that several hundred jobs were to be cut as part of a restructuring plan.

Dhaka Bank launches SME credit scheme

Dhaka Bank Limited has launched another new product -- W.I.S.H, a micro, small and medium enterprises credit programme, says a press release. This credit programme is designed to assist aspiring entrepreneurs in the small and medium enterprises sector.

W.I.S.H is offering two products -- Small Enterprise Promotion Credit (SPC) and Medium Enterprise Promotion Credit (MPC). SPC allows loan ranging from Tk 75,000 to Tk 275,000, while MPC credit ranges from Tk 300,000 to Tk 80,000.

Prudential takes over South Korean firm

AFP, Seoul

British financial giant Prudential plc Monday acquired a South Korean investment firm for 20 million dollars, officials said.

The British firm said its affiliate Prudential Corp. Asia (PCA) Life has taken over Good Morning Investment Trust Management Co. in a deal with South Korea's sixth largest brokerage, Good Morning Shinhan Securities Co. Ltd.

Good Morning Shinhan officials said Prudential paid 25 billion won (20 million dollars) for its subsidiary.

Established in Seoul last year, Good Morning Investment Trust Management had funds under management of 1.9 trillion won at the end of June.

Philippine bank loans rise on manufacturing recovery

AFP, Manila

Bank loans in the Philippines rose slightly on a monthly basis in July, helped by a recovery in the manufacturing sector, the central bank said Monday.

Outstanding loans at commercial banks rose 0.7 per cent from a month earlier to 1.38 trillion pesos (26.6 billion dollars), a central bank statement said.

However, relative to a year earlier, bank lending was down 2.9 per cent.

The central bank said there was increased lending on a monthly basis to the manufacturing sector, wholesale and retail trade, financial institutions, real estate and business services. This accounted for 42.2 per cent of outstanding loans.

"Behind the increase in bank financing in these sectors is the strengthening in the underlying domestic demand as reflected by the higher-than-expected (4.5 per cent) economic growth in the second quarter," the statement said.

"The continuing recovery in exports, which grew by 23 per cent year-on-year in July, has likewise encouraged additional credit financing by firms."

Iran seeks expert mediation in gas row with Turkey

AFP, Tehran

Iran's oil minister called Monday for the intervention of independent experts to defuse a row over Turkey's suspension of Iranian gas, state radio reported.

"We support the need for an independent technical mission," Bijan Namdar-Zangeneh was quoted as saying in the latest response to Turkish claims that Iran's gas is not up to scratch.

Turkey's Energy Minister Zeki Cakan announced last week that imports of natural gas from Iran had been suspended as of June 24, and would only resume "once the composition of the gas is brought into line with the contract".

But Zangeneh asserted that the dispute was of both a "technical and economic nature", reiterating accusations that the suspension was a result of Turkey's economic woes.

He also threatened to invoke contractual clauses related to the current dispute. On Sunday he was quoted as saying Iran will claim damages if Turkey maintains its suspension.

The gas pipeline, which runs from the northwestern Iranian city of Tabriz to the Turkish capital Ankara, opened in December 2001.

The deal, signed in August 1996, has faced objections from the United States on the grounds that it rivalled a major project to carry natural gas from Turkmenistan to western markets via Turkey.

Ankara maintains that it needs both projects to meet rapidly growing energy demands.