

FBCCI team off to Kolkata

STAR BUSINESS REPORT

A 12-member business delegation led by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Yussuf Abdullah Harun left Dhaka for Kolkata yesterday to participate in the 16th Industrial India Trade Fair.

The four-day long fair is jointly organised by the Bengal National Chamber of Commerce and Industry (BNCCI), West Bengal state government and India Trade Promotion Organisation, according to a press statement.

West Bengal Chief Minister Buddhadev Bhattacharjya inaugurated the fair at Kolkata Maidan yesterday. Commerce Minister of Bangladesh Amir Khosru Mahmud Chowdhury was present at the inaugural function as chief guest.

Yussuf Abdullah Harun was present on the occasion as the guest of honour. Harun would meet the leading business leaders of the BNCCI and Indian Chamber. He will also attend a luncheon meeting hosted by Indian Chambers of Commerce, Kolkata.

Others members of Bangladesh delegation include Nasreen Awal Mintoo, Ali Hossain, Mirza A Syeed, Farukul Islam Shova, Fazlur Rahman, Swagat Ali, Biswajit Bhowmik, Ataur Rahman Kamal and Rezwanur Rahman.

HSBC holds workshop on money laundering

HSBC organised a day-long workshop on "Train the Trainers on Money Laundering Deterrence" at its Motijheel Training Center in the city on Monday, says a press release.

David JH Griffiths, CEO of HSBC Bangladesh, inaugurated the workshop and Harun-ur-Rashid Chowdhury, GM of Anti-Money Laundering Department of Bangladesh Bank, concluded the session.

Senior officials and trainers of 25 nationalised and private commercial banks participated in the workshop.

MAAI Mamun, manager of compliance and control, and Abul Ali Ahad, training officer of HSBC, were present at the workshop.

Jamuna Bank's 30th EC meeting held

The 30th meeting of the Executive Committee of the Board of Directors of Jamuna Bank Limited was held at the bank's head office in the city on Tuesday, says a press release.

Md Belal Hossain, chairman of the committee, presided over the meeting.

The committee approved several funded and non-funded loans in different sectors.

The meeting also discussed different issues relating to expansion and improvement of the bank's operational aspects.

Other directors, and Managing Director of the bank SA Chowdhury attended the meeting.

Orion Lab takes part in ethical marketing course

Orion Laboratories Ltd participated in a marketing management course titled "The Ethical Pharmaceutical Marketing" conducted by The IMS Health Bangladesh Ltd in the city recently, says a press release.

Held from December 9 to 15, the course was participated by director, senior vice president (marketing), sales manager, all members of product management department, all members of medical services department of Orion Laboratories Ltd and sales manager and product officer of Orion Infusion Ltd.

David Jacka was the course director of the programme.

The course focused on the contemporary marketing and management strategies of the pharmaceutical products.

Thai rice prices steady

REUTERS, Bangkok

Thai rice prices are expected to stay steady in coming weeks with few overseas buyers in sight, exporters said on Thursday.

Thai five per cent broken grade white rice was offered steady on Thursday at around \$183 per tonne FOB RICE/ASIA1.

Exporters said they were awaiting a European Union import quota of rice for shipment in 2003 due to be announced soon.

State intervention needed even in open market

Nobel laureate Arrow says

BSS, Rajendrapur, Gazipur

Nobel laureate economist Kenneth J Arrow yesterday laid emphasis on state intervention in required cases even in open market economy for the welfare of the people.

The intervention of state is required in certain cases even under a well-organised market to ensure welfare of people, he said while talking to newsmen at BRAC centre here.

The octogenarian Nobel laureate said markets are not sufficient regarding issues like prevention of pollution and setting up of frameworks for initiating collective action programme for the welfare of society.

Arrow who preaches for invest-

ment of all available capitals -- natural, human and others for their enrichment -- said Bangladesh should explore its resources including the mineral resources to increase the investment and generation of resources.

Arrow said it would not be proper to remain stuck up with the policy of utilisation of mineral resources like natural gas considering the present assumption of available resources. He argued that even fifty years ago the reserve of oil resource was much lower than what it is in current time.

"If we want to ensure a better future for next generations we have to take care not only in utilising the available resources but also in preserving all the available capi-

als," he said.

The economist underlined the need for continuation of sophisticated analysis of the sector to decide on its future.

The Nobel laureate attached high importance to proper utilisation of the return from the of the gas usage for formation of capitals including natural, human and other kinds.

Arrow pointed out that non-tariff barriers are serious matters to be considered in the trading sector of any economy. He said a country could face the non-tariff barriers opening up its own economy under the floating currency arrangements.

The internationally acclaimed economist shared the Nobel prize in

1972 with John Hicks for his contributions to general economic equilibrium theory and welfare theory.

Economists say Arrow maintained the highest standard of rigor, avoiding oversimplification and ideological rhetoric demarcating the limits of applicability of economic theory.

Replying to some questions regarding his personal life in a lighter vein, the Nobel laureate said he spends most of his time listening to music, which reminds his famous statement that "Music is the usual preference of a mathematically-inclined (person)."

Eminent Indian economist Dr Partha S Dasgupta assisted the Nobel laureate during his interview.



Harun-ur-Rashid Chowdhury, GM of Anti-Money Laundering Department of Bangladesh Bank, is seen with senior officials and trainers of nationalised and private commercial banks at a daylong workshop on money laundering Monday.

Oil jumps as fears of Iraq war upstage Venezuela strike

REUTERS, London

The looming specter of war on Iraq extended a month-long rally on world oil markets yesterday briefly upstaging a general strike in Venezuela which has cut supplies from the world's fifth largest exporter.

The White House said it was concerned about omissions in Iraq's arms declaration, after unnamed officials said President George W Bush would probably declare Baghdad in breach of a United Nations arms resolution later this week.

International benchmark Brent crude oil jumped 57 cents to \$28.48 a barrel in London, having earlier hit a new two-month high of \$29.

US crude futures jumped 34 cents to \$30.44, having earlier topped \$31.

"This sets the clock ticking for a

possible attack on Iraq," said Nauman Barakat, a broker at FIMAT International Banque, of the US reaction to Iraq's declaration made earlier this month.

Oil prices have already jumped 20 per cent in the past month on a potent mixture of Iraq and Venezuela, with both presenting a potential major supply shock to the global energy market.

"(Venezuela's) supply losses are mounting," said Paul Horsnell of investment bank JP Morgan. "It is some indication of the scale of the current problem that it is only in passing that we note that the count-down to war in Iraq appears to have commenced," he added.

The US government officials said Bush, if he declared Iraq to be in breach of the resolution, would not use this as a case for immediate war.

Britain, the United States' main

ally, said on Wednesday it was preparing its military for a possible war against Iraq.

The British Ministry of Defence sought to charter merchant ships to carry armor to the Gulf, following similar moves by the United States, but Defence Secretary Geoff Hoon stressed that conflict was neither imminent for nor inevitable.

Bush's national security advisers are to meet on Wednesday to discuss the situation after concluding that Iraq's weapons declaration falls short of UN demands.

A two-week-old opposition strike in Venezuela has brought oil exports to a virtual standstill and shut down the country's huge refineries feeding the United States market.

President Hugo Chavez has failed to restore Venezuelan oil operations despite sending troops to replace striking workers.

Jalalabad Co to supply gas to Lafarge Surma Cement

UNB, Dhaka

A 20-year gas sales agreement between Jalalabad Gas Transmission & Distribution Company under Petrobangla and Lafarge Surma Cement Company was signed here yesterday.

As per the deal, Jalalabad Gas Transmission & Distribution Company will start supplying gas to the Lafarge Company at the beginning of 2005.

The government is expected to earn Tk 30 crore a year from the gas sale, said a handout.

State Minister for Energy AKM Mosharrar Hossain was present at the agreement signing ceremony as chief guest.

Speaking on the occasion, he said the agreement would help lure big private entrepreneurs to buy gas from the government.

Energy Secretary Khandaker Shahidul Islam, Petrobangla Chairman Syed Shajedul Karim and high officials concerned were present.

Manila may halt domestic helpers if HK adopts tax

AFP, Hong Kong

Philippine labor and employment secretary Patricia Santo Tomas said Thursday her government could stop domestic helpers working in Hong Kong if authorities there proceed with a new proposed monthly tax.

Santo Tomas told reporters after a meeting with Hong Kong secretary for economic development and labour, Stephen Ip, the Philippine government may not approve future contracts that fell below the current minimum wage of 3,670 Hong Kong dollars (471 US).

"We might not decide to approve contracts below the minimum wage," Santo Tomas said, if the Hong Kong government imposed a 500 Hong Kong dollars (64 US) monthly tax on foreign maids.

"We do have options as well. The movement is both sides," she added.

Santo Tomas expressed hope the Hong Kong authorities would not introduce the new tax on domestic helpers, adding they remained "hopeful since a decision has not been made yet."

Afghanistan set to get \$2b aid in 2003

AFP, Oslo

More than 20 countries at an international donors conference for Afghanistan in Oslo are expected to give some two billion dollars in aid for 2003, including 1.23 billion already pledged, Norwegian officials said Wednesday at the close of the meeting.

"We have received 1.23 billion dollars in hard pledges, but some countries have indicated clearly that they will step up their pledges... It is realistic to expect in the range of two billion dollars," Norwegian state secretary Vidar Helgesen told reporters.

The exact calculation of the pledges will be determined once all donor countries have their budgets for next year approved by their parliaments, Helgesen said.



Bank Asia Managing Director Syed Anisul Huq is seen with participants of a seminar on 'Large Loan-Policies and Procedures' organised by the bank last week.

Nepal economy to grow at 6.2pc if insurgency ends

AFP, Kathmandu

Nepal's economy will grow by 6.2 per cent over the next five years only if the problem of the violent Maoist insurgency is solved, officials said Wednesday.

The National Planning Commission (NPC) said growth would be just 4.3 per cent if the Maoist violence continued.

"The NPC has projected two economic growth targets for the next five years -- 6.2 per cent is a normal growth rate only if the security problem is solved," the newly-appointed vice chairman of the NPC Dr Shanker Nath Sharma told AFP.

"If the law and order situation does not improve the annual eco-

nomical growth can be targeted to achieve only 4.3 per cent marking a low rate growth," Sharma said.

Nepal's economy is in the doldrums and Finance Minister Badri Prasad Shrestha said in October that the country's economic growth in the previous three months had been stagnant.

Tourism, the main hard currency earner in the land of Mount Everest, has plummeted since June 2001, when Gyanendra's brother king Birendra and nine other members of the royal family were massacred by the drunken former prince.

Many visitors are still staying away because of a violent Maoist rebellion which has killed some 7,300 people since 1996.

Earlier this month the rebels said they had formed a committee to hold talks with Nepal's government and suggested they would halt their attacks on civilian infrastructure.

The growth figures were part of the 10th five-year plan which sets out targets and spending for five years from July 2002 to July 2007.

During the 10th plan between 6.2 billion and 8.2 billion dollars will be invested, Sharma said.

"The 10th five-year plan has set poverty alleviation as the objective to bring down the level of people living in poverty from 42 per cent to 30 per cent," Sharma said.

During the ninth plan from 1997 to 2002 growth was 3.6 per cent against a targeted 6 per cent.

US optimistic of India's support of tariff plan

REUTERS, New Delhi

The United States is optimistic India will support Washington's plan to eliminate global tariffs on manufactured goods despite New Delhi's opposition to the proposal, a senior US official said Wednesday.

US Assistant Secretary of Commerce for Market Access and Compliance William Lash believes differences over the US plan can be resolved which he says would increase India's trade with the United States by \$38 billion.

"We are cautiously optimistic in all these proposals. I think it would be premature to prejudge the success rate on anything like this," Lash told reporters.

The US plan aims to dismantle

duties in two steps, with the first being the elimination of all tariffs currently below five per cent and the capping of all others at eight per cent by 2010.

India, along with other developing countries, had dismissed the US call to abolish tariffs on industrial and consumer goods by 2015, saying it would hurt poorer states for whom import tariffs are a major source of revenue.

"India cannot afford to constantly look at tariffs as a revenue source. The global marketplace is evolving and tariffs are blocking not just trade with developed states but also with other developing states," said Lash.

Many developing nations say it is unrealistic to think that all 144 member states of the World Trade

Organisation could do away with tariffs.

Washington says the plan could benefit developing countries particularly as industrial goods make up 89 per cent of their total exports.

Lash said he had taken the issue of greater access to US textile exports including self-certification of chemical dyes to make it easier for industrial fabric producers to export them.

He said US textile exports were worth just \$23 million compared to \$2.6 billion that Indian textile producers ship to the United States.

United States is India's largest trade partner after European Union and takes a quarter of the country's exports annually.

Asian consumer confidence plunges on global fears

REUTERS, Hong Kong

Asian consumers are increasingly pessimistic about economic recovery in 2003 and are putting off purchases of everything from holidays to movie tickets, a market research firm said Thursday.

AC Nielsen said in a consumer confidence survey that about 50 per cent of some 10,000 respondents in the Asia Pacific expect an economic recovery in the first quarter of 2004, six months later than in the previous survey conducted in July.

"Economic uncertainty and concern over terrorism and war have had a one-two punch effect on consumer optimism in the region," Frank Mertell, President of AC

Nielsen Asia Pacific, said during a media briefing.

Domestic consumption, estimated to account for some 40-60 per cent of regional gross domestic product, is seen as key to helping cushion Asia from external demand shocks.

Martell said consumers in China, Singapore and Indonesia remained the most optimistic about recovery prospects, while those in Japan and Indonesia were the least.

The AC Nielsen survey cited economic uncertainty, job security, terrorism and the threat of war as the biggest fears of consumers in the region.

It found 32 per cent of Australians and 23 per cent of New Zealanders

polled were most concerned about terrorism.

Consumers in eight of the 13 countries surveyed said they deferred more purchases during the second half of 2002 than in the first half.

Thirty-eight per cent said they were seeing fewer movies and 45 per cent were cutting back on holidays and spending less on pubs and nightclubs.

"While consumers are not expected to open their wallets generously, there are some indications that consumers plan to purchase some items they have been deferring," Martell said.

Hong Kong economy turning towards services: WTO

AFP, Geneva

Hong Kong's services industry has been boosted by the former British colony's integration into China, the World Trade Organisation (WTO) said on Wednesday.

Hong Kong has become "a major provider of support services for China increasing the economy's orientation towards services," WTO economists said in a report on Hong Kong's trade policies from 1998-2002.

"Economic integration with China has provided added impetus to the HKSAR's (Hong Kong Special Administrative Region) efforts to become a high-value-added, service-based economy," they added. The report prepared by econo-

mists at the Geneva-based WTO, and a policy statement by the Hong Kong government, were discussed at a meeting here on Monday and Wednesday to review "Hong Kong, China's" overall trade policy.

All 144 member states of the WTO have to undergo regular reviews of their trade policies.

Services accounted for 92.4 per cent of gross domestic product (GDP) in 2000, while the manufacturing sector declined to 5.5 per cent.

Hong Kong's reversion to China in 1997 has not changed the territory's trade and investment regime, although it has faced "considerable structural adjustment" from the integration into China, the report noted.

However it has faced two successive external shocks during the review period; the Asian financial crisis and the global economic slowdown in 2001.

Unemployment rose to 7.7 per cent in the second quarter of 2002, its highest level since the 1980s, and deflation has persisted for the past three years, the report said.

In 2001, real GDP grew by 0.6 per cent in real terms, it added. According to the government of Hong Kong, GDP growth in real terms is forecast at 1.5 per cent for 2002.

And its real GDP will increase, as a result of China's entry into the WTO a year ago, by an additional 5.5 per cent by 2010, the government added.



The 23rd meeting of the policy committee of Shahjalal Bank was held on Tuesday with Towhidur Rahman, chairman of the committee, in the chair.