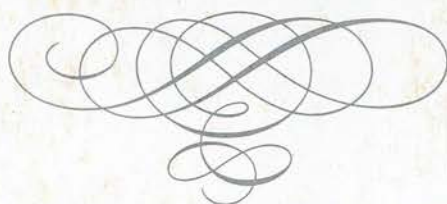




# INTERNATIONAL

OCTOBER 1989



ISSUE NUMBER 43

STRENGTHENING THE PSYCHE



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NUMBER 43

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# STRENGTHENING THE PSYCHE

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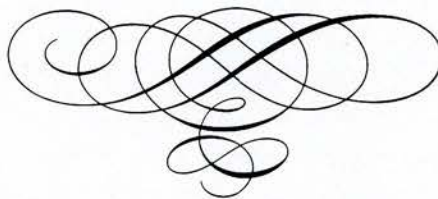
INTERNATIONAL MAGAZINE

IS THE RENEWAL OF BCC. BASED ON THE ETERNAL

PRINCIPLES OF REAL MANAGEMENT,

BCC IS RENEWING ITS VISION AND ITS ENERGY

AROUND THE WORLD.







## EMPOWERING THE MA

**T**he Board of Directors of the Bank is the repository of the power of policy-making, general direction and overall management of the Bank.

The Central Management Committee, on behalf of the Board, co-ordinates the business and affairs of the Bank in accordance with the general guidelines of the Board of Directors.

The Chief Executive, in order to secure adequate management of the Bank within the above parameters, has to effectively anticipate and respond to internal and external requirements of the Bank. The responsibility is reinforced by the changing paradigm of international banking.

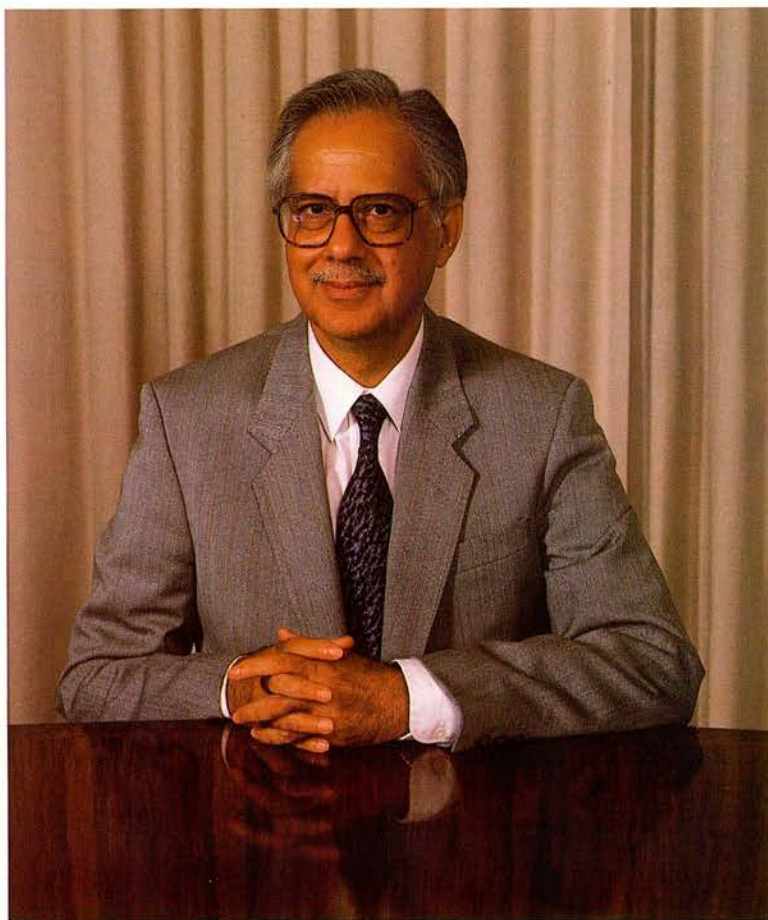
In this context, your bank has decided to constitute an Executive Committee and to adequately organise the Chief Executive's Office.

### EXECUTIVE COMMITTEE

**Objective:** Empowering Management Process

**Functions:** Assist The Chief Executive Officer In

- a) Formulating BCC vision for the future, within the dynamics of BCC culture and value system, and associating a large number of executives in its understanding and acceptance. For this purpose co-ordinating implementation and reviewing



MR SWALEH NAQVI

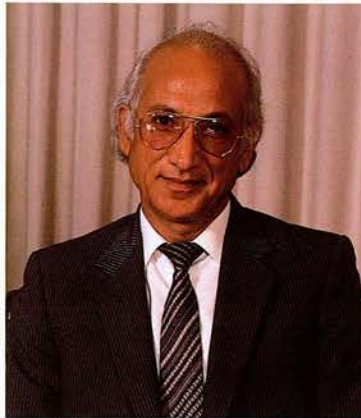
- appropriateness and progress of "Agenda for Change" (March 1989).
- b) Identifying and dealing with corporate issues, their organisational implications and adequate resolution. For this purpose, developing workable reorganisational options for effective management with heightened image, profitability and productivity.
- c) Planning of operations, and evaluating performance of units. For this purpose, developing and implementing successful business strategies in different subsidiaries and regions and providing support for achievement of Business Budgets.
- d) Co-ordinating and expediting decisions of various Committees and Working Groups to increase their effectiveness and efficiency.
- e) Enhancing and maintaining entrepreneurial ethos at the CSO, subsidiaries and regions. For this purpose, reviewing

# MANAGEMENT PROCESS

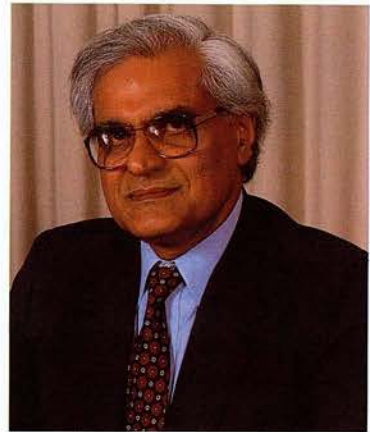
- relevance of various activities, competitiveness of human resources, their reward/sanction criteria and implementing practical measures for achieving Capability Budget, by enhancing cost effectiveness, and management development.
- f) Advising on appropriate steps to broaden the base and strengthening the central and regional management base of the Group, ensuring continued timely succession and career progression.
  - g) When required, reviewing capital allocation to subsidiaries, affiliates and branches and making due recommendations for consideration by the Board of Directors.

## COMPOSITION

- a) The Chief Executive Officer shall be the chairman of the Executive Committee. The Committee shall have not less than four and not more than seven members.
- b) The Chief Executive Officer, at his discretion, may alter the composition of the



MR AMEER SIDDIKI



MR ZAFAR IQBAL

Executive Committee.

- c) The following is the initial membership of the Executive Committee:

Mr Zafar Iqbal  
Mr Swaleh Naqvi  
Mr Ashraf Nawabi  
Mr Masihur Rahman  
Mr Dildar Rizvi



THE EXECUTIVE COMMITTEE





## MEETINGS

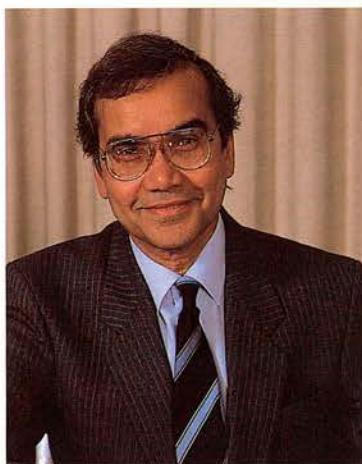
- The Executive Committee shall formally meet at least twice a month or as often as desirable. Important decisions taken in formal meetings of the Committee may be recorded in a brief memorandum.
- Members of the Executive Committee may be consulted at any time and the decisions after such discussions may be recorded in the next formal meeting.

## GENERAL

It is further understood that the Committee will maintain an effective and healthy working relationship with all Divisions, Regional Offices and Heads of Subsidiaries and Affiliates. The Real Management concept which was given to BCC organisation by the founding President will remain the guiding principle for the members of the Committee and



MR ASHRAF NAWABI



MR MASIHUR RAHMAN

their working style. Mutual respect for each other's point of view, contributing to the effectiveness of each other's functions, moving from subjectivity to objectivity, harmony in relationships through patience, tolerance and goodwill will ensure the accomplishment of the positive and constructive intentionality underlying these organisational changes.

## CHIEF EXECUTIVE'S OFFICE

### Need:

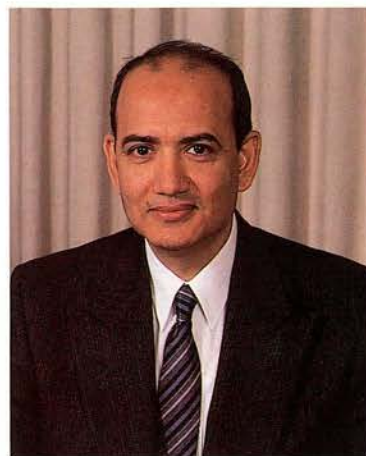
The extensive and complex demands on the Chief Executive are becoming increasingly time-consuming. He is the principal individual vehicle of the custodial function of the purpose and vision of the Bank. He has to demonstrate leadership in external relations and environment which impinge on the image, success and growth of the Bank. His leadership function within the Bank requires

energising aspirational and attitudinal positivity at all levels of management which affect organisational creativity and operational efficiency.

**Objective:** Providing Immediate Executive Support To The Chief Executive Officer

**Functions:** Assist. As Central Secretariat, The Chief Executive In:

- formulating, implementing and reviewing specific decisions;



MR DILDAR RIZVI

- co-ordinating inter-divisional and inter-Support Centre activities at the CSO;
- adequately participating in and co-ordinating the management process. Initially, Mr Ameer Siddiki will be the head of this office. In due course, if required, more executives may join this office.

## HEALTH CONFERENCE IN LAGOS



MRS CARTER, MR AHMED RAZA AND MR SWALEH NAQVI LISTEN AS MR CARTER ADDRESSES THE ASSEMBLED GUESTS.

Former US President Mr Jimmy Carter and his wife Rosalynn arrived in Lagos, Nigeria, on July 29 to begin a busy schedule aimed at promoting Global 2000's programme to eradicate guinea worm disease by 1995. They were accompanied by Mr Swaleh Naqvi, Chief Executive Officer of BCC, which gives substantial financial backing to the humanitarian organisation.

It is worth noting that BCC provided financial backing to combat guinea worm well before other international organisations became interested in the problem. BCC has been instrumental in bringing the disease to public awareness.

One of the focal points of the visit was an international donors' conference, sponsored by Global 2000 and BCC, in association with the United Nations Development Programme (UNDP) and the United Nations International Children's Emergency Fund (UNICEF). Held at the Lagos Sheraton Hotel on July 31 and chaired by UNDP administrator and regional director for Africa Mr Pierre-Claver Damiba, the conference had the aim of drawing up plans and generation resources for the total elimination of the guinea worm scourge.

The busy itinerary of the Carters and Mr Naqvi included a visit to the Nigerian President, General Ibrahim Babangida, and to the guinea worm infested village of Idiori in Ogun State.

On July 30 BCC Nigeria hosted a reception in honour of the visitors at the Meridien Hotel, Victoria

Island. It was attended by several Nigerian government ministers, diplomats, state officials and other dignitaries, as well as leading Nigerian bankers, company executives and of course the overseas delegates to the conference.

### TIMELY ACTION

Mr Naqvi told the assembled guests that the waterborne guinea worm disease threatened around 17 million Nigerians if timely action was not taken to eradicate it. He assured Global 2000 of BCC's continued financial support.

Mr Carter then spoke at great length on the disease's causes and remedies, praising the Nigerian Federal Government for its efforts and BCC for its support.

The well attended reception was also addressed by Mr Ahmed Raza, managing director of BCC Nigeria, and Professor Olikoye Ransome-Kuti, Federal Minister of Health.

The donors' conference itself was a great success, and handsome donations were received as a result. President Babangida donated N7.2 million (US\$1 million) on behalf of the Nigerian Government, and BCC has committed itself to donation US\$1.5 million a year for the next three years for projects in Uganda, Nigeria, Ghana and Pakistan.

On August 1, Mr Carter and his entourage, together with Mr Naqvi, left Lagos for Ghana.





BCC INTERNATIONAL

## BCC'S CRADLE: THE M

*The following article was written by Mr Ashraf Nawabi, Regional General Manager, Middle East Region, and member of the Executive Committee at the Central Support Organisation.*

**B**CC was conceived, born and nourished in infancy in the Middle East. It then began to make its mark in other important geographical areas around the globe.

The bank moved from strength to strength with confidence and maturity. It developed by consistently responding to change - at times pursuing policies and strategies aimed at growth, at others shifting the emphasis to consolidation. The Middle East region has adopted the same approach in terms of quality and quantity.

The Middle East region is a keen and committed follower of BCC's global attitudes and objectives, maintaining a strong emphasis on high liquidity, high quality assets, high service standards, high operational efficiency and high quality disciplines and controls.

### RESOUNDING ACHIEVEMENTS

The region has always believed that for any strategy to succeed globally, its success story must begin in the Middle East. Time and time again this region has taken the lead in resounding policy and strategy achievements.

The two pronged strategy of conscious and profit oriented consolidation plus balanced growth



REGIONAL SUPPORT OFFICE, ABU DHABI



# MIDDLE EAST REGION

has its roots in the Middle East region. These two elements have supported each other, leading to dynamic management and the realisation of market potential.

With our founder President Mr Agha Hasan Abedi's in-depth knowledge of the Middle East market, BCC had already laid a solid foundation by the last quarter of 1972. The first branch was established in the United Arab Emirates, and there followed a rapid and fascinating expansion of the bank's global operations.

In 1973, the National Bank of Oman was formed jointly with respected and eminent Omani nationals. This bank has built up a very active commercial banking operation in the Sultanate of Oman, where it is the largest bank today. The National Bank of Oman is exclusively managed by BCC under a management contract.

## UNPARALLELED GROWTH

One of the important landmarks in BCC's history was the establishment of Bank of Credit and Commerce (Emirates) - a commercial bank set up in conjunction with the governments of Abu Dhabi and Dubai and with members of the royal families and other businessmen of the UAE. BCCE came into existence when a law was passed in the UAE restricting international banks to a

maximum of eight branches. The bank has experienced growth and consolidation unparalleled in such a short space of time.

The ownership of the BCC Group parent organisation, BCCI Holdings (Luxembourg) SA, is vested in:

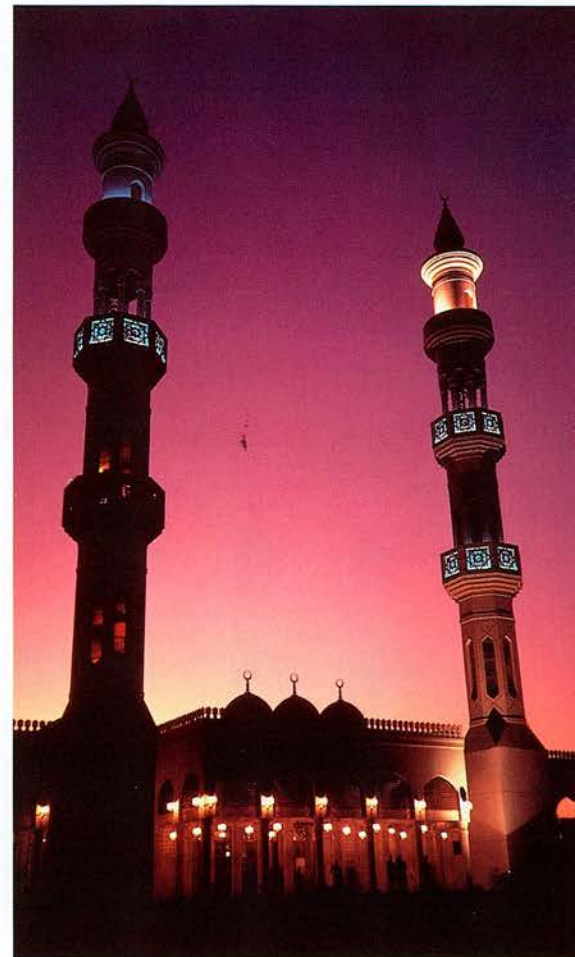
- Middle East investors, consisting of eminent families of Saudi Arabia, UAE and Bahrain, together with some leading Middle Eastern businessmen
- ICIC Foundation, a charitable organisation in the UK, ICIC Staff Benefit Fund and BCC Staff Benefit Trust.

BCC's operation now includes a direct presence through a 93 branch network in the Middle East. This growth has been made possible by the depth and breadth of BCC Group management and the availability of well trained and experienced staff in general.

## CHANNELLING RESOURCES

Broadly speaking, one of the primary objectives of the BCC Group is the channelling and recycling of resources and technology between the Middle East and other developing economies and industrialised western economies.

The Middle East region has been a major contributor towards



MOSQUE AT SUNSET

this objective. Although the BCC Group of banks, subsidiaries and affiliates handle a large volume of wholesale business and specialised multinational transactions, the Middle East region specialises in retail commercial banking operations, both domestic and international, in countries where BCC has branches.

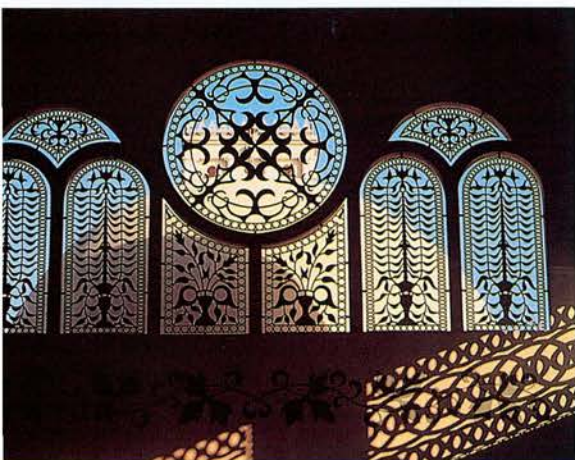
Foreign exchange transactions, consisting of the buying and selling of currencies, amount to very large



funds with other banks in Middle Eastern countries. The region's share of the Group's Letter of Credit financing is 24% to 25%.

### HIGHLY SKILLED BANKERS

The Middle East region currently has around 2,000 BCC family members. Of these, just over 600 are in the officer category, most of



MAN AND NATURE IN HARMONY

them highly skilled and trained bankers experienced in commercial and other specialised banking fields.

A unique feature of the region is that two thirds of its officers have an average experience of the Middle East market of over 15 years. The Regional as well as the Country Management Committees are made up of members with distinguished service records in positions of high responsibility.

The extent of overall management ability of the Middle

East region is reflected in the results achieved since its inception, showing excellent progress in the key areas of deposits, profits, assets, resources and overall growth.

### COMPREHENSIVE PRODUCT RANGE

BCC's major products in the Middle East do not differ significantly from those in other areas. Any minor variations are due mainly to specific local requirements.

Clients in the region range from small business houses to big local conglomerates, and from multinational firms to high net worth individuals. To survive in this highly competitive business environment, we have to offer a comprehensive range of products. They are, briefly:

- Deposit products of all kinds, with the emphasis on creating a reliable, broader customer base of low cost/no cost deposits
- Short term trade related and commercial loans, with the emphasis on establishing a sound commercial lending operation able to maximise earnings and growth within the framework of the bank's sound credit policy, which leads to a high quality diversified portfolio made up of short term trade related loans and advances

- Financial services relating to imports, exports and fund transfers
- Fee earning financial transactions
- Issuance of advance payment guarantees, bid bonds, performance bonds, financial guarantees, etc.
- BCC Visa cards
- EMP (CBRB, TCs, EAs, NRAs)
- BCC Top Cash cards - ATMs
- Evening banking
- Consumer credit
- Auto finance

In the Middle East market, banks have to tailor products to the requirements of customers, rather than offering products for the purpose of creating a demand. We have kept well up to date with the requirements of the market place. Very soon we will be launching a new product, physical gold trading. Success in this field requires intensive legwork and market research, proficient skills, good customer relationships and high quality interbank relationships. We are packaging this product meticulously, and hope to increase profits in the future.

BCC's main markets in the Middle East are the UAE, Oman, Jordan, North Yemen and Bahrain. From bases in these countries we originate profit producing activities for local branches as well as branches outside the Middle East.



With the increasing co-operation between the Gulf countries such as Saudi Arabia, Kuwait and Qatar, we are well placed to serve the enlarged market and explore its potential.

### DEVELOPMENT THROUGH ACTION

It is the belief of BCC in the Middle East, as elsewhere, that people develop their personalities through work. They cannot evolve in a vacuum; they develop through action - profitable and meaningful action.

The main responsibility of management in the region is to create a vibrant working environment, conducive to taking full advantage of the changing economy of the Middle East. We firmly believe that the bigger the volume, the better the evolution and the bigger the profit.

The reactions of our human resources in the region are so sensitive that any opportunity in the market place is seized for encashment. Responding to the call of opportunity seems to them a natural way of life.

The Middle East's management structure is based on the strategy of Direction and Desire. This strategy has flowed out of our global vision whose origin was the dream of our founder President, Mr Abedi. That dream has become the dream of BCC family and its

realisation has become the responsibility of each and every one of its members.

### FREEDOM AND DISCIPLINE

Our evolution in terms of size and human resources has been the result of our organisational culture, which gives us the freedom to operate and the discipline to follow; a culture that has created



OIL - A SOURCE OF PROSPERITY

for us a sense, a meaning and a purpose in all that we do.

Every successful management evolves and thrives within the fold of the culture of the organisation. The stronger and more supportive the culture, the faster and greater the evolution. The culture of the organisation is the sum total of all the elements and influences - both moral and material - in which the organisation and its members operate and exist.

In BCC, the limited wisdom of

an individual or a group of individuals is superseded by the all encompassing cosmic wisdom. The guiding light is nature and the laws of nature. There is a constant and concerted effort to align and identify with nature through humility, love and total submission to God.

In BCC the organisational dynamics are based on faith in people. The foremost management function is the release of people's energy. People contribute to the preservation of the organisation's culture, and that culture in turn guides the people towards achievement of organisational objectives and the Major Purpose.

### FAMILY FEELINGS

Although there is a formal management structure in the Middle East region, it has never been a barrier to high quality interrelationship or to the effective and uninhibited flow of communications. Interrelationship flourishes against a backdrop of family feelings of mutual respect, love and trust. The formal management structure remains in a dynamic state, built around people, and is market driven.

All managers are basically action oriented and participative. They have a deep sense of responsibility for the execution of finalised plans and programmes. They strive to remain close to the



customers and the market place, and they enjoy autonomy with responsibility which aids them in their quest for entrepreneurial excellence. They are all BCC's children, and are ever willing and eager to improve their productivity by leaps and bounds.

### INSPIRING OTHERS

Although it is difficult to single out any one BCC manager, perhaps one of our most outstanding contributors is Mr Khalid Imran, joint general manager of the Middle East region. He has not only helped to enhance the



profitability of the region, but has inspired others to perform equally well alongside him. He is a master of the art of releasing his own energy and the energy of others, and of directing this release of energy towards the organisation's objectives. His presence runs through the psyches of the people around him as a thread runs through a string of pearls.

All the managers in the region make largely similar contributions towards profit making. However, there are four who may perhaps be singled out for special mention.



### ORGANISED APPROACH

Mr S. Jawaid Gilani, who has 26 years' experience in banking, is currently Executive In Charge of EMP/IMP. His approach is very organised and he believes in measuring every inch of the market place.

He has sometimes been seen to approach the market from a community standpoint, and sometimes from a product standpoint. Whatever route he follows, he believes in maximum capture of the field, ensuring BCC maintains its lead over the competition.

In quantitative terms, his current year's contribution to profit is almost US\$1.5 million, with a deposit figure in excess of US\$42 million. The impact of his efforts appears partly in the books of the Middle East region and partly in the books of other regions, because of the EMP nature of his assignment.

### CLEAN INSTINCT

Mr Syed Mohsin Owais has spent all his nine years in banking with BCC, and is currently assigned to marketing. The areas he has covered so far are in general banking, and he has worked in Karachi, Sanaa and the UAE. He can justifiably be described as a unit of true energy. Humility is one of his strong characteristics; he possesses clean instinct and clear perception, which he uses effectively in his marketing efforts.

His profit contribution in the current year is around US \$600,000, while he has mobilised quality deposits in excess of US\$20 million. As a marketing man and a believer in global marketing, he



sees his efforts reflected partly in the Middle East region and partly in other locations that have

benefited from his mobilisation of deposits. Mr Owais is totally committed to BCC's philosophy and believes in the growth that takes place only within the BCC value system.



### SINGLENES OF PURPOSE

Mr Humayun Khan Durrani is also a product of BCC, with 16 years' service to his credit. At present he is an officer of the Deira Dubai branch. He possesses an insatiable appetite for work and for quality in work.



Mr Durrani is a highly evolved officer - a vivid personification of a soul packed with action and with meaning. Through sheer dedication, singleness of purpose and hard work, he has emerged as a central figure in one of the biggest BCC branches in the world. Through his efforts he has infused client service with the elements of quality and reliability.

He believes in immaculate delivery of the product to the fullest satisfaction of the client, leading to increased customer loyalty and the enhancement of BCC's reputation. Despite his full time involvement in the branch's affairs, he has made a significant marketing contribution in the areas of low cost deposits and import business. Deposits mobilised

through his efforts this year amount to US\$32 million, and his profit contribution exceeds US \$1 million.

### VERSATILE PERSONALITY

Mr Mohsin Khurshid has spent 15 of his 21 banking years' experience with BCC. He is currently manager of BCCE in Al Ain, and has so far worked in general banking and marketing. He possesses the happy knack of making his clients dependent on him.

Mr Khurshid is a manager of very high quality, a very seasoned campaigner who has mastered the art of marketing in a niche that is exceedingly demanding, highly sensitive and of the utmost importance to our bank.

He operates with sophistication and a great sense of responsibility, and has been instrumental in successfully maintaining and reinforcing the image of BCC in



the market place. He is a perfect team member and gives of his best in the team effort to achieve institutional objectives.

Because of his versatile personality, Mr Khurshid manages diversified market elements exceedingly well. Every client in his locality is treated as a universe in his own right. He operates effectively in many important and diverse milieux, projecting the image of the bank and winning the hearts of the people.

Mr Khurshid's relationship with eminent people in his location is materially and morally beneficial not only to his own operation, but equally so to BCC operations around the globe. His location can truly be termed a wellspring of the image of BCC. His deposit contribution over two and a half years exceeds US\$100 million, and during the current year his profit contribution will reach US\$1.5 million. He is eager to see the Group's vision translated into results, and is a firm believer in the growth and future success of BCC.

### LOVE AND REGARD

As is well known, almost all BCC's shareholders are from Middle Eastern countries. Our frequent contact with them firmly establishes their love and regard for BCC, and their desire for its growth and the enhancement of its reputation. They have a special place in the heart of BCC, and they in turn stand committed to its health and development.





## REFOCUSING THE

It was in 1986 that the concept of the External Market Place was envisioned by our founder President and communicated to all parts of BCC. Although some family members understood and accepted the idea, and endeavoured to incorporate it into their working practices thereby entering into the spirit of EMP, others have shown themselves to be unsure of the basis and the importance of EMP.

Thus there is still a tendency for BCC branches to focus their attention exclusively on domestic business. The benefits to the Group and therefore to all units and family members of business that originates in one part of the world but is serviced in another has not always been apparent to all. The fact is that some BCC branches are greatly dependent on EMP business generated by other units and they perhaps appreciate more than others the difference EMP has made to the Group. The EMP Division at CSO has recently been restructured in such a way as to revitalise the concept of EMP and re-emphasise its importance in the Group's operations. The purpose of this article is to explain how efforts in this regard must be refocused, and thus how to ensure the highest standards of quality to our clients.

### HIGH PRIORITY

An excellent example of the benefits of EMP is the relationship between EMP in Jakarta and BCC branches in West Germany, whereby Indonesia generates a healthy volume of Letter of Credit business which is then serviced by the Frankfurt and Hamburg branches in West Germany. BCC in the latter country has a limited local market, and gives high priority to handling this EMP business. Tokyo, likewise, is another BCC location where EMP activity occupies an important role in the region.

As far as the origination of Letter of Credit business is concerned, the most successful EMP centres apart from Indonesia are Bangladesh, India, Pakistan, South Korea, Taiwan, Thailand, the People's Republic of China and Venezuela. The efforts in other countries such as Japan, Qatar, Spain and Sri Lanka are beginning to show results and are being intensified.

On the whole, though, those branches that are recipients of EMP business have some way to go to create a good understanding between themselves, as servicing units, and the marketing units that initiate the transactions. Even when the two locations are physically very far apart, such a relationship can be achieved and is the goal that we should strive for.

### ENORMOUS MARKET

EMP is an extremely powerful idea, especially in the context of BCC and its worldwide network of branches in 73 countries. Through the dedicated



EMP CALLS FOR GLOBAL AWARENESS



# SPIRIT OF EMP



implementation of EMP, family members have the opportunity to develop the full potential of BCC's unrivalled network by selling the bank's services on a global basis. The world may appear to be getting smaller, thanks to ever increasing efficiency in communications, but the size of the worldwide market is enormous, and growing by the day.

Any institution hoping to capitalise on the potential of world trade needs to invest in the right kinds of support. Technology is only one major factor: the supremely important resource is people, and the correct investment in training is crucial.

Banking officers in the locations on the receiving end of EMP business are in particular need of on-going training, reinforced by constant interaction with EMP marketing centres. This interaction will not only increase the capabilities of family members at both ends of the transaction, but will develop the human aspect of their relationships. For if EMP is to succeed to the fullest extent, there must be mutual trust, respect and confidence between the two parties.

## SUCCESS OF EMP

EMP acts as a bridge between countries who are providers of business and those who are recipients of business. Being a part of BCC's global network, each EMP unit is an integral part of the region in which it is operating whilst marketing to give business to the whole BCC world. The success of EMP lies in this partnership between the region and the BCC globe - 'owned' by the region and a part of its dynamics but also linked to all the countries benefiting from the business generated. Likewise the mutual support and relationship between EMP and both International Division and Central Marketing Division is crucial to the overall success of the whole group and a shining example of interdependence to all the participants.

Meanwhile in Central EMP, a worldwide look is being taken at the technology needed to service EMP, and systems are being updated to meet the demands of the market.

There are no mystery ingredients required for the success of EMP. The recipe consists principally of committed and organised effort - to identify markets and to build sound relationships with clients, based on high quality personalised service and attention to their needs.

The essence of BCC's strength lies in its people and in their spirit. The essence of EMP lies in Giving. The need is for all family members to dedicate themselves to the revitalisation and vibrant continuation of the EMP effort, which is a major key to the future of BCC.





BCC INTERNATIONAL

## MSD TODAY A

**B**CC's Management Services Division (MSD) was established in 1974, when it was known as the Computer Division. It began by producing book-keeping systems on accounting machines, but soon moved on to producing on-line real-time systems. Today, nearly all BCC branches use one of its two automated banking packages - FALCON and miniFALCON.

Earlier this year, Mr Bashir Ahmad took over as Executive In Charge of the MSD Division from Mr Pesi Sorab. Mr Ahmad feels there is now a strong need to bring automation right into the core of the bank's activities. He is therefore effecting significant changes in the Division's policies, which have hitherto focused on centralisation, single computer manufacturer hardware, home grown software and a single centre of competence, i.e. London.

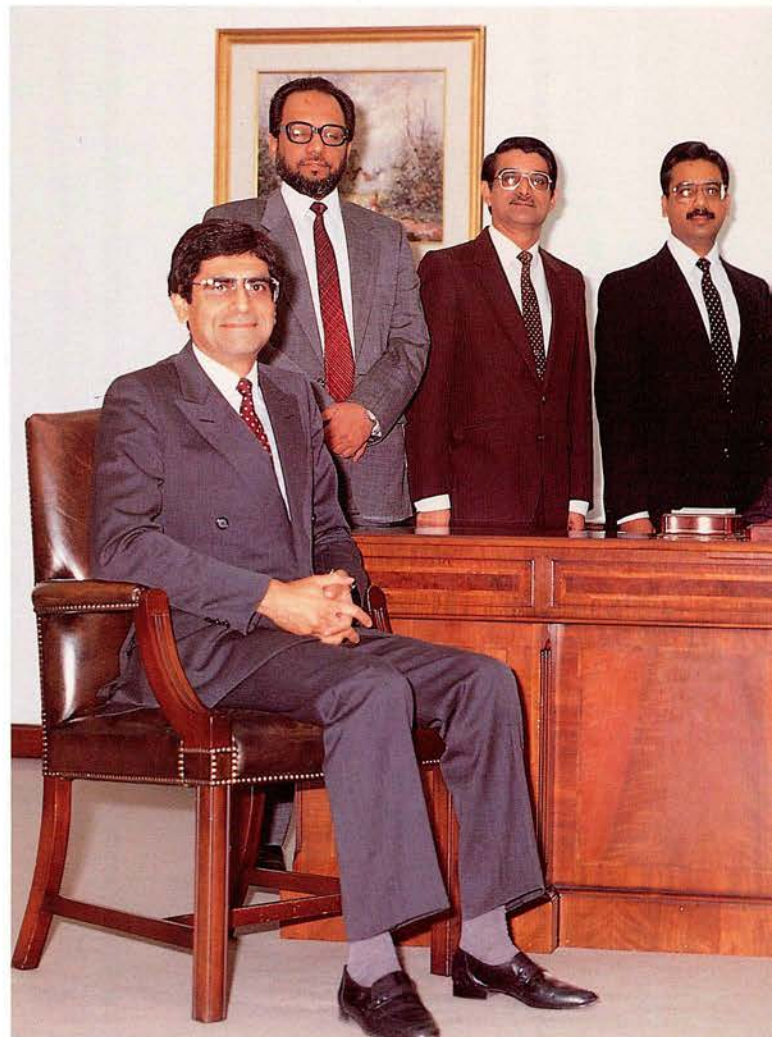
### MAINSTREAM AREAS

BCC has grown to be too diversified and sophisticated, Mr Ahmad feels, to be served effectively by the software formerly developed by MSD to streamline book-keeping. "The need now," he says, "is to move the automation process into the mainstream banking areas, for example to create documentation and records for trade finance and to track the fully detailed history of a transaction."

Unless areas such as the front office are automated, there is a risk that BCC may find it difficult to protect its current customer base, let alone enlarge it. Banking today is a very competitive industry with very small margins. A bank's survival and profitability can be guaranteed only through automation which permits volume growth without corresponding manpower growth.

### COMPETITIVE EDGE

BCC's clients today are also well aware of the scope of services that a modern bank should provide, through



MANAGEMENT SERVICES DIVISION, MANAGEMENT COMMITTEE,

modern technology such as electronic delivery systems. Although BCC continues to maintain a competitive edge through its personalised service, this service has to be supported by technology if it is to remain personal and yet be cost effective.

It is with all this in view that MSD has embarked on a concerted automation effort for the 90s. The undertaking is so vast that, were it to be carried out in-house, it would take between 400 and 500 man years to complete! The search is on, therefore, for a suitable software package that can be bought in.



# ND TOMORROW



Until now, BCC has used NCR hardware exclusively. What Mr Ahmad and his colleagues are seeking is a system that will be independent of any one manufacturer and will run on any hardware. This radical change will enable BCC to catch up with competitors who may currently be a little ahead in the automation race.

## PILOT PROJECT

The technical evaluation of several software systems has already been completed; banking evaluation is now under way and is due to be finalised this autumn.

Later in 1989 a pilot project will be set up in Hong Kong, and the approved system will then take two to three years to implement across all of BCC's operations.

The ideal system will cover the functions of book-keeping, accounting, trade finance, foreign exchange, money markets, treasury operations, loans, electronic transfer of funds and management information systems. In the front office, it will be able to handle ATMs, signature verification, PIN pads, draft printing, MICR reading and general office automation. In other words, it will cover all banking needs.

The system will need to be modular and fully integrated, and adaptable to the needs of each country and each individual branch. For instance, a branch whose main activity is trade finance will be able to make use of the appropriate part of the system, but will be able to add other functions as and when necessary. The system will be based on a Local Area Network (LAN) of personal computer workstations and will make each branch self-sufficient by allowing it to control its own data.

## PERSONALISED SYSTEMS

MSD recognises that there is one area of automation where no bought-in software package can be of use, and that is the area of Management Information Services (MIS). These Information Systems are too personalised to be available off the shelf.

The Division has therefore set up an MIS group, which will be using modern data base and fourth generation languages to extract data from BCC's locations worldwide, analyse it and present it in meaningful formats.

Information systems will help management to monitor achievements against stated goals, forecast business trends, manage risk and evolve business strategies. As the level of automation within the bank





grows, more emphasis will be placed on refining the information that is obtained in this way.

### LOW COST INVESTMENT

The new system is likely to be PC LAN based, therefore needing a lower cost of investment than the capital investment required for a mainframe operation. Moreover, a series of networked personal computers can nowadays be more powerful than the previously favoured mainframe system.

As well as requiring greater operational expertise than a PC based system, a mainframe needs to be changed every few years, at enormous capital cost. With a PC based system, growth should be painless. And with no barrier to their expansion, branches will enjoy a greater capability.

All in all, this networking system, utilising the Open System Interconnection (OSI) standard, is a remarkable breakthrough that will enable BCC to enhance its efficiency and profitability at an expense directly proportional to the use we make of it.

### DISTINCT RESPONSIBILITIES

MSD's Management Committee is composed of the Executive In Charge and five senior managers, each responsible for a distinct function of the Division and usually overseeing several teams and their

managers. They are Mr Magdi Abdel Aziz, Mr Asad Jamil, Mr Pradyumna Jivrajani, Mr Sultan Khan and Mr John van Someren.

The Division, which is part of CSO, works fairly closely with Systems and Operations Divisions for advice on banking practices and norms. Other CSO divisions such as Finance and Central Audit are also consulted regularly.

MSD field organisations form part of the regions they serve, but report to MSD London on functional matters. This practice produces a uniform Group approach to automation, and makes the best use of skilled manpower. There are currently field organisations, managed by



automation managers, in Canada, Colombia, Egypt, Hong Kong, Oman, Pakistan, Spain, UAE, UK and US.

Smaller countries are grouped together for automation purposes, and are served either by MSD regional co-ordinators, based in Botswana, France, India, Luxembourg and Nigeria, or by neighbouring automation managers.



### NEW CENTRES

MSD already has more than 350 staff worldwide, and its requirement for specialists is unlikely to increase with the advent of the new system. At present, London is the only centre of development for MSD; the regions have no autonomy in this respect. However, there are plans for a new centre to open in Karachi in 1990, followed by further centres in all major BCC regions over a number of years.

The advantages of such a development lie partly in the availability and effective use of manpower. But it will also provide a valuable opportunity to enhance the standing of BCC in the chosen countries, and to strengthen the capabilities of the regions, which will no longer be dependent on a single source of MSD expertise.

### FAST AND SECURE

One of the benefits to come from the new system may be the electronic transfer of funds - a fast and secure method that will



improve on the current practice whereby funds are transferred by telex through manual entry. But Mr Ahmad is in the process of developing an R&D function within the Division, to investigate the automation possibilities in such tasks as image processing (the capture and transmission of documents as a whole) and voice response, whereby customers can talk to computers about their accounts, etc.

The further potential of the already familiar smart card and its magnetic storage of information is also explored. Obviously, the R&D discipline within MSD demands the skills of that rare bird - the banker and technocrat combined.

### EXTENSIVE NEEDS

The task of automating a large international bank such as BCC is far from simple, of course. Multi-



faceted and multi-functional, it can operate as a retail bank, a commercial bank, an investment bank, a wholesale bank and a finance company. Its automation

needs are equally extensive: front and back office banking, management information, regulatory reporting, office administration and local and global telecommunications.



Banking as a whole is experiencing certain trends in automation, towards:

- Electronic delivery systems, through shared or global networks;
- Total integration of systems, i.e. single entry data capture and transaction processing;
- Open systems architecture, replacing large monolithic hardware systems by several small independent units that can be configured and reconfigured as desired;
- Local Area Networks, giving branches processing independence, especially for the front office;
- Automated branches, with customer operated terminals.

### COMPUTER LITERACY

As technology plays an ever increasing role in BCC's operations, it is becoming more and more important for family members to

have some degree of familiarity with computer technology.

"Bankers have to be computer literate enough to feel at ease with common technical jargon," says Mr Ahmad, "to appreciate the industry trends, to know the basic telecommunications concepts and to have at least an overview of the all-conquering personal computer.

"This level of computer literacy can be acquired easily and painlessly, through short but sharp seminars and workshops spread over several months - perhaps no more than a half-day session every two or three months."

### WIND OF CHANGE

Clearly, in keeping with the other developments that are taking BCC into the 90s, a wind of change is blowing through Management Services Division. "It is my earnest desire to bring BCC's automation to a state-of-the-art level within two or three years," says Mr Ahmad.

This is an exciting period for everyone in MSD, and indeed for all BCC family members, who will be able to improve their efficiency and performance thanks to the forthcoming innovations.

This excitement is bound to produce exciting results. The future has never seemed more golden, nor opportunities more enticing, as BCC prepares to become truly a bank of the 90s.



## YEAR OF NEWNESS FOR THE UK REGION

**T**he UK operation holds a unique position within BCC's global network. Based in London, one of the main financial centres of the world, it has the largest balance sheet of any BCC region. The 44 UK branches are staffed by nearly 1,700 family members, who between them handle just under 121,000 accounts.

BCC opened its first UK branch in Mark Lane, in the City of London in 1973. Like the other branches established during BCC's first round of expansion into the UK, it concentrated on Middle Eastern clients and the local ethnic businesses. The second stage was to create a network of branches covering all the important West End locations, thus enhancing the image of BCC.

These West End branches quickly became profitable, with a largely Middle Eastern clientele composed of high net worth individuals and an additional focus on specialised business. The Hyde Park branch, for instance, specialised in dealing with Saudi clients, while Marble Arch carved out a niche in East African business.

The third phase of development began some five years ago, with the founding of branches to attract the corporate business of multinational companies and British importers and exporters.

The bank was thus introduced to different sectors of commerce and industry, with clients ranging from local authorities to corporations, both large and small, and bulk traders in commodities such as oil. BCC was able to develop excellent contacts in export oriented industries.

### CRUCIAL ELEMENT

Although this phase of branch development resulted in a radical reorientation of the bank's client base, BCC has by no means lost its focus on its Middle Eastern and other non-resident customers. These have remained, and will always be, a crucial element in BCC's interests.

Above all, the accent in the UK region is on instilling and maintaining quality in all aspects of operations. Team spirit is the key to achieving this quality, and it is the ambition of the regional management that all BCC family members in the UK should share in the excitement that stems from the achievement of goals.

Mr Basheer Chowdry joined BCC in the UK in 1974 and now has 26 years' experience in banking to his credit. In September 1988, he succeeded Mr V. H. Abidi as general manager of the UK region. "I took over a very successful region," says Mr Chowdry. "My task is therefore a very difficult one: to build further on that success, and to find new dimensions of growth. The evolution of BCC's UK region is part of my soul."

### FOCUS ON THE MARKET PLACE

One of the measures being taken to enhance the quality of operations in the field is the appointment of area managers with geographical responsibilities. In an innovative move, these area managers are now based in the field, giving them direct contact with the market place. Seven area managers will between them cover the whole of the UK, bringing a high level of quality and experience to BCC's operations at branch level.

At the same time, operating procedures are being examined with a view to allocating more time to productive marketing, rather than administration. The region will therefore see significant changes in the near future.

All these initiatives are in the capable hands of the Regional Management Committee, co-ordinated and headed by Mr Chowdry. "The task before the Committee", Mr Chowdry says, "is that all family members should contribute to and share in the excitement of the region's growing success according to their potential."





THE MANAGEMENT COMMITTEE OF THE UK REGION

### NEW DIMENSION

BCC as a whole has entered a new stage of evolution during which it will build on the present and explore the future with a new hope, a new dimension and a new direction. The UK region's strategy for the next five years will be an articulation of this new BCC.

The objective is that BCC should reinforce its profitable commercial banking operation, becoming more firmly entrenched in the local market place and then developed in harmony with the changing European environment. In this way, the region will provide a solid base for BCC's growth in the OECD countries on the eastern side of the Atlantic.

To achieve its goal of becoming a successful international bank in the European market, BCC will need not only to expand in size, but to build on its capability. Its well known strengths are in international trade finance, small to medium sized businesses, high net worth individuals, non-banking financial institutions, non-resident and expatriate clients, and the corporate sector.

With the approach of European market unification in 1992, BCC's UK operation must undertake several tasks. It must increase the linguistic capability of staff by recruiting graduate officers with language qualifications. It must strengthen the marketing culture of the organisation, in order to be fully sensitive to changes in the market. Technical improvements such as advanced processing and delivery systems are vital. Overall, the level of professionalism and expertise throughout the region must be enhanced at every opportunity.

### CO-OPERATION

"Although there is much work to be done," says Mr Chowdry, "the bank has the benefit of a high degree of co-operation between the UK region and other BCC operations in Europe. Moreover, BCC is by birth an international bank, with an unrivalled ability to move across borders. With its unique citizenship of the world, BCC finds nothing more natural than to be simultaneously a national and an international bank."



BCC - ELEGANCE IN EARL'S COURT

In the European context, this gives family members the international outlook that is needed to handle both ends of a transaction expertly and efficiently. BCC is therefore well placed, especially in view of its presence in almost all the major European countries, to take advantage of the vast opportunities for growth in business volume that are bound to appear after 1992.

As the bank develops its corporate identity to promote integration with a European style of business, it will nevertheless retain its individual character. At the same time, it will develop services and products that are appropriate to the market, and make sure that potential customers learn of them. Where necessary, existing products will be repackaged.

Mr Chowdry is very clear in his perception of the role of BCC in the unified Europe. He says: "BCC will not, of course, follow

every market trend: it will remain a niche player, capitalising on its strengths in trade finance, inter-country trading, and services to multinational institutions and high net worth individuals and entities.

"Above all, BCC is and will remain a bank of relationships. It is the intensity and quality of these relationships that puts BCC ahead. In the UK, the bank's relationships with its clients have been even further enhanced since the new Banking Act, under which BCC became a fully recognised bank free to operate like any other financial institution, within the overall guidelines set by the regulators."

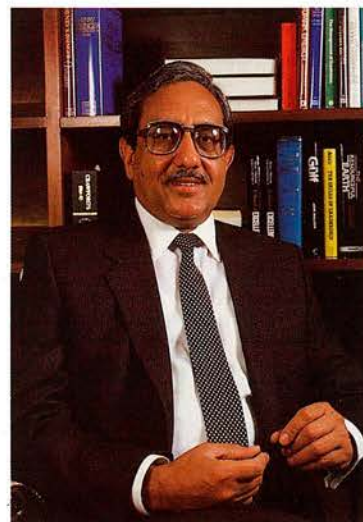
#### TIME TO EXPAND

Now might be the time, therefore, for BCC to expand out of the central core of London and into the suburbs. The four City and eighteen West End branches are already supported by units in Ealing, Wembley, Southall, Kilburn, Croydon, Slough and Brighton, while Harrow and Finchley are due to get their share of distinctive BCC architecture next year. Wimbledon, Cardiff and the Eurotunnel route will figure in the next phase of expansion.

"All in all," Mr Chowdry maintains, "it can be said that 1989 is the Year of Newness in the UK region: newness in vision, in perception, in strategy and in

action. With confidence and with creative energy, BCC is moving into the future." At the same time, care will be taken that the UK region continues to meet several important criteria:

- The quality of operation servicing and monitoring must be enhanced.
- The directives of the regulatory authorities and the requirements of the co-ordinated supervision by the central banks of OECD countries must be kept in view.
- A cash liquidity of at least 40% must be maintained at all times, in line with Group policy.
- Overall policies on investments and lending must conform to Group priorities and directives.
- Strict budgetary controls for both assets and liabilities must



MR BASHEER CHOWDRY



be observed, with a view to developing a sense of accountability and quality in BCC operations.

- The care and development of human resources, which are the source of energy and achievement, will take top priority.

Mr Chowdry is very keen to improve the automation capacity of the region and to place the BCC operations on a par with those of other sophisticated players in the market. He also places extremely high value on the quality of human energy, and on ensuring that the knowledge, professionalism and marketing abilities of the members carry on increasing constantly. He has launched special projects for the career development of the quality staff members, to prepare them to shoulder the responsibilities of the future.

The UK region is determined to make an effective contribution to the new dimension of BCC's success. The problem of high overheads and operating costs is being addressed, and effective measures are being taken to rationalise costs and multiply sources of income.

### FRESH LOOK

A sustained effort is being made to generate new business, and a fresh look is being taken at the structures and policies of the region.

A strong and sophisticated marketing culture is being created in the UK operation, while technological advances are in hand. Improved training programmes are augmenting the capabilities of individual family members.

As well as ensuring that the requirements of the regulatory agencies are fulfilled and that the general level of awareness of critical issues is raised throughout the region, BCC is taking many practical steps to expand its share of the market place.

For instance, BCC was the pioneer of the Affinity Card, whereby a particular association offers its members credit cards managed by BCC. With clients such as the Radio Society of Great Britain, which has 32,000 members, and the National Association of Head Teachers, with 20,000 members, such activity amounts to the wholesaling of

credit cards, with obvious benefits. The Starsign credit card was another unique product and is becoming increasingly popular in Britain.

Special deposit products are being developed, and new areas in consumer finance are being explored. Other possibilities under investigation are bridging finance, leasing and invoice discounting, fee earning projects such as merchant banking activities, insurance underwriting, and portfolio management in equities for selected clients.

"Throughout, the main objective of the region remains unchanged," says Mr Chowdry. "That is to further increase profits for the Group by concentrating on the local business environment and achieving high quality operations, conducted to the best possible standards. Quality in everything: that is our motto."



BCC IN THE HEART OF LONDON'S WEST END





BCC INTERNATIONAL

## BCC'S REBIRTH IN

A notable date on BCC's expansion calendar was September 1, 1989 - the day that the bank's new branch in Rome became operational. The unit's growth has been planned to follow a phased programme over three years, starting from a fairly restricted base for administrative, reporting and functional reasons.

With the establishment of the Rome branch, BCC's operations in Italy will consist of three operating units. The Rome branch, as the main unit, will undertake the majority of the banking activity and direct client relationships, concentrating on the following business:

- Local currency deposits
- Foreign currency deposits
- Letters of Credit and Guarantees
- Import/export financing
- Correspondent banking
- Foreign exchange

In Milan, the premises and personnel of Italfinance, which is 100% owned by BCC, will become BCC's representative office, and will undertake the following activities:

- Marketing for multinational clients in the north, north west and north east of Italy
- EMP
- Travellers cheques
- Non-resident accounts
- Correspondent Banking Relationship Business

Separate plans are in hand for the Rome office of Italfinance.

Much thought has been given to the initial business strategy of the new Rome branch and the ancillary units in Italy.

### LOCAL CURRENCY DEPOSITS

Rather than seeking retail deposits or attempting to compete with local banks for small private depositors, BCC will concentrate on the corporate market for local currency deposits. The growth in overall bank deposits in Italy has ranged from 15% to 20% a year over the



ROME - BCC WILL CONCENTRATE ON CORPORATE CLIENTS

past five years. Large corporate clients are known to maintain high liquidity ratios, in the form of short term deposits and money market instruments.

BCC will take a twofold approach to local deposits: first, the generation of fixed term deposits from corporate clients; second, the issuance of one, three and six month certificates of deposit of small denominations in the local private investor market.



# THE ETERNAL CITY



The local currency deposit market is very buoyant at present, and foreign banks are becoming more and more active in this sector.

## FOREIGN CURRENCY DEPOSITS

The bank will be exploring the following principal sources of foreign currency deposits:

- FAO and its personnel
- IFAD and its personnel
- Foreign embassies and trade missions
- Foreign airlines
- Local and foreign shipping lines
- Large Italian multinationals

## LOCAL AND FOREIGN CURRENCY ADVANCES

In terms of local and foreign currency advances, the marketing activity already undertaken by Italfinance has provided a stable client base. However, such customers are more interested in obtaining term facilities than short term export related financing.

The scope for post Letter of Credit financing to large multinationals is considerably greater, but such lending unfortunately yields very fine spreads. However, given Italfinance's many years' experience of the local credit market, it is proposed that BCC's new branch should initially rely on good quality, low risk, large amount, low volume business. Approaches to mid-market clients should be limited until a proper control and management system is established.

In view of the high level of taxation on local profits, it will be advisable for foreign lending direct from the Italian operations to be restricted. The opportunities for foreign currency lending may be explored by making offshore credit facilities available to Italian clients.

## IMPORT LETTERS OF CREDIT

For a group such as BCC, the potential for import Letter of Credit business is considerable. Italian imports are worth US\$130 billion a year, and some 50% of them are from OPEC and developing countries. Imports from the Middle East alone account for US\$12 billion. Assuming that most of the North European trade takes place on an open account basis, marketing efforts should focus on the following commodities and areas:





ITALY - AN IMPORTANT MARKET FOR TRAVELLERS CHEQUES

- Oil from the Middle East and Africa
- Wood from South America and Africa
- Grain from Canada
- Meat from Argentina
- Textiles from Hong Kong
- Leather from India and Pakistan
- Marble from Pakistan.

In addition, the North European trade in chemicals, silk and small machinery could be explored through contact with major multinational companies.

There has also been a significant increase in Italian imports of industrial and semi-manufactured goods from Korea, India and South-East Asia. Initial contact with companies from these countries has been positive.

#### EXPORT LETTERS OF CREDIT

The potential for export Letter of Credit business is enormous, particularly in relation to trade between Italy and the Arab countries, and can only be fully explored through one to two years of serious marketing activity.

In 1985, Italian exports to the Arab countries in the Middle East totalled US\$8.5 billion. The main recipients were Saudi Arabia (US\$2.5 billion), Libya (US\$1.6 billion), Egypt (US\$1.5 billion), Algeria (US\$1.5 billion) and the UAE (US\$0.5 billion) - all countries where BCC is active. In addition, Italian exports to Turkey are worth around US\$1 billion a year.

#### EMP - TRAVELLERS CHEQUES

BCC Travellers Cheques have not so far been marketed in Italy, due to the lack of a properly authorised banking unit to carry out the underlying exchange transactions. With the opening of the Rome branch, concrete efforts can now be made to establish a direct relationship with most regional banks for the sale of travellers cheques.



These regional banks currently depend for their supply of travellers cheques on a few large national banks, which have direct relationships with the three principal issuers of travellers cheques. They are Istituto Bancario San Paolo di Torino (American Express), Banca Nazionale del Lavoro (Citicorp), and Banca d'America e d'Italia (Bank of America). These main banks have secured their business with the regional banks through their clearing relationship. A detailed strategy is being developed for the marketing team responsible for promoting travellers cheques, whose potential looks as promising as that of CBRB.

#### EMP - CORRESPONDENT BANKING

The Italian banking market comprises some 550 banks, of which 200 are rural and agricultural banks. Of the remaining 350, at least 100 are regional banks operating solely in their own geographical region, and largely dependent on the national banks for their correspondent and exchange business.

The marketing team at BCC's Rome branch will make special efforts to explore and develop a business relationship with such regional banks, in two ways:

- 1) by identifying specific regional banks for channelling small Letters of Credit direct from BCC branches abroad;
- 2) by offering facilities to such banks for the issuance of foreign guarantees and for foreign currency Direct Debits.

The main aim in nurturing a relationship with regional banks would be to establish direct contact with the many small and medium sized clothing, footwear, jewellery and mechanical instruments manufacturers that form the backbone of Italian exporting. Such contacts will substantially increase the potential level of export related business.

The regional correspondent banks would be expected to establish an account relationship not only with the Rome branch, but also with other major BCC

centres, and would be encouraged to refer business to BCC on a reciprocity basis.

#### PHASED INTRODUCTION

The various products and services to be offered by the Rome branch are scheduled to be introduced in three one year phases, as follows.

##### Phase 1

Current accounts, deposits (lire and FX), loans, Letters of Credit, remittances/collections, discounting and acceptance, import/export finance, performance/bid bonds, guarantees, correspondent banking.

##### Phase 2

Travellers cheques, dealing room, money markets, certificates of deposit, commercial paper, foreign currency drafts, bureau de change (independent).

##### Phase 3

Credit cards (non-resident), cash management, buyer's credits (SACE), forfeiting, pool operations.

In the early stages of operation of the new branch, other BCC branches will be encouraged to transmit only large amount transactions to Rome. They will also be requested not to send the branch cheques for clearing, or payment instructions for Italian residents, since these transactions are very time consuming and cost significantly more than the commissions levels that can be charged. Foreign correspondents will be carefully selected, to ensure that only large amount transactions are transmitted through the branch.

All these plans for the development of BCC's operations in Italy are now well in hand. It only remains for us all to welcome the new family members to the BCC hearth, and to do all in our power to smooth their path to success as a profitable part of the Group.



## THE SPIRIT OF GIVING



*Many qualities distinguish BCC from other financial institutions. Some of the most noteworthy are our truly international dimension, the strength of our global network and the depth and breadth of our relationships with all we come in contact with. But the features that, more than any other, make BCC unique are the understanding and experience that we share of the invisible and the intangible dimension of life. For us, Giving is an essential expression of our faith. It is an expression of the technology of the invisible made visible.*

*In the following letter sent to all members of the BCC family, Mr Swaleh Naqvi captures both the strength and the tenderness of Giving.*

### DEAR MEMBER OF BCC FAMILY

The process of Giving was brought to the surface of BCC consciousness in 1982. In the continuity of that consciousness, the founding President made the following observation last year.

*"We wanted to change the nature of people, bring to the surface of their being what was already there - a desire to GIVE, resulting in an experience of humility, love and compassion."*

We wanted to do that by the concept and exercise of Giving - giving not only of money but something of one's own self.

There are two objectives:

- money should reach the right quarters, for the benefit of the needy
- more than that, the main purpose was to bring to the consciousness of the people the

beauty of Giving, closeness to nature and supreme purpose of Giving.

We did not succeed in our purpose fully.

Obviously the first objective was achieved - to whatever extent it may be.

The major purpose was to bring the need of Giving to the consciousness of 14,000 people, to arouse the feelings in them and make them go through the experience of Giving. The important aspect of Giving is that one must give one's self to others.

We had hoped that people would have changed.

Giving was meant to change people. If we all change, all the blessings of God will start raining on BCC and its people.

In what manner should we start Giving again - so that our purpose is achieved?



Giving remains a very important ingredient of BCC's Major Purpose. Giving money is only a small manifestation of the phenomenon of Giving.

What matters is constant and ever living consciousness of the need and pleasure to Give, which was so beautifully described by the founding President over many years.

How conscious are we of that noble instinct of Giving? How much have we changed?

How much of our own self do we give and are we willing to give to others and to greater causes and purposes?

Or do we remain self-centred and self-seeking?

These are the questions which each member of BCC family should ask and answer individually and honestly.

When materialism, selfishness, personal comfort and safety obscure the truth of life, responsibility towards others and collective well-being, then we acutely need the inspiration to give.

From where will that inspiration come?

It will not come merely from the ability to give money. It has to be something much more than that. It has to be a kind of inspiration which makes you feel:

*"For in truth it is life that gives unto life while you who deem yourself a giver are but a witness."*

Let us today re-dedicate ourselves to

Giving. Let us join hand in hand and seek inspiration from the Source, the all enabling Power:

*Enabling me to give:*

- from the whole of my being
- from the energy and quality which the Creator has enshrined in my being
- from the power with which my intellect has been bestowed
- from the strength with which my physical being has been blessed
- from the light which, when discovered, illuminates my soul

*Enabling me to give:*

- to you and 14,000 members of BCC family
- to BCC as an organisation, as a bank
- to the one and every one who needs me

*Enabling me to give:*

- for the good of 14,000 members of BCC family rather than my good alone
- for the noble purpose of BCC organisation rather than my own narrow and limited purpose
- for the collective well-being and good rather than my individual and selfish sense of security and pleasure

*Enabling me to give:*

- with courage, without fear
- with confidence, without hesitation
- with faith, without doubt

May I request every individual member of BCC family to find a few quiet moments to read this letter, reach the depths of your feelings, detached for a while from whatever usually occupies your mind and feeling and:

Feel yourself in relation to others.

Feel yourself in relation to those who are less privileged, less fortunate, many of them desperately suffering from basic needs, while many of us remain unconscious and unthankful for our blessings.

Feel yourself in relation to the collective good and well-being of BCC family and our social environment.

Feel yourself in transition, part of a process, not as the object of your creation, self-serving and self-indulgent.

And then give some of yourself, and some of the money you have and the money you will shortly receive from BCC organisation for this purpose exclusively.

Let us live in the blessings of God, conscious and aware, thankful and in submission. Let us dedicate to Giving, joining each other hand in hand.

Yours most sincerely,



Swaleh Naqvi

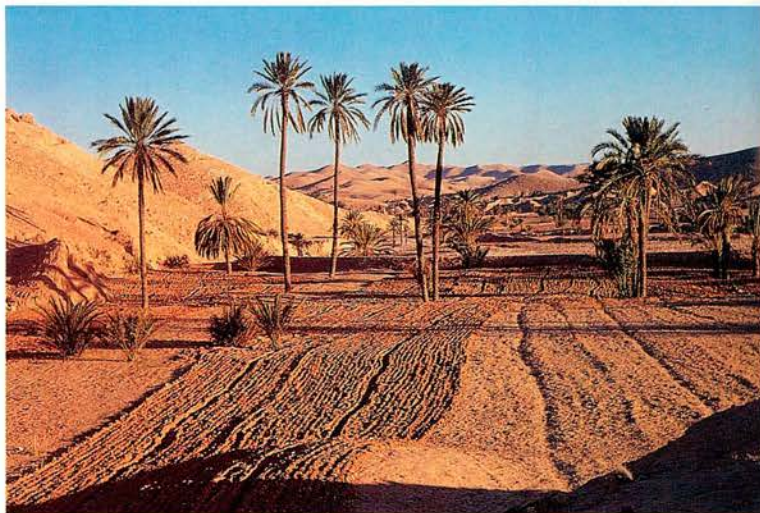


## MAKING FRIENDS IN THE MAGHREB

Last summer BCC held a seminar in Tunis for central and local banks in the Maghreb countries - Tunisia, Libya, Algeria, Morocco and Mauritania. The seminar was a gesture of gratitude on BCC's part for business received, as well as a sign of friendship and long term commitment to playing a major role in the financing of trade and the marketing of correspondent banking services from these countries.

Held on June 7, 8 and 9 at the Oriental Palace Hotel, Tunis, the seminar was attended by 28 delegates from senior levels of banking, and covered three main subjects: foreign exchange, treasury operations and documentary credits.

"Maghreb" is an Arabic word meaning "west" - in this instance, west of Mecca. As a bank with a largely Third World identity, BCC has considerable knowledge of the Maghreb, though it has no operational presence there. It does have a representative office in Morocco - in Rabat - which concentrates on external deposits of private individuals and is managed by Mr S. K. A. Kazmy. And in correspondent banking BCC is a major player in commodity related finance.



CULTIVATING THE DESERT IN TUNISIA

The Maghreb countries possess rich resources of phosphates and oil. Trade in the region - apart from Libya - has long been oriented towards France for historical reasons. But as the economic community of the Maghreb grows in importance banks from elsewhere are seeking a presence in the area. Citibank, for instance, has just begun on-shore operations in Tunisia.

BCC, too, will need a fully operational presence in the Maghreb, and Tunisia may again prove to be a good starting point. "We already enjoy considerable profits on trade between Tunisia, Morocco and Algeria and North America and the Far East," says area manager Mr M. A. Hassan, who is responsible for the day to day marketing and management of correspondent banking business and relationships in the Maghreb. "The immediate task is to maintain the continuity of this presence, and indeed to expand it to encash the opportunities that present themselves locally."

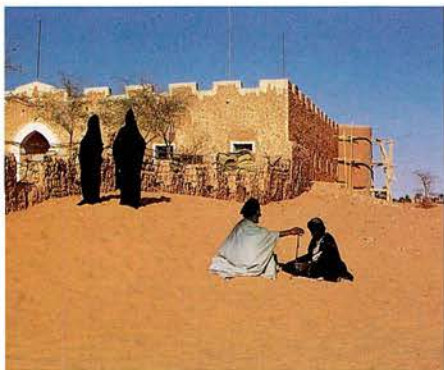
### LIBERALISATION

As the countries of the Maghreb gradually come closer together, so the banking climate is being liberalised. BCC is pleased to be in a position to offer

### BARRIERS COMING DOWN

As the global trend for the economies of different nations to club together gathers momentum in the late 1980s and beyond, trade barriers between the Maghreb countries are gradually coming down. For the moment, trade and regional co-operation are being encouraged for the

mutual benefit of these nations. In the long term, an economic union such as that of the European Community is a distinct possibility.



MAURITANIA - PART OF THE DEVELOPING MAGHREB COMMUNITY



advice and training on relevant subjects. Moreover, events such as the June seminar offer marketing benefits and the opportunity to build relationships at a deeper level with the local banking community.

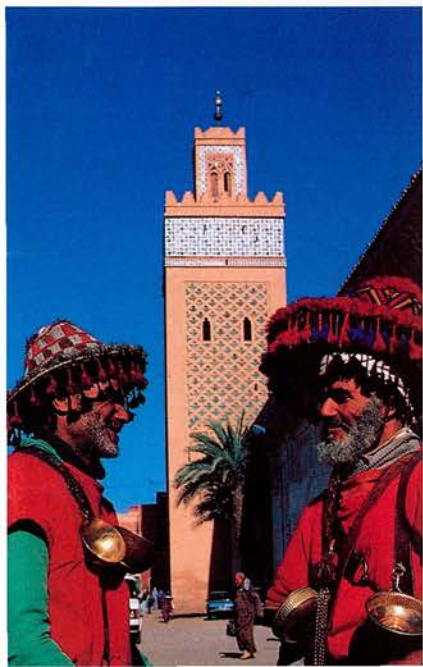
The seminar was inaugurated by the governor of the Tunisian Central Bank. He gave delegates an international overview, and talked not only about the overall Maghreb dimension but also about the local perspective of each country. He spoke on several relevant matters, including the freeing of exchange controls.

Numbered among the speakers at the seminar were Dr Ousep Mathen, from BCC's treasury department in Abu Dhabi, and Mr K. Q. Den from the UK training academy. The participants showed a high degree of interest, particularly in subjects concerned with the modernisation and liberalisation of banking in the regions. On the closing day participants were presented with certificates, and the proceedings were rounded off with a cocktail party.

#### "HIGHLY PROFESSIONAL"

"Feedback from the delegates was extremely good, and by all accounts the seminar was extremely well received all round," says Mr Hassan. "It is gratifying to know that BCC is seen as highly professional and a major bank, particularly in view of the new opportunities opening up in the Maghreb."

#### THE SPLENDOUR OF MOROCCO



To date, BCC's major customers in the region have been central banks and commercial banks through whom the bulk import business of large corporations and government bodies has been handled on a regular basis, yielding good profits. In the future, BCC's successes in trade financing will be augmented by achievements in

areas such as local commercial banking.

The coming shift in traditional trading patterns is also bound to increase BCC's scope in the Maghreb countries. They will retain their historical trading links with France and southern Europe, but will increase their trade with the Far East, the UK, Latin America and the Indian subcontinent - all of them regions where BCC has a strong presence.

The bank's branches in Canada, New York, Tokyo and Seoul have already benefited substantially from transactions with the Maghreb. And the central banks of the Maghreb countries have demonstrated their regard for BCC by regularly placing large sums in BCC's dealing rooms.



ALGERIA RICH IN MINERALS

#### IMAGE ENHANCED

"These healthy relationships are bound to be nurtured by successful marketing exercises such as this year's seminar in Tunis," says Mr Hassan. In 1988, BCC held similar events in Malta, Ethiopia and Somalia, and these have been shown to enhance BCC's image in those countries, helping to ensure the continuity of major portions of corporate business with a greater number of local banks.

As the Maghreb countries approach their own day of economic unity, BCC will continue to lay a foundation for strong future relationships. Events such as the Tunis seminar will prove to be sturdy building blocks.



BCC INTERNATIONAL

## SEMINAR FOR KOREAN BANKERS

LONDON - JUNE 1989

International Division and Central EMP Division were privileged to host a three week seminar on Capital Markets Techniques, utilising the latest equipment and market practices, and touching on countertrade, leasing and other financing innovations of the 80s.

The faculty team was headed by Dr Ousep Mathen from our Treasury Operations in Abu Dhabi, and was assisted by Howard Palmer from the UK correspondent banking team. Dr Joseph Cole, Richard Wheatcroft and others from the world of banking consultancy also led sessions on their specialist subjects.

Dr Mathen's in-depth coverage of Capital Markets products has ensured the participants' practical as well as theoretical knowledge of this exciting field.

We do hope that this example of BCC commitment in action will have gone a long way towards developing relationships with our correspondents in Korea and, above all, will have generated good personal relationships with our 19 new friends.





## AN AWARD TO THE WHOLE OF BCC

At a recent ceremony in London, H. E. Mr M. K. Rasgotra, the High Commissioner for India in the United Kingdom, awarded Mr Swaleh Naqvi "The Nehru Centenary - Excellence Award".



Mr Naqvi, BCC's Chief Executive Officer, commented: "Today, the world is eager for the development of a global community based on unity, mutual respect and harmony which is not restrained by geographic boundaries. It is by giving of ourselves and our possessions that we play our proper role in the process of life and serve the purpose of our existence, growth and evolution. I thank you with deepest sincerity for this signal honour, which I receive only as a symbol, because I feel the honour is surely to BCC and all its people."



MR SWALEH NAQVI AND MR P. V. OBENG PICTURED DURING THEIR TALKS.

## EXCHANGE OF VIEWS IN GHANA

On August 1 Mr Swaleh Naqvi, Chief Executive Officer of BCC, called on Ghanaian Prime Minister Mr P. V. Obeng for discussions and an exchange of views. Mr Obeng thanked Mr Naqvi for BCC's contribution to the Global 2000 guinea worm eradication project, and for the bank's loan to the Ministry of Agriculture in December 1988.

Mr Naqvi, for his part, praised the Ghanaian Government for the co-operation it is giving BCC in Ghana.





BCC INTERNATIONAL



*THE FOLLOWING IS AN  
EXTRACT FROM MR SWALEH  
NAQVI'S SPEECH TO BCCM  
OFFICERS IN CAIRO ON JULY 3,  
1989. THE THEME OF HIS  
ADDRESS WAS CAPABILITY.*

I want all of you to become one powerful stream, deriving strength from inspiration, faith and achievements.

You are in an organisation for which success is a mission not only for the organisation as a whole, but for the individual as a

## AN EXPRESSION OF QUALITY

successful professional and a successful human being, leading a life of meaning and purpose.

Why does BCC give importance to the surroundings in which we work; to the quality of our offices and interior decor? It

is not ego, pride or a show of financial strength. It is simply a symbolic expression of our commitment to quality.

Each one of us should be aware of quality. We should strive for quality in everything; the way we see, the way we think, the way we relate, the way we express ourselves, the way we work, and the way we achieve. This is the purpose of ensuring such a high degree of quality in our surroundings.





