Jute trading dull in Madaripur

MADARIPUR, Sept 11: Trading in jute is dull and disappointing particularly for the middlemen who are yet to get the financial support from the banks and financing institutions, reports UNB.

About 5000 jute traders here are unable to start bulk purchase of jute for want of cash credit.

About 50 godowns, mostly at Charmuguria and other jute susiness centres of the district have not been booked by traders, which is likely to cause a loss of about Tk 15 lakh to the owners.

Jute traders' representatives said they were already in debt due to non-payment of outstanding dues of last year by jute mills and agencies.

The banks and other financial institutions which usually extend loan to jute traders are yet to get a definite policy decision from the government, the traders of Charmuguria

About 3,000 maunds of different varieties of jute are now brought to the Charmuguria market daily but these are hardly sold because of low prices quoted by the few buy-

The initials "BOT" are still

novel enough to most people

to suggest something mysteri-

ous or even magical. In fact

they stand simply for "build-

operate- transfer," a problem-

BOT does indeed have

something magically effective

about it. The method saves

government vast sums of

money, as well as innumerable

headaches; and gets things

built and put into operation in

double-quick time. It is a term

now familiar to all Asian

economists, for BOT has be-

came a powerful tool of eco-

the region.

what happens:

nomic growth in many parts of

This, in simple terms, is

A government plans, say,

to build a new utility, such as a

large development projects.

'Change in functional objectives needed to make BJC profitable'

By Asiuzzaman

Bangladesh Jute Corporation (BJC) would become a profitable organisation if the authorities change its functional objectives and withdraw controls over the corporation, BJC Officers-Employees Action Committee claimed crore, they added. Tuesday.

"We just carried out government's order and sometimes purchased jute at double the market price for farmers' welfare causing huge loss for the BCJ," a leader of action committee told The Daily Star.

The Corporation was established in 1957 and restricted in 1985 merging three other similar institutions with the aims of ensuring fair prices to jute growers, stabilising local and foreign markets, checking smuggling and maintaining quality of jute. "We were never asked to do business and make profit. The Corporation basically worked to develop socio-economic condition of the jute growers", he said adding 'we can take the challenge of making it a profitable organisation."

He said that any move to abolish the corporation would be "unfair", throwing about 3,000 officers and employees I into extreme uncertainties.

BJC sources refuted the 1986-87

charges about the corporation cumulated loss of about take 988 crore. The loss was incurred due to "faulty" government policy. The "loss" relates to bank credits of Taka 785

"BJC began its operations in 1985 with the backlog of Taka 204 crore loss sustained by the organisations which were then merged into it. It was not given any working capital which made the corporation fully dependent on bank credits" the action committee leader said.

He also said that the corporation incurred a loss of Taka 146 crore during 1985-86 season for purchasing jute at subsidised rate. Another Taka 63 crore was lost in 1984-85 following imposition of ban on raw jute in 1984-85. Jute purchases at prices higher than the market rates at the directive of the government in 1985-86 entailed a loss of Taka 119 crore and another Taka 71 crore for export sales of raw jute at below procurement prices. Besides, Taka 96 crores were lost by BJC for selling jute to BJMC without

settling prices, at lower rates

under the order of the gov-

ernment in 1985-86 and

The Corporation has also sustained loss of Taka 14 crore in 1987-88 because of floods, Taka 191 crore for enhanced rates of interest charges on bank credits (BJMC was sanctioned loan at nine percent rate of interest while BJC at 16 percent) and Taka 84 erore for shipping up procurement operations to check, the source added.

Against its liabilities on account of past losses the Corporation has Taka 70 crore in hand and also assets valued at Taka 300 crore. "It is in no way a losing organisation", the source said.

If the corporation gets Taka 96 crore owed to it by Bangladesh Jute Mills Corporation (BJMC), it can start purchasing jute in the current season without any funding support from the government, he added.

The government, the BJC sources alleged, has waived interest charges on bank credits by operators in the private sector but no such relief was given to the public sector agencies which protected the interests of jute growers.



Hard days for betel leaf growers: Recent cyclone and flash flood owing to heavy rainfall caused colossal damage to betel leaf 'Baraj'. Photo shows a farmer making bamboo appliances to be installed in the 'Baraj' which needs support for protection as well as better

24 BTMC mills profit Tk 1.41 cr

Star Economic Report Twenty four mills of Bangladesh Textile Mills Corporation (BTMC) earned

profits of Taka 1.41 crore in August 1991, says a BTMC press release.

The Darwani Textile Mills. situated in the northern part of the country, made a profit of Taka 20.25 lakh alone.

Eighteen mills of BTMC made a profit of Taka 1.22 crore in July '91. BTMC mills have produced 39 lakh 82 thousand kilograms of yarn and 45 lakh 53 thousand metres of cloths in August '91, recording a rise of production by 1 lakh 31 thousand kgs of yearn and 1 lakh 66 thousand metres of cloths over that of July 1991.

Quaderia Textile Mills of Tongi produced 1 lakh 13 thousand kgs of yarn Sharmin Textile Mills produced 2 lakh 29 thousand metres of cloths respectively in August 1991.

Wastage control, increased efficiency in production and active co-operation of the workers and management have resulted in a remarkable achievement in production and financial operations of BTMC mills, the press release said.

BOT contributing to pace of Asian economic development

By Alan Chalkley

· It advertises the plan internationally, asking for pro-· The main condition is that solving method of financing

power generation and distri-

bution facility, or a road or rail

the successful bidder will build the utility, operate it and draw income from it for a certain time, and then hand it over for free to the government. Thus the project requires

no local tax- funds and, notably, no foreign exchange expenditure; the bidder organises all the money. The government could take a part interest in the project, of course, by subscribing to the shares and bonds of the bidding company, in the manner of an ordinary investor.

The bidder-financier could be a private-enterprise con-

cern, or an institution like the World Bank's International Finance Corporation, or a consortium of companies and banks. The objective is to shift the risk of the development on to the shoulders of the private sector, and away from the bruised and battered taxpayers in the state.

BOT is therefore part of the "privatisation" philosophy which is sweeping the world, following deep disappointments over the failure of governments to carry our economic development and improvement. This, by the way, is not a new philosophy - it was strongly proposed by classical economists and political thinkers back in the 17th and 18th centuries.

It is clear from events this century that the private sector

brings in projects quicker than the state, and within budget. But BOT also recognises that private businesses also operate projects more efficiently, and that they quickly and effectively correct early mistakes (what is called "getting the bugs out").

This system of bidding for development projects is still relatively in its infancy. One man in Asia who has become a leading exponent of it is Gordon Wu, managing director of a large Hong Kong construction concern called Hopewell Holdings. And his first essay into BOT as an enormous one.

Back in 1985, he put up a scheme to the People's Republic of China, which was then just beginning to open its doors to outside businesses. He would build a huge multi-lane

highway from the border of Hong Kong to Guangzhou (Canton), and round the Pearl River delta to the border of Macau, finding all the finance and the technology.

in return China would grant the rights- of- way and supply most of the labour and local raw materials. Hopewell would than operate the highway, and charge tolls which would repay its outlay. Eventually, it would hand over the whole system cost- free to the government.

Mr Wu is a man in whom east meets west. Born and raised in Hong Kong's Wanchai district in a well-off family, he went to Columbia University in the US. A few years ago, he repaid his alma mater by building a students' social hall on that campus, which now proudly bears his name. He is an engi-

Improved demand led to

slightly increased prices at

this week's tea auction sale

According to a Unity

held on Tuesday in Chittagong.

neer and holds the patent for a high- tech system of scaffolding and shuttering.

Until recently, he held the record for building the highest tower- block in Hong Kong, but last year it was overtopped by the new headquarters of the Bank of China, Beijing's foreign exchange bank. Meanwhile, one of his forays

has been into the Philippines. Two years ago, when electricity shortages began to threaten the very economic life of the capital, Manila, the government's National Power Corporation proposed the rapid building of a number of relatively small gas-turbine generating sets to meet at least the peak power demand.

Hopewell Holdings recently completed the first of these mini-stations north of Mantla,

were much below expecta-

tions. Poorer Brokens were

on a BOT basis. At the officials opening, Mr Wu offered to reinternational airport and in

ple of Hong Kong's Cross Harbour Tunnel, built and opcrated by a private-sector firm. After a few years, the government said in effect that the traffic through the facility was too great and the firm was making too much money. So a special extra tax was clapped on the tunnel toll!

It should not, however, be beyond the wit of man to devise safeguards against such events - independent audit of costing and accounts at every stage of the project, for instance, and inspection of maintenance work. In the end, the BOT contract is like any other commercial contract there must always be room for

As for the origins of BOT,

Private enterprise built the new all- weather roads, and charged tolls for their use. The roaring days of the stagecoach (and the highwayman robber bands) began, and have given

— Depthnews Asia

Riyadh pays \$ 50,000 to **ICTVTR**

Star Economic Report Saudi Arabia paid 50,000

US Dollar to the Islamic Technical Training and Vocational (ICTVTR) Research Saturday.

The amount was the third and final instalment of the Saudi donation of 150,000 US Dollar announced earlier for the centre.

Abdul Latif Abdullah Al-Maimance, Saudi Arabian Ambassador to Bangladesh handed over a cheque for the amount to the Director of ICTVTR , Prof Dr A M Patwari.

1,686 tons Saudi food aid arrives in Ctg

Star Economic Report

A ship carrying 1,686 metric tons of pre-cooked food donated by the government of Saudi Arabia for the cyclone and flood victims of Bangladesh arrived at Chittagong Port on September

The ship, S S Khuzam carries the food packed in selfheating boxes. The food items are of high quality and nutritious, ready for distribution

and eating. The official handing over o the shipment to the Ministry of Relief and Rehabilitation

will take place soon. Dubai's industrial investment amounts \$2.56b

DUBAI, Sept 11: Industrial investment in Dubai, a major Gulf oil producer and a member of the United Arab Emirates (UAE), amounted to 9.4 billion Dirhams (2.56 billion Dollars) at the end of 1990, a local study said this week, reports AFP.

The figure accounts for nearly 41 per cent of the total industrial investment in the UAE of 22.9 billion Dirhams (6.2 billion Dollars) said the study of the Dubai Chamber of Commerce and Industry.

Dubai is the second largest UAE Emirate, producing 420,000 barrels of oil per day. As with other Gulf states, it has sought to diversify sources of income through investment, mainly industrial.

About 86 per cent of such investment is held by nationals and 53 per cent covers alumintum and other metal industries, according to the chamber.



NOT FOR SALE: Deliverymen carrying office lunch in tiffin carriers collected from houses of their respective owners - a service that the average office-goers saves money on having lunch out and some extra income for those carrying them. - Star photo by Mohsin

POL, CMA to expand shipping relations Star Economic Report

The Polish Ocean Lines (POL) and Compagnie Maritime d'Affretement (CMA) are planning to expand their established working relation-

CMA will join Polish Occan Lines existing service between Europe and US Gulf and South Atlantic by adding one containership to the two vessels currently operated by POL.

This will be a non-conference service planned to commence in October, operational management will be effected by Polish Ocean Lines H Q

in Odynia. An 11-day sailing frequency will be provided between Bremerhaven, Rotterdam, Le Havre, Houston, New Orleans, and Savannah, although Antwerp Bs/L will also be accepted. Containers to and from the UK and Ireland, Scandinavia and the Iberian peninsula will be relayed by feeder services calling at Le Bremerhaven, Havre.

The new joint service will be marketed independently by POL and CMA through each of their established customerservice and sales agency structures. Following the customers' requirements, POL will be able to replace present bi-weekly service by every 11 days and to offer direct calls at Houston said Jerzy Cenerowski -

Rotterdam.

General Manager, POL - North America Service. "The introduction of this new route for

Palandjian - CMA's Managing Director. The new joint service with POL is planned to complement CMA's existing Connecting Carrier Agreements from and to the US North Atlantic and Canada, established with various Conference and Non-Conference shipping lines for FCL traffic shipped to and from East Mediterranean, North

CMA opens an important new

market for us" comments M.

ports. Containers from the US Gulf and South Atlantic will now be relayed via North Europe on the weekly frequency CMA/POL (JOS) satitings, which provide fast transit times to CMA's regional "hub" --port distribution centres at Alexandria and Mina Qaboos. Coordinated connections are provided from these centres to destinations throughout the Mediterranean, the Red Sea,

African , Red Sea, Arabian Gulf

and Indian Sub-Continent

India/Pakistan. Joint operations with well-established carrier on the Atlantic trade, such as POL, will also allow CMA to start regular carrying from Europe to US Gulf and South Atlantic.

the Arabian Gulf and

China's trade surplus soars to \$880m

BEIJING, Scpt 11: China's trade surplus soared to 880 million US Dollars in August, state television reported Monday citing customs statistics, says AFP.

Exports grew 17.2 per cent from the same month last year to 6.48 billion Dollars while imports were up 21.9 per cent at 5.6 billion Dollars.

China registered a comfortable trade surplus of 3.63 billion Dollars in the first half of

The surplus last year reached 8.11 billion Dollars and was the first time China's trade has been in the black since 1983.

Jakarta forms special team to handle disputes JAKARTA, Sept 11

Indonesia has set up a team t handle the growing number of disputes with its trading part ners, the official Antara news agency said Tuesday, reports Rapid export growth would

make Indonesia prone to charges of unfair trading that required more professional handling, Antara quoted Hasan Kartadjomena, Ambassador to the General Agreement on Tariffs and Trade (GATT), as

Brokers market report, activities by export buyers lent support to prices at the sale. However, there were some out-market activities. Buyers for Iran operated at

Ctg tea market recovers

Star Economic Report

levels than expected. Pakistan lent good support for cheaper types and Egypt continued to dominate the fannings. In the Leaf category, 45 per cent of the total offerings were purchased by export buyers,

15 per cent were bought by

the sale, although at lower

internal buyers and rest 36 per cent remained unsold. In the Dust category, internal buyers accounted for 45 per cent of the sale of the total offering, 31 per cent were purchased by export buyers and 24 per cent remained un-

A total of 25,311 packages of Leaf were on offer at the sale (No. 19). Sale No. 20 is scheduled to be held on September 17 and total offerings will comprise of about 26,000 packages of Leaf and 4,000 packages of Dust.

CTC: Good and medium Brokens met with improved demand and prices inclined by about a Taka over last levels. The best types were however

often neglected and prices declined between Taka 1 and Taka 2. Few lines sold between Taka 51 and Taka 53. Good and medium Fannings continued to maintain its levels and were often dearer by up to Taka 0.50. Plainer types, however, eased. Selective lines realised between Taka 52.50 and Taka 54.50.

Dust: 3,355 packages were on offer and these sold at around last levels with selective lines being dearer.

Green Tea: 420 packages were offered. Prices ranged between Taka 63 and Taka

Top price realised in the Unity Brokers catalogue included CTC Broken of grade BOP from the Patrakhola and Madanmohanpur gardens at Taka 51. CTC Fannings of grade OF (s) from Madabpore garden and of grade OF from the Madhupur and Dinarpur gardens fetched Taka 51. CTC Brokens (clones) of grade BOP from the Phulbari garden realised Taka 51. CTC Fannings (clone) of FOF grade from the Dauracherra gardens fetched Taka 54.20. CTC Dust (clone) of grade RD from the Phulbari gardens realised Taka 54 and CTC Dust also of grade RD from the Madhupur and Dinarpur gardens fetched Taka

generally withdrawn as bids Fish-catching rises in Kaptai Lake

Star Economic Report

the lake.

a large scale in fish catch- cording to sources. ing in Kaptai Lake near Rangamati has boosted earnings for the country's largest fresh water fish project.

The volume of catch rose by 628 metric tons to 4391 metric tons in 1990-91 from 3713 metric tons in 1989-90. The catch was about 3439 tons in 1988-89. Sources in Bangladesh

Development Fisheries Corporation (BFDC) which manages the project said that the sale proceeds from fishcatch in Kaptai increased by Taka 59 lakh in two years period from Taka 103 lakh in 1988-89 to Taka 162 lakh in 1990-91.

The same sources said the increase in volume of catch as well as in sale receipts was mainly due to 'better fish management steps"

The catch of fish in Kaptai Lake is expected to be around 4800 metric tons in 1991-92.

Private sector participation valued at Taka 195 lakh, ac-

The size of the Kaptai Lake is about 350 square miles during the full water season. However, the total area is not suitable for fish habitation because some portions of the lake are either too deep or too shallow for fish habitation. Moreover, sources said, the continuous threat of the socalled Shanti Bahini people also hampers cultivation, management and fish-catch from

There has not been any through study of the lake to a sess its fish cultivable area. The optimum capacity for release of fish fries remain not yet determined. At present, 60 lakh fish fries are released each year. BFDC has a scheme to release 80 lakh fish fries in the lake this year. The corporation could release 40 lakh fries in 1990-91 against the target of 60 lakh. The shortfall was due to non-availability of fish fries.

develop Sangley Point (a rundown naval base to the south of Manila) into a modern harbour, dustrial estate, on similar con-China is known to be look-

ing at further possibilities for BOT - for its neglected roads, railways, airports and harbours. First off the schedules are likely to be projects along the south coast of the country, in the Guangdong, Fujian and Hainan counties, and stretching up into the poorly- served western regions. Will the system turn out to

be workable and efficient Time will tell. It will certainly relieve hard-pressed government budgets. There are, however some misgivings.

Some people suspect that, during the latter part of the operating period, the company might be tempted to save on maintenance costs. This would keep profits up, but it would also mean that the government would get a run-down asset in the end.

There is also the vexed question of charges. How will the price of the power gener ated, or the tolls for use of the us a romantic image for fiction roadway, be fixed?

There is the strange exam-

trust and integrity.

people with long historical memories point back to the 18th century in Europe, when economies were bursting into new technologies such as steam power and the first automotive engines, but the roads were mediacval.

ever since.

Sales-Purchase-Tender & Employment News

Employment

Executive Director, BECAS Limited, 12, Shantinagar (Ist floor), Dhaka-1217 invites applications for the post of (1) "Senior Engineer" must have B.Sc in Civil Engineering with 8-12 yrs experience, (2) "Diploma Engineer," must have Diploma in Civil Engineering with 5 yrs experience, (3) "Estimator", must have Diploma in Civil Engineering with 10 yrs experience, (4) "Typist-cum-Clerk," must be H.S.C pass and with good typing speed. Shorthand knowledge will be given preference, (5) "Receptionist cum-Telephone Operator", must have good communication skill in English. Please apply with bio-data, 3 copies of recent pp size photographs mentioning expected salary by 20 9.91

(2) Principal-in Charge, KM Degree College, Bhanga, Fandpur, wants Lecturers in Chemistry, Botany, Management, English and Islamic History and also wants and experienced Principal, preferably MA with honours in English. Please apply with full particulars within 30 9 91.

(3) The Advertiser, GPO Box No 3845, Dhaka, requires the following: (a) "Superintendent", must be experienced Retired Army Officer, (2) "Receptionist", must be graduate, (3) "Lift Operator", must be SSC pass, (4) "Security Guard", must be retired army personnel. Please apply with bio-data.

2 copies of pp Size photographs within 20.9.91. The Advertiser, GPO Box No 689, Dhaka requires "Sales Manager," must have multinational experience. Please apply with bio-data, two copies of recent pp size photographs, photocopy of original certificates urgently.

Tender

Executive Engineer, Eden Building, PWD Division, Bangladesh Sectt, Dhaka invites sealed tenders in Bangladesh Form No 2911 from Class-I general contractor of PWD, Class-III general contractor of PWD Dhaka Zone, Dhaka for construction of electric room in ground floor and cement concrete works in 4th floor, control transport pool building in the west side of Bangladesh Secretariat, Dhaka, during the year 1992-92. Tender documents available from this office and office of the Executive Engineers, PWD Division No III/IV/Medical College, Dhaka up to 24.9.91. Tenders will be received by the above office as well as by the Executive Engineer, PWD Division No III/IV/Medical College, Dhaka at their respective offices up to 12.00 Noon of 26.9.91.

Managing Director, Zia Fertilizer Company Limited, Ashugani, B Baria, Bangladesh invites sealed international tender for supply of (1) Steam Trape (2) Portable PH and Conductivity Meter on C & F (C) Chittagong basis. Tender documents available from the office of (a) Controller of Accounts. BCIC Head Office, BCIC Bhaban, 30-31, Dilkusha C/A, Dhaka, (b) General Manager, BCIC Shipping and Liaison Office, 6, Agrabad C/A, Chittagong, and (3) General Manager (Accounts and Finance), ZFCL, Ashugani on all working days from 9.00,a.m to 12-30 p.m. Tenders will be received by the Chief Comm. Manager, Zia Fertilizer Co Ltd. Ashugani, B Baria, Bangladesh up to 2-30 pm

from 16.10.91 and 19.10.91 General Manager, Urea Fertilizer Factory Ltd, Ghorasal, Narsingdi, Bangladesh invites sealed international tender for supply of Igniter Stick for 12 MW GTG and High Temperature Insulating Fire Bricks on C&F (c) Chittagong Sea Port/Dhaka Air Port basis. Tender documents available from (1) BCIC, 30-31, Dilkusha C/A, Dhaka (2) BCIC, 6, Agrabed, C/A, Chittagong and (3) UFFL. Tenders will be received up to 11.00 am of 23.10.91 and 27.10.91.

Executive Engineer, Local Govt Engineering Bureau, Narsingdi invites sealed tenders in Bangladesh Form No 2911 from pre-qualified contractors/firms of all districts for reconstruction of 36.59 span RCC bridge over Gangajoli canal in Belabo Upzila of Narsingdi district during the year 1991-92. Tender documents available from the officers of Project Director, ADB-financed Flood Rehabilitation Project, Local Govt Engineering Bureau, 4/5 Lalmatia, Block-B. Dhaka-1207, Executive Engineer, Local Govt Engineering Bureau, Dhaka and from the above office till 18.9.91. Tenders will be received in the tender box kept at the Project Director, ADB-financed Flood Rehabilitation Project, Local Govt Engineering Bureau, 4/5 Lalmatia, Block B. Dhaka-1207, Executive Engineer, Local Govt Engineering Bureau, Dhaka/ Narayangani/Manikgani/Munshigani/Gazipur and from above office up to 1.00 p.m of 19.9.91