

\$125m ADB industrial credit programme likely

By Moazzem Hossain

The final round of negotiations for a 125 million US Dollar new programme loan assistance by Asian Development Bank (ADB) to Bangladesh is likely to be completed in Manila this month.

Before the negotiations take place, the government, at the highest level, will have to endorse the terms and conditions under which the new programme loan assistance, known as Second Industrial Credit operations, will be approved and made effective by the ADB through its concessional loan window, Asian Development Funds (ADF).

Preliminary discussions between the government and the

ADB on the Second Industrial Credit Programme have earlier been completed. A government delegation will visit Manila to hold the final negotiations with the Bank officials before ADB accords its approval for the same. This will be two tranches or instalment loan facility. Forty per cent or about 50 million Dollar fund will immediately be made available in the first tranche as soon as the loan becomes effective immediately upon its approval. The second tranche fund, sized about 75 million Dollar, will be available for drawing next year, subject to the fulfillment of specified conditionalities under the loan agreement itself.

Authoritative sources said that the conditionalities under the Second Industrial Credit Programme would include measures to step up disinvestment programme and labour rationalisation, and to create a liberal and conducive environment for growth of competitive private sector. Apparently, the terms and conditions are not in conflict with the stated economic goals of the government. But implementation of the same will involve many hard actions for the sake of enforcing economic discipline and maximum productive use of resources.

Knowledgeable circles told me that the new programme loan by the ADB would set specific targets for disinvestment as well as rationalisation of labourforce. Indications suggest that 37 public sector units in textiles, sugar, steel & engineering and chemical sectors would have to be disinvested as a conditionality of the new loan. Separate funds will be created for rationalisation of labour. There is already a large number of excess employees or labour force in units under different sector corporations. According to one estimate, the excess manpower is about 25 per cent in the public sector units on an aver-

age basis. About 10 per cent of such labour force will have to be got rid of in a three-years operation under the forthcoming Industrial Credit Programme. If it finally receives the approval of the ADB.

Concerned circles observed that the terms and conditions of the ADB's Industrial Sector Credit Programme were otherwise softer than that of the World Bank. Any new industrial sector credit programme by the World Bank (WB) through its concessional loan window, International Development Association (IDA), is unlikely to be finalised soon, though some discussions were earlier held between the government and the WB on new industrial programme loan funding.

Meanwhile, the ADB key functionaries in Manila explained to the visiting AD Press Study Team (1991) last month that the conditionalities

under the programme loan assistance of the Bank were more or less the same for all developing member countries in the region. 'There is nothing specific or peculiar to any country', they said while stating that the Bank would continue to stress on market-oriented reforms in the member countries through its loan operations.

As a member of the Press Study Team, I got the impression that the Bank would like to a greater role of the private sector as the engine of growth in all its developing member countries.

The ADB officials at its headquarters noted with satisfaction that many of its member countries, particularly in South East Asia, had graduated themselves effectively on to higher stages of growth within a short period of time with the private sector playing a dynamic and vibrant role in the whole pro-

cess. But, the situation in South Asia has been not much encouraging because of convergence of several factors. Lingering bureaucratic controls, inefficient use of resources, and other structural economic rigidities are the most important among such factors, they observed.

According to the Bank's assessment, only Sri Lanka in South Asia has made some encouraging performances in areas of economic liberalisation and improvement in social sectors like education and health services. Sri Lanka would have been at a take-off stage of growth much earlier, had not the ethnic political troubles caused some major setbacks to its economy in the last few years, the key functionaries of the Bank noted.

However, the ADB key officials noted that other South Asian countries like Pakistan, India, Nepal and Bangladesh

had recently taken some moves for supporting the liberalisation trends in their economies. Strong and more effective supportive measures are needed to sustain such reforms, they said.

When asked about the particular problems of Bangladesh, the ADB functionaries observed that low savings rate, low investments, inefficient use of available resources, high population growth, low levels of performance in social sectors and human resources development, and natural disasters had largely been responsible for its 'existing economic plight', making the country heavily dependent on concessional loans and grants from the international community. They however, pointed out that the growth performance of the country's agricultural sector was not 'so bad' in the last two decades despite all difficult circumstances.

Moderate fall in share trading

Star Economic Report

The week began at Dhaka Stock Exchange (DSE) with a moderate fall in trading Saturday.

In all 10,482 shares and debentures changed hands compared with Wednesday's 15,794. Traded issues valued Taka 4,43,963.00 against Wednesday's Taka 5,38,132.00.

Advancers dominated trading. And DSE All Share Price Index, which is the broad indicator of price movements of all the listed stocks, moved up slightly to 293.8046 points from Wednesday's 293.6741.

Transactions involved twenty-eight stocks. Of them ten gained, eight lost and ten remained unchanged at their previous quoted prices.

Usmania Glass and National Tubes advanced Taka 5.75 and Taka 2.72 to Taka 193.39 and Taka 117.72.

Kohinoor Chemical moved up Taka 1.50 to Taka 105.09.

BGIC Insurance, Bangladesh Thai Aluminium, Eastern Cables, Metalex Corp, Dhaka Vegetable, Zeal Bangla Sugar and Eagle Box gained within the range between Taka 0.02 and Taka 1.00.

The debentures of Beximco, Beximco Pharma, Quasem Silk declined Taka 10.00, Taka 5.00 and Taka 0.83 to Taka 2240.00, Taka 1640.00 and Taka 1810.00 respectively.

Modern Dying and Beximco Pharma lost Taka 2.50 and Taka 1.83 to Taka 36.50 and Taka 178.00.

Green Delta Insurance, Ashraf Textile and Beximco declined within the range between Taka 0.05 and Taka 1.00.

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on November 9, 1991.

Company	EV/ML	Closing Rate	Company	EV/ML	Closing Rate
BANKS (Ten)					
AL Bank	1000/1	1000.00	Gawisa Jute	10/50	NT
AB Bank	100/5	155.00	Ialam Jute	100/5	65.00
City Bank	100/5	272.00	Jute Spinner	100/5	95.00
LFIC	100/5	177.00	Mutual Jute	100/5	100.00
Islami Bank	1000/1	1200.00	Northern Jute	10/50	NT
National Bank	100/5	105.00	Shamra Jute	100/5	100.00
Pubali Bank	100/5	100.00	Specialised Jute	10/50	NT
Rupali Bank	100/10	82.72	Shine Pakur Jute	100/5	100.00
U.C.B.I.	100/5	120.00	Sornali Aamsh	100/5	97.00
Utara Bank	100/5	190.00	PHARMACEUTICALS & CHEMICALS (Fifteen)		
INVESTMENT (Eight)					
ICB	100/5	92.00	Amboe Pharma	10/50	14.25
1st ICB M.Fund	100/5	345.00	Bangla Process	100/5	58.00
2nd ICB M.Fund	100/5	150.00	Beximco Pharma	100/5	178.09
3rd ICB M.Fund	100/5	134.00	Glaxo	10/50	10.00
4th ICB M.Fund	100/10	130.00	I.C.I	100/5	105.71
5th ICB M.Fund	100/10	99.00	Kohinoor Chemical	10/50	12.00
6th ICB M.Fund	100/10	68.00	Petro Synthetic	100/5	110.00
ICB Unit Cert.			Pfizer	100/5	180.50
Sales Price		115.00	Pharmaco	100/5	55.00
Re-purchase		110.00	Progressive Plastic	110/5	40.00
INSURANCE (Four)					
BGIC	100/10	107.77	Reckitt & Colman	10/50	240.00
Green Delta	100/10	114.00	Rahman Chemicals	100/10	50.00AL
Peoples	100/10	120.00	Therapeutics	100/5	40.00
United	100/10	125.50	The Ibratina	100/10	92.00
ENGINEERING (Nineteen)					
ADAB Automobiles	100/5	202.50	PAPER & PRINTING (Six)		
Atlas Bangladesh	10/50	42.00	Eagle Box	10/50	25.71
Asif Paper	100/5	242.00	Monosool	100/5	108.00
Bangladesh Autocars	100/5	90.50	Paper Converting	100/5	108.00
Bangladesh Lamps	100/5	250.00	Paper Processing	100/10	106.00
B.Thal Aluminium	100/10	90.00	Padma Printers	10/50	50.00
Bengal Carbide	100/5	250.00	Sandip Paper	10/50	50.00
Bengal Steel	10/50	18.00	SERVICE (Two)		
Eastern Cables	100/5	83.94	Bangladesh Hotel	10/50	12.00
Howlader PVC	100/10	84.00	Bd. Service	10/50	NT
Karim Pipe	100/5	126.25	TEXTILE (Eighteen)		
Metalex Corp.	100/5	120.00	Alhaj Textile	10/50	NT
Monzo Staffers	10/5	200.00	Arbee Textile	100/10	NT
Monzo Jute	100/5	210.00	Ashraf Textile	10/50	27.91
National Tubes	100/10	117.72	Chand Textile	10/50	NT
Parthar Steel	100/5	6.00	Chand Spinning	10/50	NT
Quasem Drycell	10/50	8.00	Desh Garments	100/10	61.00
Reznick Jajecwar	100/5	78.00	Dulamia Cotton	100/10	60.00
Singer Bangladesh	100/5	800.00	Eagle Star	10/50	34.92
FOOD & ALLIED (Twenty one)					
A.B. Biscuit	100/5	180.00	GMG Ind. Corp.	10/50	13.00
Alpha Tobacco	10/50	48.00	Modern Dying	10/50	36.50
Aman Sea Food	100/5	36.00	Quasem Silk	10/50	5.85
Apex Food	100/5	400.00	Quasem Textile	10/50	8.00
Aroma Tea	100/5	70.00	Rahim Textile	100/5	57.00
Barga	100/5	305.00	Safham Textile	100/10	78.00
Bengal Food	100/5	119.24	S.T.M. (ORD)	100/5	90.00
B.L.T.C.	100/5	480.00	Slycraft	100/5	100.00
B.T.C.	10/50	40.00	Swan Textile	100/5	60.00
Cig. Vegetable	100/10	99.00	Talpa Spinning	100/10	116.00
Dhaka Vegetable	100/5	146.00	MISCELLANEOUS (Fourteen)		
E.L. Camelia	100/5	1000.00	Apex Tannery	100/5	180.00
Frogleg Export	10/50	4.50	Aramit	10/50	NT
Gemini Sea Food	100/15	100.00	Bata Shoe	10/100	35.50
Modern Industries	100/5	190.00	Beximco	10/100	9.35
N.T.C.	100/5	275.00	B.S.C.	100/5	90.00
Rabeya Flour	100/100	NT	Chittagong Cement	100/5	175.00
Rupam Oil	100/100	5.85	G. Q. Ball Pen	10/50	50.00
Tulip Dairy	100/10	92.00	Hilmadri Ltd.	100/100	NT
Yousaf Flour	10/50	11.75	Miron Tannery	100/5	9.35
Zeal Bangla Sugar	10/50	11.75	Monzo Ceramic	100/5	145.00
FUEL & POWER (Three)					
Padma Oil Co.	10/50	40.00	Phoenix Leather	100/5	90.00
Eastern Larkspur	10/50	14.00	Savar Refractories	100/5	115.00
Oxygen	10/50	50.00	The Engineers	100/5	100.00
JUTE (Twelve)					
Ashraf Jute	100/10	NT	Umanisa Glass	100/5	193.39
Assessia Jute	10/50	NT	DEBENTURES (Four)		
Delta Jute	10/50	8.50	Apex Tannery	1000/1	1055.00
			(17% 1992)		
			Bengal Food	900/1	950.00
			(18.5% 1992)		
			Beximco	2500/1	2240.00
			Beximco Pharma	1571/1	1640.00
			(17% 1997)		
			Quasem Silk	2000/1	1810.00
			(17% 1994)		

** PV = Face Value ML = Market Lot NT = Not Traded, AL = Allotment Letter

BSB training programme ends

Star Economic Report

A training programme on project implementation and supervision for the managers and officers of Bangladesh Shipa Bank (BSB) was held at the BSB head office from 12th October to 5th November.

The training programme was participated by 18 officials of the bank. The training programme dealt with the subjects like: implementation and supervision of projects, identification of the causes of sickness related to the projects and rehabilitation of the sick projects.

The concluding session of the training programme was presided over by the head of the Training Division Deputy General Manager, BSB, Strajul Haq.



Muhammad Sirajuddin, Member, Planning Commission, is speaking in the seminar on Development of Small and Cottage Industries in the light of industrial policy.

Engineers asked to help implement ADP projects in time

Development of rural economy gets priority

Star Economic Report

Minister for Local Government, Rural Development and Cooperatives Barrister Abdus Salam Talukder on Saturday asked the upazila engineers to implement the projects under the Annual Development Programme (ADP) in time. Any negligence to the timely implementation of the schemes will not be tolerated, he added.

The Minister was speaking as the chief guest at the annual conference of the Dhaka Division Engineers of the Local Government Engineering Bureau (LGEB) held at the Engineers Institute auditorium. Upazila Assistant and Executive Engineers posted at field levels of the division attended the conference. Representatives of various donors and aid-giving agencies also participated.

An estimated Taka 400 crore will be spent for implementation of development projects in Dhaka Division under the current Annual Development Programme. Barrister Salam Talukder said it was the absolute responsibility of the LGEB engineers to help build the rural infrastructures of the country to achieve the desired objectives of attaining self-sufficiency in all respects. He said the Government had attached maximum importance to the development of rural economy where 85 per cent of the population lives.

The Minister said the activities of LGEB aimed at generating employment opportunities for the rural poor and the unemployed people. He said the people attached to the development projects should perform their duties and responsibilities with a sense of dedication. 'You have face odds, meet challenges of the onerous tasks,' he told the attending engineers.

The Minister said the engineers must identify the problems facing successful implementation of the projects. 'It's a pity that many projects could not be completed in the course resulting in sheer mismanagements,' he added.

State Minister for LGDR and Cooperatives Abdul Hye told the conference that steps were being intensified for socio-economic development of the rural Bangladesh. The government was trying to mobilise adequate funds for the local government institutions to improve the lot of the common people through LGEB.

The Minister asked the engineers to maintain the quality and standard of the works they perform. He said there was no compromise on the issue of quality control

measures taken up by the authorities.

Pointing to the flood rehabilitation projects, the Minister said LGEB had been entrusted with the responsibilities of reconstructing the infrastructures damaged by the floods.

He said LGEB was the lone public sector organisation which maintains a separate training unit. Through undergoing rigorous training and exchange of technical know how, the skill of the technical experts could be developed, he added.

In his presidential address, Local Government Division Secretary Mushfiqur Rahman said the pace of development had tremendously increased by now and infrastructure development projects funded by international aid agencies like SIDA, DANIDA, NORAD, SDC, World Bank, Asian Development Bank were being undertaken for aggressive rural development. He said the aid-giving agencies were quite informant about the performances of the LGEB. He said technical know how of the engineers of LGEB must be developed and diversified to achieve maximum results.

'We want to impress upon the donors that the projects taken up by LGEB are implemented in time,' he said and added that timely implementation of the projects was the key to the greater success of the country's economy.

Dwelling on different aspects of training offered by LGEB, he said these training programmes were aimed at upgrading the basic standard of the engineers working at the grassroot level. He said LGEB engineers were undergoing foundation training at the Bangladesh Academy for Rural Development (BARAD) at Comilla.

Earlier, LGEB Engineering

Hides & Skin

(Wet/Salted)

November-9

(Taka per 100 pieces)

Cow	14,000.00	-	28,000.00
Buff	48,000.00	-	96,000.00
Medium	68,000.00	-	136,000.00
Heavy	88,000.00	-	176,000.00
Very heavy	78,000.00	-	156,000.00
Rejected	32,000.00	-	64,000.00
Goat			
Light	8,500.00	-	17,000.00
Medium	6,100.00	-	12,200.00
Rejected	2,900.00	-	5,800.00
Sheep	8,000.00	-	16,000.00
Buff	82,000.00	-	164,000.00

Source: Department of Agricultural Marketing

Shipping Intelligence

Chittagong Port

Name of Vessels	Berthed	ETA	Birth No	L. Port Call	L. Agent
Al Tabith	09/11	20/11	J/1	Sikka	MSPL
Fong Yun (Attached)	08/07	16/11	J/2	Singapore	BDSHIP
Shahinaz	08/11	15/11	J/3	Kand	ENCL
Kopelita Wirak	08/11	20/11	J/4	Kand	PSAL
Shongrim	04/11	11/11	J/5	Bcht	PSAL
Banglar Urdi	09/11	16/11	J/7	Male	BSC
Al Tajwar	09/11	15/11	J/9	Mongla	* NA
Poola	03/11	10/11	J/11	Sfax	SSST
New Genlord(Detained)	29/10	-	J/13	Singapore	BDSHIP
Yo Hoo	29/10	10/11	MFB/2	Kand	BSI
Al Iahrat	10/11	12/11	GBJ	* NA	KSL
Dignity	09/11	20/11	TSP	* NA	NSL
Guang Ming	29/11	13/11	RM/4	Calcutta	EBPL
Hang Tone	08/11	11/11	RM/5	* NA	* NA
Nian	08/11	-	RM/6	Singapore	* NA
Loyal Bird	21/10	20/11	DD	Mongla	OWSL
Maritz Star	22/10	15/11	DDJ/2	Singapore	UNISEA
Red Deer (Attached)	11/07	13/11	RM/8	Singapore	HIL

Name of Vessels	ETA	ETD	Birth No
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