

**Outstanding issues of Karnaphuli fertiliser project discussed**

**Star Economic Report**  
The outstanding issues of the Karnaphuli fertiliser project were discussed at a meeting of the representatives of the Export and Import Bank of Japan and Romania with Industries Secretary Shaiful Alam held in Dhaka on June 18 and 19.

The discussion was held in a friendly and cordial atmosphere on various clauses of the letter of guarantee to be issued by the Government of Bangladesh in favour of the export credit tenders. After three-hour discussion an agreement was reached between the parties on the issuance of the letters of guarantee.

The Industries Secretary, the representatives of the Export and Import Bank of Japan and Romania agreed to cooperate with each other for speedy implementation of the project. During the discussion, representatives from ministries of Finance and Law were also present.

**Joint farm policy a total failure, says EC leader**

WASHINGTON, June 21: A leader of the European Community denounced the 12 countries joint farm policy, long criticised here, as a total failure and urged US and Japanese support for a new one, reports AP.

Martin Bangemann is a vice-president of the European Commission, the community's executive body. He was formerly West Germany's Minister of Economics.

"Many Europeans find that the common agricultural policy is absolutely idiotic, and it is," he said. "It's a total failure."

Farmers, environmentalists, consumers, politicians all complain about it, he added.

The European farm policy has been in effect for over 30 years and was long considered unchangeable. It fixes prices for farm products in Europe and keeps imports down by a system of flexible tariffs. Money collected from those tariffs is used to subsidize European exports in competition with other countries. So the policy reduces US sales both in Europe and outside it.



Bangladesh delegates attending the 78th session of International Labour Conference held in Geneva. From left: Nazrul Islam Khan, C.K. Hyder, Latifur Rahman and Barrister Rafique-ul Islam Mia are seen in picture.

**Informal sector's role in job creation stressed**

**Star Economic Report**  
Bangladesh Employers' Associations (BEA) President Latifur Rahman stressed the need for the development of the informal sector as a means of generating employment and income. He said potential of job creation in the informal sector was immense.

Addressing the 78th session of International Labour Organisation in Geneva, Rahman suggested a series of comprehensive proposals to improve productive potentials of micro-enterprises of the informal sector in the Third World countries.

About 2,000 Government, employer and worker delegates from 149 member countries of International Labour Organisation (ILO) attended the conference.

Rahman said the major problem facing the micro-enterprises, particularly in low income countries, was demand constraint. He said the adverse impact of structural adjustments sponsored by multilateral donors in low income countries like Bangladesh, had reduced growth potentials in informal sector. He also mentioned about adverse external environment, renewed protectionism in developed countries, escalating debt burden and declining trend in world prices of raw materials, as

problems in LDCs for realizing the full potentials of micro-enterprises of the informal sector.

Latifur Rahman underscored the need for providing adequate resources with a view to assisting the informal sector. He also stressed the need for improved institutional credit, better technologies and improved marketing tie-ups. He said the efforts were needed to streamline the bottlenecks with regard to interest rates, collateral requirements and cumbersome processing facilities.

Rahman also highlighted the needs for training facilities and strengthening links between formal and informal sectors to ensure efficient use of resources and help the micro-enterprises.

The BEA chief mentioned about the activities of Bangladesh Employers' Association, specially with regard to its services to improve productivity and rendering shop-level assistance to micro-enterprises. He added that Bangladesh Employers' Association had been successful in improving productivity and promoting low cost technologies in a number of micro-enterprises in informal sector. Latifur Rahman recommended comprehensive measures for international assistance for the development of informal sector, specially in the LDCs.

**Japan may go for partial rice imports**

TOKYO, June 21: Japan will open part of its rice market to foreign imports if it leads to a breakthrough in the stalled Uruguay round of global trade talks, a senior Agriculture Ministry official reportedly said recently, reports AFP.

But Japanese news reports from the Danish city of Helsinki also quoted the official as saying that Tokyo would not bow to Washington's demands to replace Japan's virtual ban on rice imports with tariffs.

The reported remarks fol-

low recent signs from Japan's ruling Liberal Democratic Party that the Government's rigid stance on rice is crumbling ahead of next month's economic summit of leading industrial countries in London.

If confirmed, the remarks would also represent the strongest sign to date that obstinate bureaucrats in the hard-line agriculture, forestry and fisheries ministry are willing to compromise on the sensitive issue.

**Heated debate on wheat allocation**

**Star Economic Report**

Jattya Sangsad witnessed a lively but heated discussion over allotment of wheat to various upazilas. Many Treasury and Opposition members of Parliament complained that there was irregularity in allotment of wheat for Test Relief and that they were yet to receive any notification about the allotment from the Relief Ministry.

The debate ensued when Abul Hasan Choudhury (AL-Tangail) raised a call attention notice on Thursday on irregularity in allotment of wheat for his upazila. He said his upazila did not get any wheat allotment as Test Relief. He demanded an explanation from the State Minister for Relief Latifur Rahman Khan whether this was done intentionally as he was an Awami League member.

In reply, the State Minister said the irregularity was not intentional and some complaints were received. He said there might be some lapses in allotment procedure from this year, allotments have been given population wise, a system different from the previous one.

The State Minister said the district and upazila administrations have been asked to give allotment of wheat in consultation with the local MPs.

After his statement, Tofael Ahmed, Rashed Mosharrif, Col (ret) Showkat Ali and Motia Chowdhury of Awami League, Rashed Khan Menon of Workers Party, and Begum Ahsanullah and Ziaul Haq Zia of BNP made almost identical remarks on the allotment of wheat. Most of them said they did not get any letter from the ministry about their participation in the allotment process. Allotment letters have been sent to many districts but these have not reached many districts as yet.

Rashed Mosharrif of AL said the time limit for implementation of the Food for Work Programme has been set at June 30, 1991. How schemes could be prepared and implemented with all the formalities within this short time, he questioned.

Rashed Khan Menon of Workers Party said the UNO and the Upazila Chairman of his upazila have already given allotment without his knowledge. Such was the case in May

of the upazilas in the country, he said.

Motia Chowdhury of AL said the Sangsad session is likely to continue till July 15 and how can the MPs give directives to the upazila officials on the allotment remaining confined to the session, she said.

Begum Ahsanullah of BNP said she did not get any paper from the Relief Ministry about her involvement in the allotment procedure. She said the opposition MPs were not the lone who have been denied of their role in the allotment process.

Ziaul Haq Zia shared the identical views with Begum Ahsanullah and said his constituency, Laksmipur, was one of the worst-hit areas in the recent cyclone, both in loss of life and property but no priority was given to it.

**S.Korea's economy to grow 8.8 pc annually**

SEOUL, June 21: South Korea's economy will grow at an 8.8 per cent annual rate during the second half of the year and its trade and current account balances will be back in the black, the Central Bank of Korea (BOK) said Thursday, reports AFP.

An economic analysis published by the Bank said a 4.7 billion dollar current account deficit in the year's first half would become a 2.7 billion dollar surplus, and that a 4.1 billion dollar trade deficit would be converted to a 2.6 billion dollar surplus.

The upbeat forecast was based on an expected 14 per cent increase in exports, which dropped 7.2 per cent during the first six months of the year.

More good news is expected on the inflation front. The bank predicted that stable oil prices would keep inflation — which has jumped 6.5 per cent since January — down to 2.9 per cent in the second half.

A slowdown in the country's overheated construction business is expected, but investment in production would continue to rise, the bank predicted.

**Bangladesh Bank affairs**

**Star Economic Report**

Total notes in circulation stood at Taka 3570.45 crore on May 30, according to the latest Statement of Affairs of Bangladesh Bank.

Notes held in the Banking Department of the central bank amounted to Taka 7.96 lakh, giving the figure on total notes issued at Taka 3570.53 crore on May 30.

Holdings of government securities on the assets side of the Issue Department of the Bank totalled Taka 524.43 crore and those, categorised as internal bills of exchange and other commercial papers, stood at Taka 2760.08 crore. Gold coin and bullion holdings valued Taka 75.88 crore and approved foreign exchange assets totalled Taka 200 crore on May 30.

The central bank held balances outside Bangladesh, amounting to Taka 2293.71 crore. Holdings of Government Treasury Bills by its Banking Department totalled Taka 231.88 crore on May 30. The amount of 'other loan and advances' stood at Taka 1682.21 crore and investments aggregated Taka 672.15 crore. 'Other assets' of the Bank totalled Taka 1429.70 crore.

Deposits of banks with the central bank, shown on its liabilities side, were Taka 1857.88 crore and those of government were Taka 50.40 crore. Other deposits stood at Taka 2805.62 crore.

The other items on the liabilities side of the central bank were: capital paid up - Taka three crore, reserve fund - Taka three crore, rural credit fund - Taka 149.20 crore, export credit fund - Taka 49 crore, industrial credit fund - Taka 47.77 crore, and agricultural credit stabilisation fund - Taka 160 crore. Also on the liabilities side were: Allocation of Special Drawing Rights Taka 91.74 crore, bills payable - Taka 30.44 crore and other liabilities - Taka 1126.19 crore.

**2 courses on banking conclude at BIBM**

Two regular courses on "Export procedures, financing and documentation," and the "Audit and inspection in banks," organised by the Bangladesh Institute of Bank Management (BIBM) concluded in Dhaka on Thursday, reports BSS.

Twenty seven officers from different banks and financial institutions and export oriented industrial enterprises participated in the "Export procedures, financing and documentation" course, while the course on "Audit and inspection in banks" was attended by 29 officers from different banks and financial institutions.

Mr ABM Mahbubul Amin Khan, Director of BIBM, presided over the concluding sessions of both the courses and gave away the certificates to the participants.

**Companies in East Germany change ideas: Delors**

BERLINE, June 21: The rapid reform to market principle of the economy in Eastern Germany was one of the biggest economic changes in history, the President of the European Community Commission, Jacques Delors, said here recently, reports AFP.

During the visit to Eastern Germany, he said that companies in Eastern Germany had to "change their ideas and face up to a World economy which is changing rapidly."

Delors spoke in the presence of the President of the Treuhandanstalt Organisation which is responsible for privatising companies in Eastern Germany, Birgit Breuel.

Mr Delors and Mrs Breuel signed an agreement making the Treuhandanstalt a member of the Business Cooperation Network (Bc-Net).

The Network is intended to help investors to find partners in Europe and throughout the world. It also offers the services of 600 consultants in Western and Eastern Europe.

**Australia questions value of US assurance**

CANBERRA, June 21: The Australian Government has seriously questioned the value of United States assurances to Australia following the US, sale of 100,000 tons of subsidised wheat to Kuwait, a traditional Australian market, reports Xinhua.

Foreign Minister Gareth Evans told parliament that the sale ran counter to the terms of an assurance given by US President George Bush to Prime Minister Bob Hawke in March.

He said he considered the move at odds with US commitments to Australia.

**Snippets**

**Controversial phone deal resolved**

BANGKOK, June 21: Thailand's military-appointed Prime Minister, Anand Panyarachun, saw his political standing enhanced Tuesday following the resolution of a controversial telephone deal that had threatened to become a major political crisis, reports AFP.

Anand, who had struck a modified deal Monday with the agro-industry conglomerate Charoen, Pokphand Group (CP) regarding a massive telephone line installation contract, spoke to reporters after a cabinet session at which the new agreement had been ratified.

He said every minister had approved the deal, which awarded CP a contract to install two million telephone lines in Bangkok within five years.

**Plea to nationalise gold mine in Fiji**

VATUKOULA (Fiji), June 21: Striking miners at an Australian-run gold mine said Thursday they were pressing the Fiji Government to nationalise the industry, reports AFP.

"Involving workers as shareholders in the mine's operations will be a significant move towards ending slavery and use of scab labour," Fiji Mineworkers Union Secretary Kavakini Navuso said in an interview.

**ADB grant for study on tourism**

MANILA, June 21: The Asian Development Bank (ADB) said Thursday that it had approved a 100,000 dollar grant to support a study on tourism development financing with Indonesia, Nepal and Fiji as samples of the study, reports AFP.

The study, a joint effort with the World Tourism Organization (WTO) is intended to assist ADB member nations in rationalising their policies and strategies for financing tourism development, the ADB said in a statement.

The study will cover the role of government and the private sector in tourism development, financing and investment as well as problems and constraints in these areas, the Manila-based ADB said.

**China gets \$67.5 m loan for rly line**

MANILA, June 21: The Asian Development Bank (ADB) announced here that it had approved a 67.5 million-dollar loan to China for a new railway line between Yaogu and Maoming province, reports AFP.

The 23-year loan, carrying a variable pool-based interest rate and a grace period of three years, was the second granted by ADB since resuming normal lending to China.

China was not allowed to borrow for nearly two years following the June 1989 massacre of pro-democracy protesters at Beijing's Tiananmen square, a 70-million dollar loan was approved last month for a bridge project in Shanghai.

**EC to talk transition to monetary union**

BRUSSELS, June 21: The European Community summit in Luxembourg will debate how to make the transition to full monetary union but should not swell on Britain's refusal to endorse a single currency, a senior Luxembourg official said, reports Reuters.

"I do not think we should put special emphasis on the British problem, the official told Reuters.

While the precise agenda for the June 28 and 29 summit has not yet been fixed, Luxembourg, as current EC President, wants the discussion of Economic and Monetary Union (EMU) to stress three themes, said the official involved in preparations.

**UN asked to take charge of African relief**

UNITED NATIONS, June 21: The heads of Oxfam in the United States and Britain pleaded with Secretary-General Javier Perez de Cuellar on Wednesday to take charge of all emergency relief efforts in Africa where a famine threatens 30 mln people, reports Reuters.

The Oxfam directors, representing a host of international aid groups, said the UN chief should re-establish the Office for Emergency Operations in Africa (OEOA), first created in the mid-1980s in response to the famine in Ethiopia.

**Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange**

At the close of trading on June 12 and June 20, 1991.

Company	EY/ML*	1990-'91			
		June 12 Taka	June 20 Taka	High Taka	Low Taka
<b>BANKS (Ten)</b>					
AL Baraka Bank	1000/1	750.00	770.00	1135.00	725.00
A.B Bank	100/5	180.00	180.00	255.00	135.00
City Bank	100/5	268.00	268.00	275.00	160.00
I.F.C	100/5	190.00	190.00	235.00	140.00
Islamic Bank	1000/1	1206.25	1206.25	1210.00	925.00
National Bank	100/5	114.50	114.50	145.00	102.00
Pupali Bank	100/5	110.00	110.00	115.00	90.00
Rupali Bank	100/10	80.00	80.00	130.00	75.00
U.C.B.L.	100/5	130.00	130.00	155.00	130.00
Utara Bank	100/5	214.00	214.00	240.00	193.00
<b>INVESTMENT (Eight)</b>					
I.C.B	100/5	97.00	97.00	17.50	90.00
1st ICB M.Fund	100/5	422.00	422.00	575.00	405.00
2nd ICB Fund	100/5	190.00	190.00	220.00	170.00
3rd ICB M. Fund	100/5	156.00	157.00	173.00	143.00
4th ICB M. Fund	100/10	142.00	143.00	161.00	133.00
5th ICB M. Fund	100/10	126.00	127.00	142.00	115.00
6th ICB M. Fund	100/10	90.00	91.00	104.00	85.00
ICB Unit Cert.					
Sales Price		132.00	133.00		
Re-purchase		127.00	128.00		
<b>INSURANCE (Four)</b>					
BGC	100/10	111.00	112.00	122.00	104.50
Green Delta	100/10	115.00	118.00	122.00	104.50
Peoples	100/10	120.00AL	120.00AL	120.00	108.00
United	100/10	112.50	113.00	122.00	105.00
<b>ENGINEERING (Nineteen)</b>					
Afhab Automobiles	100/5	202.00	202.00	232.00	194.00
Atlas Bangladesh	1050	36.00	38.75	48.00	35.50
Aziz Pipes	100/5	235.00	235.00	250.00	180.00
Bangladesh Autocars	100/5	104.00	105.03	157.00	104.00
Bangladesh Lamps	100/5	290.00	290.00	365.00	230.00
B.Thal Aluminium	100/10	98.00AL	96.00AL	110.00	75.00
Bengal Carbide	100/5	400.00	400.00	450.00	320.00
Bengal Steel	10/50	18.00	18.00		
Eastern Cables	100/5	84.00	83.50	109.00	75.00
Headlander PVC	100/10	105.00	101.86	122.00	100.00
Karim Pipe	100/5	110.00	115.00	139.00	110.00
Metalizer Corp.	100/5	90.00	99.50	113.00	75.00
Monno Staffers	10/5	250.00	250.00	250.00	250.00
Monno Jute	100/5	350.00	350.00	400.00	350.00
National Tubes	100/10	105.46	106.75	137.00	102.00
Panther Steel	10/50	6.00	6.00		
Quasem Drycells	10/50	8.25	8.00	9.30	7.25
Rennwick Jaineswar	100/5	66.00	66.00	75.00	40.00
Singer Bangladesh	100/5	1125.00	1125.00	1150.00	1125.00
<b>FOOD &amp; ALLIED (Twenty one)</b>					
A.B Biscuit	100/5	200.00	200.00	290.00	200.00
Alpha Tobacco	10/50	48.00	48.00	48.00	48.00
Aman Sea Food	100/5	36.00	36.00	40.00	36.00
Apex Food	100/5	340.00	340.00	340.00	260.00
Aroma Tea	100/5	50.00	60.00	52.00	45.00
Bangla	100/5	305.00	305.00		
Bengali Food	100/5	142.00	145.00	255.00	140.00
B.L.T.C.	100/5	600.00	600.00	600.00	600.00
B.T.C.	10/50	35.00	35.00	83.00	35.00
Cig. Vegetable	100/0	97.50	100.00	117.00	90.00
Dhaka Vegetable	100/5	133KD	136.00	192.00	130.00
E.L. Cemelia	100/5	700.00	700.00	700.00	500.00
Frogleg Export	10/50	6.00	6.00	8.00	4.00
Gemini Sea Food	100/5	100.00	100.00	100.00	100.00
Modern Industries	100/5	150.00	150.00KD	150.00	120.00
N.T.C	100/5	265.00	267.00	350.00	220.00
Rabeya Flour	10/100	NT	NT		
Rupani Oil	10/100	7.43AL	6.00	9.25	6.00
Tulip Dairy	100/10	90.00AL	90.00AL	105.00	90.00
Yousuf Flour	10/50	NT	NT		
Zaid Bangla	10/50	8.00KD	8.00KD	10.00	7.40
<b>FUEL &amp; POWER (Three)</b>					
Eastern Oil	10/50	40.00	40.00	47.00	40.00
Padmara Lubricant	10/50	14.00	14.00	90.00	46.50
Oxyzen	10/50	48.50	51.50		
<b>JUTE (Twelve)</b>					
Ahad Jute	100/10	NT	NT		
Anowara Jute	10/50	NT	NT		
Delta Jute	10/50	8.50</			