

Lack of improved technology pulls down agricultural output growth

The country's food production is not increasing due to lack of improved technology in agriculture. Experts believe it was for this reason that the rate of agricultural production could not even run parallel to the rate of growth of population, reports UNB.

The growth rate of agricultural production is at present showing a downward trend. The rate for the Fourth Five Year Plan is estimated at 1.7 per cent while the rate of

growth of population is estimated at 2.2 per cent. The experts have called for immediate adoption of advanced technology in the agricultural sector to enhance crop production for attaining self-sufficiency in food.

The government is planning to take up some important measures on the basis of recommendations of the experts to bring about large scale changes in agriculture by the century end.

The government measures

included in the draft national agriculture policy also suggest "a coordinated whole farm package of technology should be delivered from a single point to a group of farmers rather than the traditional extension approach of individual contact".

It says, "a unified single command extension delivery system with a package of technology integrating all the sectors in agriculture... crop, livestock, fishery and forestry should be developed under one umbrella".

It further said that all departments and agencies providing goods and services to the farming community should be merged into a single organisation with a chief executive officer at the top rank and status of a Secretary and having four Directorates headed by a Director General for each.

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Tk 300 cr spices smuggled in annually

Non-cereal output sharply falls

The country imports spices worth more than Tk 100 crore while triple the imported quantity are smuggled in annually owing to an alarming decline in non-cereal production, reports UNB.

Concerned officials gave the estimates, saying the country which would once export spices has to import it now due to lopsided policy, that gives emphasis exclusively on cereal production.

Production of cereal, specially rice and wheat, has substantially been increasing in the last few years, but output of non-cereal like pulses, onion, garlic, turmeric, chilli, oilseed has fallen alarmingly, they told UNB, in Dhaka.

Foreign spices, specially from neighbouring India, are reported to have captured domestic markets because of shortfall of these items.

Official sources told UNB that in last January alone, onion worth Tk 5.50 crore, chilli Tk 12.50 crore, fruits Tk three crore, turmeric Tk 22.68 lakh, garlic Tk 69 lakh and fennel seed and aniseed Tk eight lakh were imported only through Benapole border from India.

Illegal cross-border trade in these items would be triple in volume, said an agriculture official on condition of anonymity, adding only onion worth nearly Tk 100 crore enter the country every year.

In recent years, reports say, production in the best-quality onion-growing areas of Rajshahi district has faced a serious setback. Poverty of the farmers, dearth of seed, high price of other inputs, irrigation problem and unpredictable weather behaviours were cited as causes.

Commenting on the situa-

tion, a high official of the Agricultural Marketing Department said the scenario was just reverse before 1988. Country's non-cereal crop export earning was Tk 70 crore every year until that time (1988).

The country used to export turmeric, ginger, cori, and seed, chilli, garlic, black cumin seed, tamarind, bell leaf, fruits, vegetable, tobacco, kapok, raw cotton, wheat and rice bran, oilcake, crushed bone and chole, he said.

Bangladesh Bank sources said the country had imported in the first half of the current fiscal year (July 1991-December '91) various commodities at a total cost of about Tk 677 crore.

The imports included salt worth Tk 60.16 crore, milk Tk 106.02 crore, edible oil (both purified and non-purified) Tk 201.42 crore, oilseed Tk

132.51 crore, pulses Tk 28.94 crore, onion Tk 57.05 crore and other spices Tk 55.90 crore.

Agri-experts said farmers were now more interested in cultivating cereal for more profit. They are less interested in producing non-cereal crops for high price and unavailability of seeds and rampant smuggling.

The government has to lay emphasis on non-cereal production to stop the downward trend in production and offset the present situation.

The foreign-aided Crop Diversification Programme (CDP) for intensifying non-cereal production should be strengthened, experts viewed.

Donors have also suggested the same, saying only cereal production will not help the country achieve self-sufficiency in food in its totality.

S Asian nations have to mobilise own resources for development: ADB study

Competition among developing countries for limited external resources will put greater pressure on South Asian countries to finance development through their own domestic resources, according to a study by the Asian Development Bank.

The study on external finance and the role of multilateral financial institutions in South Asia conducted by ADB senior economist Jungsoo Lee notes that strong global demand for external finance has emerged at a time when South Asian countries need increasing amounts of concessional aid to meet the challenges of poverty alleviation, human resource development, environmental protection, private sector development and structural adjustment.

According to Lee, "these challenges will have to be met mainly by their own efforts and financed through domestic resources."

South Asian countries will have to improve their economic policies and institutional capabilities for domestic resource mobilization, according to the study. Mobilization of domestic resources, says Lee, cannot be strengthened in a short period of time despite the fact that most developing South Asian countries require immediate attention. For these reasons, the role of foreign aid is essential.

The less promising prospects for the global supply of external finance justified the need for a greater role by multilateral financial institutions, particularly in view of their advantages over bilateral flows, according to Lee.

"In contrast to bilateral aid, multilateral financial institutions give greater weight to developmental criteria in the allocation of resources," says Lee. "This has helped in the more efficient use of aid resources."

The study emphasizes four main ways in which multilateral financial institutions (MFIs) can help South Asian

countries.

First, MFIs should be more selective in financing projects and programs by setting an appropriate order of priorities. A sharper focus in establishing operational country strategies would maximize the impact of limited resources and more effectively help overcome the region's many development challenges.

Second: Financial resources of MFIs will need to be expanded. Donor countries must be required to increase their subscribed capital and contribute to various funds managed by MFIs and at the same time, MFIs would need to borrow from the international capital market at favorable interest rates by maintaining sound asset and liability management.

Third: MFIs will have to strengthen their catalytic role through cofinancing to attract more private capital to the development process in South Asia. In an external environment where commercial banks are hesitant to expand credit to developing countries, cofinancing will be useful in inducing additional private capital for development finance.

Fourth: MFIs should help South Asian countries improve their economic policies and ability to mobilize domestic resources. This, the study says, can be done by providing policy advice and structural adjustment loans for needed policy reforms.

South Asia relies heavily on external finance. Foreign saving has averaged nearly four per cent of GDP during the past decade. And, compared with other regions of the world, South Asia has benefited significantly by a relatively high amount of external finance. South Asia's share in the total financial flow to the developing world rose from seven per cent in 1980 to 15 per cent in 1989.

Foreign capital flows to South Asia have generally been in the form of officials development assistance (ODA), the share of which has declined significantly during the last two decades, particularly since

India and Pakistan started to borrow actively in international capital markets.

ODA still accounts for the majority of financial flows to South Asia. But its share in total net flows declined sharply from 93 per cent in 1970 to 57 per cent in 1989. This ODA share is close to the average for the entire developing world, suggesting that South Asia is not particularly favored in ODA allocations despite its low income status and large population. In 1989, per capita ODA for South Asia was less than half the average for the developing world as a whole.

In the case of multilateral loans, concessional flows used to dominate. The share of these flows in recent years has declined. The change partly reflects the entry of the People's Republic of China into the World Bank and greater emphasis by the International Development Association on Sub-Saharan Africa.

South Asia's share in total concessional multilateral flows fell from 43 per cent in 1980 to 32 per cent in 1989, while that of Sub-Saharan Africa rose from 34 to 42 per cent and the share of China rose from zero to 9 per cent over the same period.

Concessional flows through bilateral loans continue to be dominant, although their share has declined significantly during the last two decades. The share of grants in the total flow also fell substantially. All these changes made the share of ODA in the total net flow fall in South Asia.

The author notes that bilateral flows to South Asia have generally been larger than multilateral flows. However, the share of multilateral flows rose sharply in the 1970s with a modest decline in the 1980s due to a faster rise in commercial bank borrowing. In 1989, this share was 41 per cent which is much higher than 12 per cent for South Asia in 1970 and 21 per cent for developing countries in 1989.

Among the handful of multilateral lenders, the World Bank remains the leading source.

However, there have been some important changes within flows to South Asia. IDA (once the most important source of multilateral flows) has seen its share fall gradually while the share of loans from the Asian Development Bank and nonconcessional loans from the IBRD has risen sharply.

European countries have been important suppliers of bilateral flows to South Asia, but Japan has been the largest single country donor to South Asia since 1983.

The share of private flows to South Asia has increased sharply in recent years to 24 per cent of the total net flow in 1989, according to the study. But this is still lower than the average for the developing world as a whole. The main source of private flows has been international commercial banks.

Foreign direct investment, meanwhile, remains insignificant, accounting for less than three per cent of the total net flow. Based on this changing pattern in external finance, the study shows a sharp rise in the external debt outstanding in South Asian countries and a significant deterioration in the debt situation.

The author notes that while the global supply of external finance in the medium term is expected to grow moderately (in view of projected slow growth in ODA and cautious private investors), global demand for external finance is rising rapidly to meet increasing developmental needs throughout the developing world.

This, says Lee, means there will be greater competition among developing countries in the allocation of limited external resources. South Asia in particular, he says, will need much more concessional aid to meet their ever increasing development challenges. While foreign assistance is crucial to meeting these challenges, financial resources will have to be met mainly by countries' own efforts and financed through domestic resources.



Khurshid Alam, President, Bangladesh Centre for Economic Growth handing over books on current world economic trends and privatisation to Khurshid Alam, Chairman, Inter-ministerial Committee on Privatisation Tuesday. A K Adhikari, Member-Secretary of the committee was present.

Bangladesh gets \$ 10 lakh orders at Jeddah fair

Bangladesh has received export orders for handicrafts, cosmetics, shoes, biscuit and shrimp worth 10 lakh US dollar at an exhibition held in Jeddah, a press release of Export Promotion Bureau said Tuesday, reports UNB.

Exportables like fish, tea, readymade garments, shoes, cosmetics, biscuits, handicrafts, jute goods, ballpen and raxin produced by 14 export firms were on display at the 8-day exhibition which ended on March 2.

Bangladesh received instant orders for handicrafts of M/S Jahanara Cottage Industries, cosmetics of Moushumi Industries, shoes of Excelstur, biscuit of M/S Alauddin Foods Industries and shrimps of Sea-Food and Conception Sea Food.

The first consignment of shoes was sent to Jeddah on March 7 by M/S Excelstur set up in Chittagong Export Processing Zone. The press release said.

ICAB President leaves for Australia today

President of the Institute of Chartered Accountants of Bangladesh (ICAB) Jamal Uddin Ahmad FCA will leave Dhaka for Australia today to attend an international conference of public practice.

R & H takes up road projects in Patuakhali

Roads and Highways department has taken up a programme for development of Patuakhali-Amtali road this year, reports UNB.

According to official sources Tk 20.54 lakh has been sanctioned for the implementation of the project.

The work is expected to be completed by June next.

Raw Jute Prices

As of March 8

Kutchi Bales FOB	Rejection	1600	255
Narayanganj/Daulatpur	BT		
White	Habijabi	1200	220
Tossa	Bangla		
Meshta	Cut Ropes	1150	220
Mid. 1099	Cutting		
Bot. (B) 1018	BW Cutting		
Bot. (C) 911	A	1250	210
Bot. (X) 831	BW Cutting		
	B	1150	190
	BT Cutting		
	A	1500	245
	BT Cutting		
	B	1400	225
	Meshta		
	Special	1700	
	A	1600	
	B	1550	
	C	1450	
	Spl Meshta		
	Cutting	800	
	Ord. Meshta		
	Cutting	700	
	Meshta SMR	900	
	Remarks:		
	Quality	— Normal	
	Condition	— Average	
	Nganj Imp	— 8,000/10,000mids	
	Daulatpur	—	
	Imp	—	
	10,000/12,000mids	—	
	Market	— steady	
	** Indicative prices at which sales may be considered for EPC registration. Dollar prices shown above are without selling commission.		

Price Index

Essentials	Dates	40.00-45.00
March-11	OIL (Taka per kg)	52.00-54.00
RICE (Taka per kg)	Mustard	38.00-39.00
Amant(fine)	Soyabean	90.00-95.00
15.00-16.00	Coconut (Colombo)	48.00-50.00
14.00-14.50	Vegetable Ghee	7.00-8.00
VEGETABLES (Taka per kg)	SPICES (Taka per kg)	7.00-8.00
6.00-8.00	Onion	14.00-16.00
6.00-8.00	Garlic	70.00-72.00
5.00-8.00	Chillies	40.00-45.00
16.00-18.00	Turmeric (Round)	10.00-12.00
4.00-5.00	— (Long)	12.00-14.00
4.00-5.00	Green ginger	3.00-3.50
4.00-5.00	Peppa	3.00-4.00
4.00-5.00	Cinnamon (50gm)	7.00-8.00
OTHER FOODSTUFFS (Taka per kg)	Candamom (50gm)	3.00-4.00
Flour	Musta (50gm)	7.00-8.00
14.50-15.00	MULLA (Two ago)	
13.00	Dano	291.00-292.00
FISH (Taka per kg)	Red-Cow	291.00-292.00
130.00-140.00	MISCELLANEOUS (Taka)	
130.00-140.00	Chow (one Kg)	220.00-240.00
85.00-90.00	Salt	7.00-7.50
125.00-130.00	Sugar	27.00
110.00-125.00		
100.00-120.00		
120.00-140.00		

Hides & Skin

MEAT	Beef	55.00
Mutton	85.00	
CHEEKEN	Large	68.00-70.00
Moderate	72.00-74.00	
Small	76.00-78.00	
TBA	Dust (Plain)	70.00-80.00
EGG (Eggs)	Duck	10.00-10.50
Han	10.50	
Firm	11.00-11.50	
PULSES (Taka per kg)	Mashur	30.00-31.00
Moogh	29.00-30.00	
Chhola	23.00-24.00	
Khesari	18.00-20.00	
FRUITS (Taka per Litre)	Green Coconut (one piece)	7.00-8.00
Watermelon	20.00-50.00	
Coconut (big)	8.00-10.00	
Banana (Sugar) (4 Pieces)	12.00-14.00	
Banana (Chaps)	4.00-5.00	
	(Taka per kg)	
Cow	18000.00 — 30,000.00	
Light	8000.00 — 9400.00	
Medium	6000.00 — 70,000.00	
Heavy	7000.00 — 77000.00	
Very heavy	78000.00 — 83000.00	
Rejected	29000.00 — 34000.00	
Goat	11000.00 — 19000.00	
Light & Heavy	8500.00 — 9500.00	
Rejected	3500.00 — 5000.00	
Sheep	8700.00 — 9000.00	
Buffalo	58000.00 — 62000.00	

Gold & Silver

Gold	(Taka for 11.66 gram)	NA
Tejgabi	8400.00	
Outsura	8400.00	
Silver	200.00	

Source: Department of Agriculture Marketing

Dhaka Stock Prices

At the close of trading on Mar 11, 1992

Star Economic Report

Trading improves

Dhaka Stock Exchange (DSE) witnessed a better trading on Wednesday compared to past few weeks. Number of shares traded increased slightly but losers still ruled the floor. Only three shares gained against eight losses. Two debentures traded at their previously quoted prices.

Business in terms both value and volume declined slightly on the day. One thousand 121 papers traded valuing Tk 188295 against Tuesday's 3032.

The DSE Share Price Index gained 0.077 points on the day.

THE DAY'S TRADING AT A GLANCE

DSE All Share Price Index	288.9849
Market Capitalisation (Tk)	8,265,090,915.00
Turnover (in value Tk)	188295.00
In Volume	1121

Company	FV/ML	Previous Day's Price	Closing Price (Absolute)	Change	Change % over previous price
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Gains (03)

National Bank	100/5	102.33	104.00	+1.671	1.632
Bengal Food	100/5	111.00	112.00	+1.00	0.901
Oxygen	10/50	40.50	41.00	+0.50	1.235

Losses (06)

Eagle Box	10/50	25.50	22.50	-3.00	11.765
United	100/10	144.50	142.00	-2.50	1.731
Pharmaco	100/5	60.00	58.00	-2.00	3.334
3rd ICB M Fund	100/5	126.20	125.00	-1.20	0.951
Sonali Aansh	100/5	93.00	92.00	-1.00	1.076
BOIC	100/10	111.00	110.00	-1.00	0.901
Eastern Cables	100/5	75.69	75.00	-0.69	0.912
Zeal Bangla Sugar	10/50	10.20	9.80	-0.40	3.922

Traded at previously quoted prices (04)

Shares: Dhaka Vegetables, Shine Pukur Jute.

Debenture

Shares: Beximco, Beximco Pharma.

Company	FV/ML	Price	Company	FV/ML	Price
AL Baraka Bank	1000/11090.00		Islam Jute	100/5	60.00
AB Bank	100/5	188.00	Jute Spinner	100/5	95.00
City Bank	100/5	265.00	Mutual Jute	100/5	105.00
IFIC	100/5	183.00	Northern Jute	10/50	NT
Islami Bank	1000/11700.00		Shamser Jute	100/5	100.00
National Bank	100/5	104.00	Specialised Jute	10/50	NT
Rupali Bank	100/5	102.00	Shine Pukur Jute	100/5	100.00
Rupali Bank	100/10	90.00	Sonali Aansh	100/5	92.00
U.C.B.L	100/5	123.00			
Uttara Bank	100/5	158.00			

PHARMACEUTICALS & CHEMICALS (15)

Ambee Pharma	10/50	11.75
Bangla Process	100/5	56.00
Beximco Pharma	100/5	198.00
Glaxo	10/50	125.00
ICI	10/50	10.00
Kohinoor Chemical	100/5	75.00
Petro Synthetic	10/50	17.17
Pfizer	100/5	110.00
Pharma Aids	100/5	150.00
Pharmaco	100/5	58.00
Progressive Plastic	110/5	40.00
Reckitt & Colman	100/50	290.00
Rahman Chemicals	100/10	39.87
Therapeutics	100/5	85.00
The Ibsatna	100/10	92.00

INSURANCE (04)

BGC	100/10	110.00
Green Delta	100/10	124.00
Peoples	100/10	128.00
United	100/10	142.00

ENGINEERING (10)

Afab Automobiles	100/5	180.00
Atlas Bangladesh	10/50	33.00
Atiz Pipes	100/5	233.00
Bangladesh Autocars	100/5	71.00
Bangladesh Lampo	105/5	225.00
B.Thai Aluminium	100/10	85.00
Bengal Carbide	100/5	220.00
Bengal Steel	10/50	18.00
Eastern Cables	10/50	75.00
Howlader PVC	100/10	90.00
Karim Pipe	100/5	126.00
Metalex Corp.	100/5	102.00
Motno Staffers	10/5	200.00
Monno Jute	100/5	223.97
National Tubes	100/10	103.87
Panther Steel	10/50	6.00
Quasem Drycils	10/50	7.05
Renwick Jaineswar	100/5	73.00
Singer Bangladesh	100/5	1050.00

PAPER & PRINTING (06)

Eagle Box	10/50	22.50
Monopol	100/5	95.00
Paper Converting	1	