

Dhaka to get Tk 220cr Japanese grant

Bangladesh will receive a grant assistance of about Taka 220 crore (7703.041 million yen) from Japan under the terms of two "exchange of notes" signed in the city Tuesday between the two governments, reports BSS.

Under the terms of first exchange of note, Bangladesh will receive debt relief grant assistance to the extent of 6854.04 million yen (approximately Taka 195.83 crore)

The debt relief grant is the 15th (1st tranche) of its kind. The grant is a support towards the balance of payment and will be utilized by the Bangladesh government for import of essential industrial raw materials, machinery, spares and other commodities under the import policy.

The source of procurement of the grant is untied.

Under the second exchange

of note, Bangladesh will receive a grant assistance of 849 million yen (approximately taka 24.26 crore). The grant will be utilized by Ministry of Local Government, Rural Development and Cooperatives for procurement of products and services necessary for construction of roads and irrigation facilities under the project entitled model "rural development project for Homna and Daudkandi" of Comilla district.

The government of Japan earlier provided a grant assistance of 723 million yen for implementation of the first phase of the project.

Dr AMM Shaukat Ali, Additional Secretary, Economic Relations Division (ERD), Ministry of Finance and Toshiko Saiki, Ambassador of Japan to Bangladesh signed the exchange of notes on behalf of their respective governments.

tourists between the two nations, the daily said.

The confederation of Indian Industry has already signed a memorandum of understanding with Israel to increase exports.

An Israeli economic delegation, led by the Director General of their export institute, visited India on March 1992.

India allows state units direct trade with Israel

NEW DELHI, Aug 11: The Indian government has permitted both central and state public sector units (PSUs) to conduct direct trading with Israel, except in petroleum, oil and lubricant products, reports Xinhua.

The recent decision was taken by the cabinet committee on political affairs, which

revoked decisions taken in 1976 and 1979. Earlier, the government did not permit direct trade between PSUs and Israel. The Economic Times reported Monday.

Close on the heels of the decision, a high-level delegation from the Ministry of Agriculture visited Israel to study crop cultivation in semi-arid

zones, an area where Israel has made significant progress in the last couple of years. India is also likely to benefit from Israel's experience in horticulture.

A high-level Ministry of Tourism delegation from India also visited Israel late last month to boost the flow of

tourists between the two nations, the daily said.

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ICB reduces interest rate

Investment Corporation of Bangladesh (ICB) has reduced the rate of interest on its different loans and advances with a view to help industrial development, foster the growth of capital as well as share market of the country, says a press release.

In the case of bridging loan, the interest rate has been lowered by one per cent & fixed at 15 per cent. In the case of shipping and other services the rate of interest on bridging loan & debenture loan has been reduced to 16 per cent from 17 per cent.

The interest rate on margin loan is lowered by 0.5 per cent. The new rate is 13 per cent. The new rate of interest has become effective from July one last.

Bush invites Rabin to talk billion dollar loan

KENNEBUNKPORT, Maine, Aug 11: President Bush welcomed Israeli Prime Minister Yitzhak Rabin to his seaside vacation home for informal talks that were expected to bring agreement on a multi-billion dollar US loan guarantee package for the Jewish state, reports Reuter.

Rabin arrived at Walker's point by motorcade from Pease air force base in nearby Portsmouth, New Hampshire after heavy for kept him from travelling by helicopter to the presidential state.

Rabin was to be Bush's overnight house-guest, signalling that a new era of cordiality was replacing the acrimonious relationship between the president and hardline former Israeli Prime Minister Yitzhak Shamir.

Rabin is very, very tough, said a senior US official, but he does not put himself in an ideological framework that makes it almost impossible for us to deal with.

Another US official said there were no obvious obstacles to an agreement on US credits of up to 10 billion to help Israel absorb 400,000 immigrants from the former Soviet Union and other countries.

The White House planned to brief politically influential American Jewish groups on results of the summit later this week.

Bush had spurned Shamir's plea for the loan guarantees because he would not go along with a US demand that Israel freeze construction of Jewish settlements in Israeli-occupied Arab territories.

China makes export record in machinery

HARBIN, Aug 11: China's export volume of machinery and electric products reached 8.20 billion US dollar in the first half of this year, 40.6 per cent higher than the same period of last year, according statistics from the customs, reports Xinhua.

The figure was 22.5 per cent of the total export volume of the country. Thus, the machinery and electric manufacturing sector has become the second biggest exporter following the garment and textile industry, according to a national meeting on the planning of machinery and electric products held in Harbin, capital of Heilongjiang province, northeast China.

In recent years, a large-scale technical up-grading drive has promoted the adjustment of the production and export structure of machinery and electric products and expanded the export.

China now has a total of 1,669 key enterprises engaging in export production of machinery and electric products.

The increases of exports are mainly planes, power-generating units, computers, telephones, cameras and machine parts.



CARRYING THE BURDEN OF CIVILIZATION: A large number of rural labourers contributing to the construction of the city every day. Irony of fate, they are only the contributors, not the consumers of the fruits of civilisation. —ILO photo

Views on garments & textile industries-I

Handling of cargo at ZIA poor

By Hasan Abdullah

If one takes a look at the cargo export area of Dhaka airport one will find that there is a backlog of at least 200 tons of garments, lying without any space for carriage to the final destination. Very little development has taken place in air transportation of garments from Dhaka, compared to the other countries in this region such as Thailand, India, Sri Lanka and even Nepal, though it is the highest foreign exchange earner for Bangladesh.

Most of the buyers, shippers and the freight forwarders are frustrated at not being able to reach their cargo to the final destination in time and thereby facing an imminent danger of cancellation of their merchandise. It's indeed a crime that the exporter, after going through all the trouble of marketing, obtaining the letter of credit, manufacturing the merchandise, has to face the problem of either cancellation of his merchandise or having to give a discount to his customer, for the simple reason his cargo couldn't be uplifted in time from the Dhaka airport.

The bottom line of this problem is that at present the output of garments for export by air per week is much more than the space available for carriage for this commodity.

Following is the analysis of cargo space availability for garments from ZIA International per week:

A) Foreign Airlines	Type of Aircraft	Frequency per week	Approx capacity for comm cargo
Airline	TU-154	1	8 M/TONS
Acrofloat	B-747	3	42 M/TONS
British Airlines	B-727/200	3	12 M/TONS
Emirates	L-10	5	60 M/TONS
Gulf Air	AB-300	2	20 M/TONS
PIA	B-747/300	4	56 M/TONS
Saudia	AB-310	3	24 M/TONS
Singapore Airlines	AB-300	5	50 M/TONS
Thai International			

With at least 15 per cent increase in 1992, the figure for this year could be estimated at

approximately space available for garments is not more than 100 to 125 tons. The balance space is allotted mainly to perishable cargo, leather, personal effects etc.

Some of the carriers mentioned above are not viable for carriage of garments due to their unconventional routes to USA or Europe.

B) Biman
Most of the garments from Bangladesh are exported to USA, Europe and Canada. Biman operates mostly DC-10s in its international sectors. It must be noted Biman's flights carry maximum perishable cargo and not garments. For example, it has three flights a week to London. On these three flights not even 10 per cent garments are uplifted. Very little priority is given for garments.

With lot of difficulties the forwarders arrange to send garments cargo on unconventional routes such as Muscat, Athens, Abu Dhabi etc. These routes are not preferred by the consignees due to long delays.

There are total 17 international flights of Biman which are serviced by DC-10s. The approximate cargo capacity per week on these flights is 170 tons, of which the space available for garments is less than 30 per cent which is 51 tons. Not all 51 tons are on prime routes.

The total uplift of cargo by air in 1990 was 8626 m/tons.

9,900 m/tons. On an average the output of cargo per week could be 208 tons against the space availability of 153 tons. Although the output of cargo is not evenly distributed during the peak season it could be even as high as 400 tons a week which obviously causes this tremendous backlog.

What steps have been taken to resolve this problem? One will not be incorrect in saying that virtually nothing has been done.

The obvious solution of this problem is to operate freighters. But Biman is insisting on a royalty of 25 per cent considering the fact the freighters will have to return empty. A 25 per cent royalty to Biman will not make the operation viable.

Interest of the national carrier should be protected, but not at the cost of country's economic growth. It should be prepared to charter a freighter and clear these valuable merchandise like the other national carriers in this region.

Lets look at Sri Lanka as a model example. There are four schedule freighters operating every week namely Federal Express, Korean Air, Royal Jordanian and Cargolux. All these freighters are primarily carrying garments. The government of Sri Lanka has adopted an open sky policy for operation of freighters. This has attracted many upmarket customers who want their goods to be delivered by air.

Sri Lanka, despite having a much less US quota for garments than Bangladesh is making the maximum use of it and increasing their total revenue by attracting these buyers.

Its time that the government of Bangladesh takes a serious look at this crisis. If it does not, the consequence could be serious as this will lead many buyers to look for alternative manufacturers of garments.

India bond scandal CBI officer relieved of job

NEW DELHI, Aug 11: A top policeman heading investigations into the billion-dollar financial scandal which has rocked India's banks and stock exchanges was relieved of the job on Monday, news reports said, says Reuter.

The United News of India (UNI) news agency said K. Madhavan, a senior officer in the elite Central Bureau of Investigation (CBI), was taken off the case and two other officers put in charge.

Madhavan had asked to be taken off the case last month and had submitted his resignation from the CBI. Opposition leaders said he was being obstructed by aides in Prime Minister P V Narasimha Rao's office from completing investigations.

Some news reports said Madhavan's investigations had zeroed in on senior government officials, and that he was being asked to ease up.

Rao denied the charges and refused to allow Madhavan to resign.

"I can state that no officer of the Prime Minister's office had interfered or brought pressure on Madhavan to go slow with investigations against ministers and senior officers," Rao told parliament last week.

It was not immediately clear if the last CBI move meant Madhavan's resignation had now been accepted.

Opposition leaders have alleged that some cabinet ministers were involved in the scandal, in which bank funds were illegally diverted to the Bombay stock exchange.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 11.08.92

Berth No	Name of vessels	Cargo	L Port	Local Agent	Date of Arrival	Leaving
J/1	Marglan	GI	Sing	PROG	7/8	15/8
J/3	Armas	GL	Mong	OWSL	6/8	16/8
J/5	Karabieverett	GI	Sing	EBPL	8/8	14/8
J/7	Silver Lake	GI	Hong	PROG	6/8	12/8
J/8	Kwan Mo Bong	Urea	Mong	Seacom	5/8	15/8
J/9	Banglar Asha	Wheat	BSC	BSC	9/8	16/8
J/10	Samudra Raj	Idle	Kara	SSL	15/7	15/8
J/11	Al Mohammed	Urea	Mong	KSL	10/8	20/8
MPB/1	Optima	Cont	Sing	RSL	6/3	11/8
CCJ	Samudra Samrat	Repair	Col	SSL	1/7	15/8

VESSELS DUE AT OUTER ANCHORAGE

Name of vessels	Date of Arrival	Last port	Local Agent	Cargo	Loading Port
South Shields	11/8	Mong	KSL		
Stonewall Jackson	12/8		Karna	GI	New York
Pearl One (481) 1/8	12/8	Karna	Cross	Bitumin/ Cotton	
Andromache 26/7	12/8	Col	RSL	Cont	Mong Col
Petr Starostin 27/7	12/8	Sing	CT	Cont	Sing
Kota Buana 12/8	12/8	Sing	CTS	Cont	Sing
Vishva Abha	13/8	Mong	SSL	GL	Odessa
Yao Sheng	13/8	Sing	Bright	Cement	
Orang Bernani	13/8	Sing	BBB	GI	
Mizoram	14/8	Col	SSL	GI	Fe E Japa
Oryx	14/8	Mong	Aqua	GL	Doula
Fong Yun 1/8	14/8	Mong	BDSHIP	Cont	Sing
Flying Dragon	15/8		USTC	Cement	
Safina-e-Heider	15/8	Kara	ASLL	GI/GL	Karachi
Andrian Goncharov 27/7	15/8		CT	Cont	Sing
Miramar	15/8	Mong	KSL	GL	Port Sudan
Bervalla 9/8	15/8	Mong	RSL	Cont	Sing
Seyang Acc	15/8		Prog	GI	
NGS Ranger 5/8	16/8	Sing	BDSHIP	Cont	Sing

VESSELS AT KUTUBDIA

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
T. T. Energy	C Oil	Col	NNL	27/4

VESSELS AT OUTER ANCHORAGE

READY ON

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
Fong Shin (Cont)	Cont	Sing	BDSHIP	10/8
Banglar Gourab	Urea	Mong	BSC	10/8
Hang Shing	Cemnt	Sing	H&H	22/7

VESSELS NOT READY

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
Hurza	Cement	Col	Bright	4/8
Artemis-1	Cement	Alada	Bright	10/8

VESSELS AWAITING INSTRUCTION

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
Banglar Jyoti			BSC	R/A (6/3)

VESSELS NOT ENTERING

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
Alyn	Cement	Sing	Alamin	R/A (18/9)
Nchaj	Scrating	Col	Umal	10/6

MONGLA PORT

Berthing position & Performance of Vessels as on 10.8.92

Berth No	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Date of Depart
S/4	Gwardia	Exp	Col	ISA	10/8	
S/5	Ludowa	Exp	Col	BSC	23/7	15/8
S/6	Ohrmazd	Exp	Col	Maik	13/7	
S/7	Karrington	Exp	Col	AGT	25/4	
S/8	Oryx	Exp	Col	AGM	2/8	
S/9	Sea Progress	Cemnt	Col	Morntaj	20/7	12/8
S/10	Al-Reza	Exp	Col	KSL	21/7	12/8
MB/1	Safina-c	Imp/Exp	Col	Atlas	17/7	12/8
MB/2	Sletter	Ferti	Col	SS Shipp	23/7	
MB/3	George	Cemnt	Col	Bright	18/7	
MB/4	Yu Yung	Cemnt	Longkou	TMIL	20/7	

VESSELS AT OUTER ANCHORAGE

Name of Vessels	ETA	EID	L Port	Local Agent	Cargo	Loading
Yao Sheng	21/8		Col	Bright	Imp (Cement)	
Artemis	15/8		Egypt	Bright		
Safina-e-Heider	15/8		Col	Atlas	Imp (Cement)	Karachi
Ocean Earth	11/8		Col	Sun-Shine	Imp (Cement)	S & S Pure Sma
Kamal Everett	13/8	45/8	Col	Everett	J. Goods	Kalyan Sangha Koba/ Oenka/B Atres
A S Altcan	28/8		Col	BSC	J. Goods	East & West Africa Dalm
Gold Future	28/8	25/8	F Pore	AGM	J Goods	
Sea Destiny	30/8		Panama	AGM	IMP (Cement)	
Queen of Diamond			Col	SS Shipp	Imp (Cement)	
Sang Shing			Col	Makh	Imp (Cement)	
Al-Zahra	15/8	19/8	Col	MMI	J Goods	Suez Port
Malaya			Col	SS Shipp	W Pules	
N Islam			Col	do	W Pules	
Ronjey Victory			Col	G Land	Imp (Cement)	
Pearl-1	45/8		Col	Encl	Imp (Cement)	
Queen of Heart	5/8	9/8	Col	SS Shipp	Imp (Cement)	
Golden Gate	10/8		B D	do	Imp (Cement)	
Long Khan	12/8		Col	Bright	Imp (Cement)	
Hurza	15/8		Col	Bright	Imp (Cement)	
Fong Yun	12/8		S Pore	BSLL	Cont/Japan EC & WC of USA UK Via	
Bervalla	13/8	14/8	S Pore	do	Cont	Viaakapam With cargo
Sea Destiny	13/8		S Pore	AGM	Imp (Cement)	
Golden Union	24/8		Col	AGT	J Goods	Suez/ Aquaba/Suez
Ira	21/8		Col	AGT	Imp (Cement)	
Vishva Pallar	15/8		Col	SSL	J goods	Dumde/ Harb/Port
Burnett Venture	14/8		Col	KSL	Imp	
Iyverrett	29/8	31/8	Col	Everett/Koba/Oenka/B Atres		
Alcay Tolatoy			Col	Pioneer	Cement	
Strig Sea	24/8		Canada	OTL	W Pules	

VESSELS SAILED ON 4/8/92 TO 10.8.92

No	Name of Vessels	Date of Arrival	Date of Depart	Local Agent	Name of Cargo
1	Banglar Kallol	22/7	4/8	BSC	Exp
2	Kwan Mo Bong	21/7	4/8	Acha	Cement
3	Armas	30/6	5/8	OWSL	Exp/Imp
4	Al-Mohammad	29/6	9/8	Bright	Cement
5	Banglar Gourab	3/8	9/8	BSC	Exp
6	South Shields	19/7	10/8	KSL	Exp

The above were Tuesday's and Monday's Shipping position and performance of vessels of Chittagong Port and Mongla Port as per berthing sheet of MPA and CPA supplied by HRC Group, Dhaka.

Exchange Rates

The following are the Commercial Bank's BC selling and TT (C), OD transfer buying rates for some selected foreign currencies effective on August 12.

(Figures in Taka)

Currency	Selling B. C.	T. T. (C)	Buying O.D. Transfer
US Dollar	39.1326	38.9087	38.6339
Poundsterling	75.5272	75.1711	74.6788
DM	26.7482		