

## Interview with the Swiss Ambassador

# Possibility of a New Export Market in Switzerland

Being Ambassador to a country is not easy; being Ambassador to four must be quite a juggling act. His Excellency Ambassador Jean-Pierre Zehnder of Switzerland is accredited to India, Bangladesh, Bhutan and Nepal. In the region since 1989, Mr. Zehnder lives in New Delhi and divides the rest of his time between the nations he is responsible for.

Bangladesh was recently on his travel itinerary. During his brief halt, Mr. Zehnder spared some time for a talk with The Daily Star Feature Writer Rahat Fahmda.

Though the snow-capped security of Switzerland seems far from the setting up of treadle pumps in Bangladesh, relations between the two countries have always been co-operative.

Switzerland was among the first countries of the world to recognize independent Bangladesh. Swiss assistance in financial and technical terms over the past twenty years has been steadily increasing.

Apart from discussing several development issues, the Ambassador spoke of the new possibilities in the export market. Textiles and garments, in his opinion, are areas which Bangladesh manufacturers should concentrate on.

**The Daily Star (DS):** About Swiss-Bangladesh cooperation, what do you think is the present state of affairs?

**Ambassador Jean-Pierre Zehnder (JPZ):** What we are looking at now, in the present cooperation is to have some kind of a stabilisation in the areas of our cooperation. We have increased our commitment in the last few years extensively. And we are trained to stabilise for a total amount of something between 24 to 25 million Swiss francs, which makes about US \$ 18 million per year, we really hope that we will be able to maintain this amount. We have to face difficulty at home, because the economic situation in Western Europe and of the Western economy is very bad. We had to face a very severe fiscal deficit. So our programme had to go through different exercises. We had to start cutting defence spending and also spending in different ministries, one of the ministries.

So far, the development allocation has not been touched. But quite recently new figures have been published, to show that fiscal deficit is higher than expected. Measures would have to be taken to cut expenditures across the board, that will include development expenditure, development budget. Now, this is a kind of situation not just existing in Switzerland. Most of the Western countries are facing the same situation. In the worst case, this will mean that also a reduction, but this re-



Ambassador Jean-Pierre Zehnder

duction is over the board reduction.

**DS:** Which are the areas where cooperation could be further improved?

**JPZ:** Well, we would like to improve the present cooperation. And we are not thinking of new projects at the moment. I think we are already deeply involved, — we have committed last year about 25 million Swiss francs, which is almost US \$ 30 million. So this will be for the

next years and we have plenty of commitment in the pipeline. We have areas of activities and we think of stabilising and developing these areas, not entering new fields of activities. We have four main sectors of activities — agricultural and food security, small and cottage industry, rural infrastructure and health, and human development. These are the four main areas of activities of Swiss Development Cooperation in Bangladesh. Bangladesh is among what we call

the priority countries. Rather than to have too many countries where Swiss Development Corporation is active, we try to concentrate in just a few countries — which we call priority countries. Bangladesh is one of them, and then we have India, Nepal, a few African countries, but there are several other countries where we just have nothing in terms of development cooperation. I used to serve in an African country before, where we just had nothing.

**DS:** What is the possibility of increasing trade and commerce between our two countries?

**JPZ:** I do not speak of increasing the trade between Switzerland and Bangladesh. This is of lesser interest to you, you are more interested in investments. But I also draw the attention today of the members of the government I saw to the possibilities of Bangladesh to take advantage of the very liberal import policy we have. Regarding garments and so on, we have no quotas for imports from developing countries, contrary to several other developed countries.

So, if you go to Switzerland you will find a lot of textiles coming from developing countries and I heard from Mr Albert Mehr (who is the Charge d' Affaires here) of Bangladeshis who started exporting garments to Switzerland, to companies which are of big name.

So there are possibilities. And these possibilities have to be looked up by the Bangladesh exporters, for choosing the type of items. They have to choose the right goods, quality wise it has to be of the highest standard. Swiss market is a very difficult market. This is because there is competition, particularly once you get into the Swiss market you have to make a very good position.

**DS:** So what products do you think Bangladesh can market to Switzerland?

**JPZ:** I would say, probably those kind of products which are usually imported from this part of the world. Like garments, textiles; it could be anything that of man-made fibre. Products where man power plays a very important role. Cost of the man-power is very important factor to be considered. Bangladesh man-power is considered a good man-power, as far as product viability is concerned. They are trying.

Of course, it is difficult to start with more elaborate and sophisticated goods. Because there is competition for this type, from other developing countries. Bangladesh is not in a position to compete with countries like — South Korea, Taiwan, the Philippines. So, it is better for Bangladesh to start with simpler products. One has to start somewhere.

**DS:** In which areas do you think Swiss aid and cooperation have been most valuable?

**JPZ:** This is rather a difficult question to answer. There are certainly some which are particularly successful. For example — we are assisting an institution who are introducing the treadle pumps in the country. And I must say the success is incredible. They started by producing about 60,000 pumps last year. This year around 130,000 will be sold and in 10 years a figure of 500,000 is expected.

I don't know if you realise what it means. These pumps are very simple, they are very cheap, they give the privilege to the share croppers to pump



## Swiss Development Cooperation (SDC)

In almost 20 years of cooperation with Bangladesh, SDC has gained some experience worth sharing with others, to be known by a broader audience.

There is no doubt that Bangladesh needs productive jobs and economic growth. Without growth, Bangladesh will never be able to feed its fast growing population. For the moment, some growth has been achieved in agriculture. In a few years, Bangladesh has almost reached self sufficiency in food grain production. SDC has supported this agriculture growth through some very interesting projects: the 'Grain-Storage-and-Credit Project' SHOGORIP is ready for expansion, as well as the 'Village Forestry Programme' which has a homestead component and also an approach to plant suitable trees as in the rice-fields. One of the major impacts on growth with equity comes from the SDC-supported 'Manual Irrigation Project', consisting of a miracle pump for small and marginal farmers: more than 500,000 Treadle Pumps generate a value added which is four times higher than the value added by the garment industry.

A tremendous success, however, was achieved in rural water supply, where SDC is supporting a nationwide DPHE/UNICEF programme with DANIDA. Twenty years ago, people in Bangladesh preferred water from the pond, as it was considered to be more 'tasty'; today, even the water-selling kids on the ferries advertise their water as 'tubewell water'.

Sanitation is a topic where the success is still to come: Only 10% of the population have access to a hygienic latrine.

The big challenge lies ahead: 15 millions of latrines have to be produced and sold. SDC has accepted this challenge and is willing to tackle the problem jointly with the Government of Bangladesh (DPHE and other agencies), with UNICEF and DANIDA, with the private producers of latrines, and with the NGOs. A big task.

The fight against diarrhoea has been a focus of the SDC programme for a long time. After the ICDDR, B has discovered and tested (with SDC support) the Oral Rehydration Therapy, BRAC spread that knowledge to all the villages in Bangladesh with the SDC/UNICEF and SIDA-supported OTEP programme (Oral Rehydration Therapy).

Whether access to clean water, health education, knowledge about oral rehydration therapy or sanitation, none of these activities are directly generating economic growth. But they are a precondition for it: health is development and not charity. An unhealthy population consumes too many resources for reproduction rather than invest them into growth. Every day, 29,000 tons of human faeces — equivalent to around 6,000 truckloads — are released in an unhygienic way and represent a serious health hazard. Diarrhoea kills more children under five than any other disease. There is a long battle to fight for disseminating hygienic latrines in the whole country.

**Dr Urs Heerli**  
Head Swiss Development Cooperation

## Bangladesh Needs its Own Development Model: SDC Chief

Dr. Peter Arnold, head of the Swiss Development Cooperation (SDC), believes that for Bangladesh's economic

By Our Staff Correspondent

districts of the country so that more farmers could profit

from it. Explaining the objective of the project, SDC chief Dr Arnold said that SHOGORIP's

main focus was to provide credit to the farmers so that they could sustain the period in which their products were in store.

Risk was almost nil and recovery rate was near 100 per cent as the grain served as collateral, he said.

So far, unused government food stores have been taken over for use while some new ones would be constructed at the places where there is no government godown.

Some 500 farmers would be directly benefited from each of the godown, Dr. Arnold said. He said that till June 1997, around 80 godowns would be brought under SHOGORIP. In the next 10 years, 200 godowns would benefit an estimated 80,000 to 100,000 small and medium farmers.

The SHOGORIP godowns would be installed in areas of specific cropping pattern, like the rice and wheat producing districts.

However, minor crops like mustard and sesame would also be brought under the project in future.



A SHOGORIP godown at Badiakhali in Gaibandha

growth, a development model of its own has to be worked out.

The highly capital intensive industrialised model of old Europe would not augury well to this land of fast growing population, he says.

SHOGORIP (Shoshyo-Gudam-Rin-Prokolo — grain storage and credit project) project is one which has been developed keeping in mind the challenge of economic growth of Bangladesh.

SHOGORIP is a joint venture of the Ministry of Agriculture and the Swiss Government which has been designed to improve the situation of the small and medium farmers and sharecroppers by allowing them to store their grain after harvest and to provide them with credit, against the stored products, from banks.

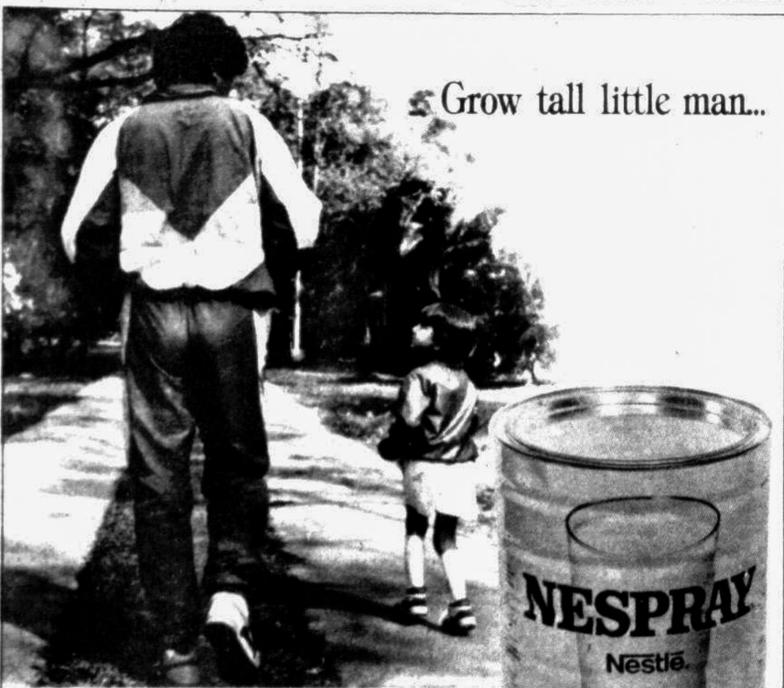
The project began as a pilot project called BASWAP (Bangladesh-Swiss Agricultural Project) in 1978. The godowns were constructed in Dinajpur, Rangpur, Nilphamari, Panchagar and Manikganj districts.

When BASWAP became a success, an expansion was decided to spread the model to the other cereal producing

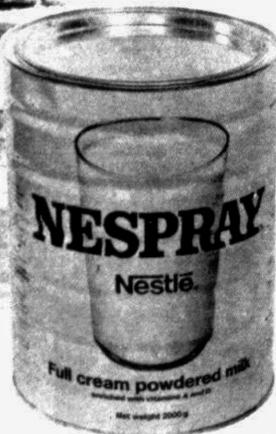
with their feet, which is in a way easier. Because you will get land which until not was never irrigated.

I visited to a place, not far away from Dhaka, just a few days ago, a part of the country which is drier than the rest and needs irrigation and with these very simple pumps they can easily irrigate the land. This pump needs no engine, it can be easily operated, I wouldn't say manually, but just by foot. And it is definitely a big success. It is a very simple investment.

There are also other projects. Continued on Page 10



Grow tall little man...

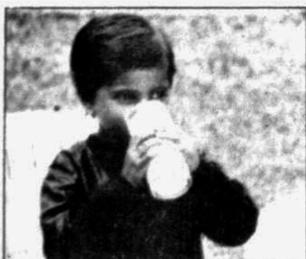


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