

# Japanese team to study scope for jt venture projects

The leader of a visiting Japanese investment mission, Kohji Kajikawa, said they would study the possibility of investment in Bangladesh, reports BSS.

"We are interested in EPZ and came here to find ways how to make joint venture project," Kajikawa, leader of the 12-member mission and Chairman of the Nishio Chamber of Commerce and Industry told a press conference here yesterday evening.

He expressed his regret that despite signing an MOU with Dhaka Chamber of Commerce and Industry three years ago they could not make any investment.

During their five-day stay in Bangladesh, the mission visited Chittagong to see Export Processing Zone and went round some industries around Dhaka.

Kajikawa said one of the main reasons for less Japanese investment in Bangladesh was

lack of knowledge about Bangladesh and prospects of business deal. He gave stress on informing the Japanese particularly the business community of the possibility of investment in Bangladesh.

Another reason for delay in investment is that Japan is passing through recession, he said "investors feel shy of investing during such time," he said and quickly added once it (recession) is over, some investors particularly from Nishio will come.

Kajikawa said that the Japanese, who outnumber all other investments in EPZ, are mostly happy working in Bangladesh. He said from two investors in 1990, the number of Japanese investors in Chittagong EPZ had now risen to 11.

Replying to a question, the leader of the Japanese mission said frozen fish but preferably the fresh one-caught from the Bay of Bengal and quality

leader have a good market in Japan. If tea call be blended like it is blended by the Britishers, it too has a prospect, he added. He said since Japanese are generally well off, they like expensive goods.

Hisashi Amano, Executive Councillor of the Chamber told the conference that Yamaha, a major Japanese boat making company is thinking of investment in Bangladesh for exporting manufacturing boats for exports. Competitive labour cost is one of the reasons for such ventures, he added.

The mission leader commented that Biman's Nagoya flight, has brought Japan closer to Bangladesh. The Nishio chamber is located near to Nagoya. The similar delegation from Nishio visited Bangladesh in February 1990.

The delegation leaves for home today morning. M Yunus, President, Dhaka Chamber of Commerce and Industry also spoke.

# Govt to spend Tk 574 cr for relief works

A total of eight lakh 20 thousand tons of wheat worth about Taka 574 crore will be spent by the government to implement different relief and rehabilitation programmes during the current 1992-93 fiscal year, reports UNB.

The programmes are: Food for Work Programme (FWP), VSD Test Relief programme and Chittagong Hill Tract Special Programme.

Out of the total quantum of wheat, five lakh 58 metric tons wheat would be utilised for the FWP and the rest will be distributed to run the other programmes, said a handout today.

# Workshop on transport system begins

A five-day national workshop on "Multimodal Transport" aimed at creating awareness and imparting advance knowledge about the latest technologies of transport system began in the city on Monday, reports UNB.

State Minister for Shipping Harun-Al-Rashid inaugurated the workshop at a local hotel.

The Minister underlined the need for introducing multimodal system that will ensure a total process in the entire door-to-door transport chain starting from seller's premises to buyer's yard.

He pointed out that a modern multimodal transport system is not only economic but also speedy and is being widely used the world over.

The system would ensure export of goods from the country by more than one mode of transport which is a combination of ship, rail, trucks and aircraft against one single transport contract.

Safe and just-in-time delivery of export consignment at the destination can easily be ensured through the new system, the state minister added.

The State Minister said necessary infrastructural facilities have been created at the country's two ports.



Mahbub Jamil, Chairman and MD, Singer Bangladesh Limited, inaugurating a Show Room cum-Sales Center at South Bashabo, Dhaka on Saturday. On this occasion, local elites and Singer Officers were also present.

# Shipping Intelligence

## CHITTAGONG PORT

Berth Position and Performance of Vessels as on 07-12-92

Berth No	Name of Vessels	Cargo	L Port	Local Call	Agent	Date of Arrival	Leaving
J/1	Scandinavian Express	GI	Mad	SSL		3/12	10/12
J/2	Supreme	Wheat (P)	P Land	Royal		22/11	12/12
J/3	Trans Asia	GI	Bank	Boal		1/12	10/12
J/4	Bi Ryu Gang	Sugar (P)	Bank	TSL		25/11	7/12
J/5	Kota Berant	Sugar (P)	Bang	OWSL		2/12	13/12
J/6	Atlanta-T	Sugar (P)	P Land	Seacom		30/11	10/12
J/7	Damon	Wheat (P)	Pers	Royal		8/11	18/12
J/8	Hafez	E/L	Mong	SSL		4/12	8/12
J/10	Endurance Sea	Repair	Aqaba	EOSL		25/11	15/12
J/11	Soarer Bellona	Wheat (P)	Sing	OWSL		16/11	9/12
J/12	You Yue	Wheat (P)	USA	Royal		23/11	11/12
J/13	Vishva Yashit	GL	Cal	SSL		5/12	8/12
MPB/1	Kota Buana	Cont	Sing	CTS		4/12	8/12
TSP	Actos	R Phos	JEDD	SSST		1/12	8/12
RM/6	Esoo Bangkok	HSD/JP-1	Sing	MSPL		2/12	7/12
DOJ	Banglar Jyoti	C Oil		ISC		R/A	7/12
ID	Banglar Kiron	Repair		ISC		R/A	13/12
DDJ/1	S E Haider	Cement	Kara	ASLL		R/A	10/12
RM/8	Safar	Repair	Col	ASLL		19/11	10/12
RM/9	Banglar Asha	Repair		ISC		R/A	12/12
CUFJ	Tanary Star	Urea	Mong	PSAL		28/11	12/12

## VESSELS DUE AT OUTER ANCHORAGE

Name of Vessels	Date of Arrival	Last Port	Local Call	Agent	Cargo	Loading Port
Fong Shin 26/11	7/12	String	BDSHP		Cont/Sing	Mong
Al Swamruaz	7/12	Massa	ASLL			
Komsomolets Rossit	7/12	PenaSunbeam	GI			
Ahler Bregd 21/11	8/12	Visa	RSL		Cont	Sing
Pratapgad	8/12	Rang	HSL		Logs	
Al Reza	9/12	Mong	KSL		GL	Sudan
Knud Jerspersen 28/11	9/12	String	CT		Cont	Sing
Ngs Ranger 30/11	10/12	String	BDSHP		Cont	Sing
Al Pesari	10/12		RRSA		Cement	
Banglar Kallol	10/12	Male	BSC		GI	
Silver Lake	10/12	Hong	Prog		GI	
Banglar Baari	11/12	Pena	Cross		Sugar(P)	
Dharastendu	11/12		SSL		GI	
Angelikt-II	11/12	P Said	KSL		Gtsp(P)	
Optima 2/12	11/12	String	RSL		Cont	Sing
Norman Prince	12/12	String	BSL		Wheat (G)	
Ngs Express 5/12	13/12	String	BDSHP		Cont	Sing
Fong Yun (Cont)	5/12	String	BDSHP		Cont	Sing
Kiutiang Carrier	13/12	Lapa	Ancient		Wheat (G)	
Ingenuity (Cont) 5/12 14/12	12/12	RSL	Cont		Sing	
Lena (48) 11/11	15/12	Bank	Prog/Const		Materials	
I Yamburenko 2/12	15/12		CT		Cont	Sing
Ryokoh	17/12		EBPL		GI	
Kamaleverett	22/12		EBPL		GI	FE ST
Beccles	29/12		EBPL		GI	

## TANKER DUE:

Chilham Castle	9/12		MSPL	SKO
Seaborne	10/12		ECSL	Furnace Oil

## VESSELS AT KUTUBDIA

Name of Vessels	Cargo	Last Port	Local Call	Agent	Date of Arrival
T T Energy		Col	ARL		27/4
Aspiros	C Oil	Jebel	DSLL		30/11
Banglar Shourabh	C Oil		ISC		R/A

## VESSELS AT OUTER ANCHORAGE:

Ready On:

Seavenus	Wheat (G)	L Pall	Ancient		2/12
Dehkhoda	H B Iron	Hazi	SSL		7/12
Shenton (Cont)	Cont	String	OMNI		7/12

## VESSELS NOT READY:

Banglar Robi	Wheat (G)		ISC		R/A (5/12)
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## VESSELS AWAITING INSTRUCTION:

Semudra Raj	GI	Kara	SSL		R/A (30/11)
Artemis-I	Cement	Bright			R/A (2/11)

## Vessels Not Entering:

Olga I	Cement	Pacla	USTC		1/12
Ronjay Choomie	Cement	String	PSAL		30/11
Sea Destiny	Cement	Pacla	AML		5/12
Sea Progress	Cement	String	AML		6/12

The above were the Monday's shipping position and performance of vessels of Chittagong Port as per berthing sheet of 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 December 6, 7 and 8.

(Figures in Taka)

Currency	Selling B.C.	T.T. (C)	Buying OD Transfers
US Dollar	39.1326	38.9087	38.6339
Poundsterling	60.7272	60.4091	59.0054
DM	24.8998	24.7118	24.5372
F.E	7.2968	7.2483	7.1971
S Riyal	10.4641	10.4042	10.3307
D Guilders	21.1088	21.9699	21.8174
S Kroner	5.7650	5.7151	5.6748
Singapore Dollar	23.9343	23.7974	23.6293
UAE Dirham	10.6911	10.6299	10.5548
Kuwait Dinar	131.3606	130.6087	129.6853
Indian Rupee (AMU)	1.5104	1.5035	1.4960
Pak Rupee (AMU)	1.5225	1.5156	1.5081

Authorized dealers will apply T T clean buying rate for purchase of remittances of Bangladeshis working abroad.

Note: AMU—Asian Monetary Union.



Kazi Mesbahuddin Ahmed, Managing Director, IFIC Bank Limited inaugurating the 40th branch of the bank at 95/B, Khilgaon DIT Road, Malibagh Chowdhurypara on Monday, Aminul Hoque Chowdhury — Director, M Fazlur Rahman — Advisor, Rezaul Karim — Senior Executive Vice President and other senior officers of the bank are also seen.

# An overview of Bangladesh tea industry

Syed A Hasib

Tea is the world's cheapest and most widely used natural drink other than water. Each day people sip over three billion cups of tea in the world. Tea is also an extremely valuable source of much-needed foreign exchange for a number of developing countries like India, Sri Lanka, Kenya, Indonesia, Bangladesh etc.

Although tea is not one of the major staples of the world trade, it is still an important export crop in the sense that a relatively high proportion of world production enters into international trade. Moreover, livelihood of a large number of people depends on its production and export and the balance of payments in several countries is influenced to a significant degree by receipts from tea exports.

Asia is the main source of tea exports but the importance of Africa, which was a much smaller exporter is increasing rapidly and influencing Middle East and European markets. Commonwealth countries dominate the world tea trade, having accounted for 74 per cent of the total exports. India and Sri Lanka alone account for about 40 per cent and Kenya the largest African exporter for about 15 per cent. Other Commonwealth countries which derive a significant part of their export income from tea are Bangladesh, Malawi, Uganda etc.

The main Non-Commonwealth exporters are China, Indonesia, Mozambique, Turkey etc.

Import of tea for consuming nations was 640 million kgs in 1970, 856 million kgs in 1980 and 1088 million kgs in 1990. But the rate of consumption in some major producing countries like India has also increased at an alarming rate. India, a major exporter of tea in the world may itself become an importer in the not too distant future.

Importance of tea in Bangladesh's balance of trade cannot be over-emphasised. About 70 per cent of total tea produced which is about 45 ml. kgs is exported. Tk 1500 m in foreign exchange it earned annually. In this process about 1.20 lac workers and their dependants live on this industry. A number of support and subsidiary industries depend on the survival and sustenance of tea industry.

Due to political and economic changes in the global situation, namely the dissolution of the Soviet Union, UN sanction on Iraq, economic instability in Poland, cessation of barter and abolition of special trade arrangement with Pakistan and other countries, export market of Bangladesh tea has been seriously affected since end of 1990. The slump continues to prevail. Although world production fell by about 150 ml. kg till September '92 compared to last year, Bangladesh produced record crop of 34.77 m kg upto the month compared to 32.49 m kg last year.

In spite of low production of the world crop, where Bangladesh contributes only two per cent, the average tea price in Chittagong auction is Tk 44.38 per kg as against Tk 52.85 of last year. The country could export only 4.7 m kg during the financial year compared to 7.6m kg last year. Export earnings have also declined drastically.

Because of the declining market condition, tea is being sold nearly Tk 9.00 per kg below the cost of production. If

this condition prevails this industry will incur a loss of over Tk 400m during the year 1992. A comparative sales price and cost of production during the last three years is given below.

Year	1990	1991	1992
Av sale price Tk /kg	49.35	45.06	43.56
Cost of production Tk/kg	45.50	49.50	52.50
Profit /Loss per kg (+)	3.85	(-) 4.44	(-)8.94

Cost of production of tea during the years has increased due to the increase in wages of tea workers and staffs, cost of fertilizers and chemicals, gas, electricity etc. Labour wage being the major element in the cost of production contributes about 36 to 40 per cent of the total cost.

Although it has increased more or less in line with the country's rate of inflation and as a result of bipartite agreement with the collective bargaining agents in the tea industry, other elements of cost have increased without any basis.

Cost of gas which is about six per cent of the total cost, has increased by about 256 per cent over last 10 years. Costs of chemicals & fertilizers, electricity etc. also have increased more or less in the similar rate. Bangladesh tea is also handicapped with low yielding old tea plants which adversely effect the cost of production.

Tea industry borrows about Tk 1200m against hypothecation of crop mainly from BKB, the realisation of which is above 95 per cent and its interest adds to the cost by about Tk 1 per kg.

Although cost of production of tea has increased substantially the price index has not increased proportionately in Bangladesh. The average price of tea in 1984-85 at Chittagong Auction was Tk 53.08 kg which was reduced to Tk 49.61 kg in 1990-91. It has further dropped to Tk 43.50 per kg in 1992, which in real term is worse considering the value of currency.

The industry made satisfactory development in the last couple of years with planting new tea, balancing and modernisation of factories, innovation of new technology where fund was available from BKB under a project.

Due to the declining market coupled with the increased cost, the industry is facing acute problem of financing, re-payment of loan etc. It is on the verge of becoming sick. The government may think immediately to freeze all development loan for two to three years, re-schedule the re-payment and thereafter allow the industry to adjust with the change in market situation.

To compete in a highly competitive world market, cost of production of our teas must be brought down and this can be achieved by rapidly increasing the yield per hectare through re-planting of old low yielding teas. The government should come forward to save the industry otherwise it will not only bring an economic disaster but will create serious social problems of far reaching consequence for the country.

The writer is the Managing Director of National Tea Co Ltd.

# Manpower agencies

# Renewal of licences after varification

The government has decided not to renew licences of those manpower recruiting agencies against which specific allegations of cheating will be received, an official handout said Sunday, reports BSS.

The process of renewing the licences of the recruiting agencies for 1993 will begin soon and as such only allegation with proper evidence against recruiting agencies will be received by December 10.

The allegations will have to be submitted to Joint Secretary (Manpower), Bhaban No. 7, room no 426 of Labour and Manpower Ministry of Bangladesh Secretariat.



Kang Dal Son, outgoing Ambassador of the Democratic People's Republic of Korea (DPRK) calls on Dr Khandakar Mosharrar Hossain, Energy and Mineral Resources Minister at the latter's office Saturday. —PID photo

# Dhaka Stock Prices

At the close of trading on December 7, 1992 Transactions almost static

Transactions at the share market of Dhaka Stock Exchange (DSE) remained almost static except a bounce in the Composite Index.

Figures hardly changed in both the turnovers. Volume gained by a small margin of 2.17 per cent while value moved back unnoticed.

A total of 39 shares and one debenture traded on the day. Gainers and losers fought neck and neck ending in equal share of 16 each. The rest of the eight shares traded at their previous rates.

The only noticeable figures were on the Composite Index's table which gained by 4.27 points from Sunday's 362.3387 and ended in 366.6133.

## DAY'S TRADING AT A GLANCE

DSE Share Price Index	366.6133
Market Capitalisation Tk	10,480,384,156.00
Turnover in Volume	21902
Turnover in Value Tk	993624.00

Company	Previous price Tk	Closing price Tk	Change (Absolute) Tk	Change (% over Shares/debentures)	Number sold
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## Gains (16) Shares:

3rd ICB M Fund	146.00	148.00	2.00	1.370	50
4th ICB M Fund	147.50	148.00	0.50	0.339	50
BGIC	148.00	149.00	1.00	0.676	100
Green Delta	150.44	151.00	0.56	0.373	10
Aftab Automobiles	165.00	170.00	5.00	3.031	175
Atlas Bangladesh	53.80	53.90	0.10	0.186	1350
B. Thai Aluminium	79.26	80.63	1.37	1.729	390
Ctg Vegetables	80.00	82.00	2.00	2.500	30
Eagle Star	18.48	18.50	0.02	0.109	2200
BCI	195.00	200.00	5.00	2.565	20
Kohinoor Chemical	77.38	77.50	0.12	0.155	10
Petro Synthetic	10.50	11.00	0.50	4.762	150
Rahman Chemicals	34.48	35.00	0.52	1.509	110
Beximco	17.90	17.92	0.02	0.112	10500
GQ Ball Pen	84.10	84.50	0.40	0.476	45
Debuture					
Beximco Pharma	1400.00	1405.00	5.00	0.358	04

## Losses (16) Shares:

Rupali Bank	86.00	85.00	1.00	1.163	20
United Ins	168.23	168.00	0.23	0.137	120
Bd Autocars	65.00	63.00	2.00	3.077	25