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Jute pulp plant in Sylhet by '95

By Chapal Bashar

Jute will be used as raw material for producing pulp and paper at a mill run by the Bangladesh Chemical Industries Corporation (BCIC).

According to official sources, a new plant, to be installed at the Sylhet Pulp and Paper Mills located at Chhatak, is scheduled to go into production from July 1995.

The plant will cost Taka 21.11 crore, including a foreign exchange component of Taka 17.87 crore provided by the EEC from its STABEX Fund as grant. Under an agreement with the donor, which is effective from last July, the project should be implemented within two years.

The equipment and machinery for the plant based on the newly-evolved High Yield Pulping Technology, are being manufactured in France and will be sent to Bangladesh for installation soon.

A four-member technical team from the BCIC recently

visited France to inspect the manufacturing of machinery and equipment. A French firm has been given the contract for the engineering service for the plant.

"There was a trial run of the machinery using only jute as raw material and the result was satisfactory," said a member of the technical team who returned home Sunday.

The new plant is claimed to be the first of its kind in the world using only raw jute to produce pulp.

"We will not use low-grade jute and jute cuttings, but green jute can also be utilised for the purpose," said an official of the BCIC.

While the yield from the raw material has been estimated at 60 per cent, the production capacity of the new plant will be 10,000 tonnes of pulp annually. The pulp will be supplied to other paper mills to manufacture mainly high quality industrial and wrapping paper while

production of other kind of papers will also be possible.

The Sylhet Pulp and Paper Mills, which now produces only pulp, has also a scheme to eventually manufacture papers.

Production of industrial paper from the jute pulp will meet the country's requirement to a large extent and will also help reduce dependence on imports substantially.

The BCIC official said that the Sylhet Pulp and Paper Mills had a provision for manufacturing pulp using jute cuttings along with other raw materials when the mill was established in 1974 with the assistance from a German firm. But the system could not be made operational due to technical problems.

"Now, a new technology will be introduced which can produce pulp using only jute," he said, adding that similar plants with this technology will also be installed at other paper mills after completion of the project in

Sylhet.

Presently, four paper mills under the BCIC depend on wood, bamboo, and bagasse as raw materials. Bagasse is used only at the North Bengal Paper Mills, while the Khulna Newsprint Mills depends on gewa wood available from the Sunderbans. Bamboo is the major raw material for the Karnaphuli Paper Mills and the mill in Sylhet used wood and bamboo until now.

But, the availability of all these conventional raw materials, particularly bamboo and wood has been declining which necessitated adoption of locally suitable alternatives.

The use of raw jute in the paper mills will help to remove the scarcity of raw materials and will also open an avenue for the diversified use of jute, said an expert, adding: "The use of jute in the paper mills will also help to save our forest resources."

REB to construct 6,000 km power lines in current fiscal

Rural Electrification Board (REB) will construct 6,000 (six thousand) kilometres of power lines during the current fiscal year to bring 1,200 (one thousand and two hundred) more villages under rural electrification network, reports BSS.

This was disclosed at an inter-ministerial meeting held at Bangladesh Secretariat Tuesday with Energy and Mineral Resources Minister Dr Khandker Mosharraf Hossain in the chair, according to source.

The meeting had a three-hour discussion on the action plan and future strategy of rural electrification programme. The meeting directed REB to hasten all procedural activities so that the additional amount of Taka 100 crore allocated in the current Annual Development Programme (ADP) could be utilised in time along with the foreign aid.

The Energy Minister said rural electrification programme was a priority sector of the present government and had allo-

cated an additional amount of Taka 100 crore from the revenue budget to intensify the programme, he said.

He called upon the officials to work hard with sincerity and aptitude to achieve the target of the government in rural electrification.

Thai move to evacuate workers from Libya

BANGKOK, Nov 9: The government is discussing with Thai Airways International a plan for evacuating 10,000 workers ordered out of Libya by Moammar Gaddafi, an airline spokeswoman said Tuesday, reports AP.

Details are still being worked out, said a spokeswoman for the airline, who spoke on condition she not be named. There are about 22,000 Thai labourers in Libya.

Chittagong Port Authority

Facilities must match those of a modern port

By Syed Tasleem Hussain

Shipping Minister M K Anwar held a board meeting with officials of the Chittagong Port Authority (CPA) in Chittagong on Oct 12. The agenda was long and almost all aspects of CPA affairs were discussed. The spotlight, however, is not the meeting itself which is a normal affair, but the way the minister blasted the port authorities for their lack of foresight and disinterest in the affairs of trying to build up the port nearer to the standards of other South Asian ports. He urged them to change their philosophy and get down to serious work aiming at growing trade cargo of the country.

Nevertheless, by his remark that CPA has sufficient local funds to take on many of their much needed works but have not been doing so, choosing to wait for foreign financing, because in case of foreign financing 'undue commission' is more, the minister really hit the nail exactly on its head.

It is now November '93 but CPA has failed even to repair the jetties and night navigational systems damaged due to the April '91 cyclone. CPA can spend up to Taka 4 crore without the government's approval and the ministry up to Taka 10 crore without prior government approval. Anwar directed that these works be immediately done with CPA's own funds. It does not take a genius to work out the simple equation that development projects will be cheaper and completed faster if done in local currency funds

instead of donor fundings. Certainly CPA understands this also and, hopefully, now that their reason behind waiting for donor funding has been exposed by the Shipping Minister, the users of this principal port along with the citizenry will see visible efforts by the port authorities to justify their positions.

There can be no diverse opinion that in addition to repair and rehabilitation works CPA should immediately formulate a work-plan cover the following:

- Modern weapons, equipment plus trained security personnel to stop pilferage;
- Representation of port users on the CPA board;
- Shifting the hiring/firing and payments of dock workers from the 'Dock Workers' Management' to the representatives of the actual port users;
- Handing over the ICD in Dhaka to the private sector and also allowing private entrepreneurs to invest in building some jetties in Chittagong Port and the much required deep sea terminal;
- Replace CPA's present outdated cargo handling equipment with modern equipment like straddle carriers, port lifters, gantry cranes, etc.
- Rehabilitation and repair works of existing 11 KV power sub-station and installation of one 33 KV power sub-station.

Repairing the fenders of jetties I to XIII and build a new jetty for berthing CPA vessels.

Environmental protection measures around port waters.

These are only some major sectors enumerated. But, if the Chittagong Port is to be turned into even 75% of what an international sea-port should be, there are multifarious factors that must also be identified, accepted and solved.

The saying may be old but still holds true — 'It's the man behind the gun that counts'. CPA officials are the ones who count and they owe it to the nation to get themselves geared up to administrative, philosophical, structural and financial changes which are to be thought out, implemented and executed by themselves. Self-reliance should become their motto and the order of the day. All the works that can be done with their own funds must be done. Dependence on foreign donors and on organisations like BPDB should totally be discarded. CPA should be self-reliant and fully independent.

Administrative transparency exposed by the Shipping Minister should now result in the much sought-after 'accountability'. The strength of the minister's directives will lie mainly upon the uncompromising action of the government against those officials who even now try to create problems. The message should be very clear — no one is indispensable.

Nat'l Savings Directorate procures Tk 263.96cr investment

The Directorate of National Savings procured investment of Taka 263.96 crore during the month of August 1993 through its different savings projects, a press release of the directorate said yesterday, reports BSS.

In a review meeting on the progress of savings in different projects of the directorate held recently it was informed that the procurement of savings in August this year was Taka 127.87 crore more than the savings in the same month in last fiscal year which was Taka 136.09 crore, according to the press release.

The meeting was also informed that total investment in different saving projects upto August in the current financial year was Taka 542.57 crore which was Taka 247.69 crore more than the investment during the same period in the last financial year.

Presided over by the Director of the Directorate of National Savings the meeting decided to expedite further the rate of increase of investment.

BSB training course begins

A three-week general training course for the junior officers of Bangladesh Shilpa Bank (BSB) began Monday at the Bank's head office in Dhaka, says a press release.

Fifteen junior officers of the Bank are participating in the training course.

The inaugural function was presided over by Mahmudul Karim, General Manager while M Akmal Hossain, Managing Director of BSB was present as chief guest.

Angola exports 50,000 bags of coffee in 3 months

LUANDA, Nov 9: Angola exported 50,000 bags of coffee from October 1992 to August this year compared with 79,000 bags in the previous year, reports Xinhua.

This was disclosed here yesterday by Vicky Matessu Director of the National Institute for Coffee.

He said the export in the first half of the year was 26,920 bags (60 kgs for each), earning 1.41 million US dollar.

According to a report by the institute the country exported 79,000 bags in 1991-92.

Angola was the fourth largest coffee producer in the world and the second in Africa. Its output in 1974 was as high as 225,000 tons. The main reason for the declining lies in the continued war which destroyed the production and transport system.

Vicky Matessu pointed out that coffee is still one of the three main products for export. It sells well in the world market for its good quality despite the decrease in export.

Vicky said that the production and export of coffee will be restored when peace is realized in the country. Good strains of coffee should be developed, technical investment be increased, pests be prevented and the private sectors be stimulated to gradually restore coffee production and export, he said.



Airline personnel inspect the partially burnt tail section of a Saudia Boeing 747 which made an emergency landing Monday in Manila after a power unit caught fire. Fifteen of the 211 passengers were injured, one of them critically, during the evacuation of the aircraft. — AFP photo

Nigeria hikes petrol prices over 7-fold

LAGOS, Nov 9: Nigeria's interim government hiked petrol prices more than seven-fold on Monday to five naira (some 20 US cents) per litre catching many motorists unawares and risking social upheaval, reports AFP.

Drivers complained bitterly at the increase — huge queues of cars some times three abreast waited at the filling stations open in the economic capital some of which had already begun selling fuel at the new price.

A bid by the outgoing military junta to end supplies of petrol selling at 70 kobo (2.8 cents) a litre in August and to introduce a new fuel at a much higher price led to strikes that brought much of the economy to a standstill.

Filling stations also prepared Monday to multiply by eight the price of diesel fuel to 4.75 naira a litre while kerosene used by the poor for cooking and lighting saw a nine-fold price hike to 4.50 naira a litre.

An official at the Nigerian National Petroleum Corporation (NNPC), who asked not to be named told AFP that he had seen "a document on the increase from the office of the

OPEC output falls by 220,000 BPD in Oct

PARIS, Nov 9: OPEC oil production fell by 220,000 barrels per day in October from the figure in September to 24.72 million Barrels Per Day (BPD), the Petrostrategies publication reported on Monday, says AFP.

Excluding the embargoed output by Iraq output exceeded the ceiling limit set by the Organisation of Petroleum Exporting Countries (OPEC) of 24.51 BPD by 1,00,000 barrels per day.

OPEC set the limit for output during the six months from October 1 to March 31.

secretary for petroleum resources' confirming the move.

Even until Sunday government officials were saying no increases would be introduced until adequate consultations had been held with various interested groups.

The price hikes came days after Prime Minister Ernest Shonekan's government took its first steps to end corruption it has described as endemic to the Nigerian economy.

The NNPC has warned of price increases as part of efforts aimed at combating another form of corruption in the oil sector. The hoarding and smuggling abroad of petrol amid shortages at home.

Nigeria which derives more than 90 per cent of its annual revenue from oil loses about three billion dollar each year to smuggling and 'incorrect pricing' of the commodity, according to industry officials.

Before Monday's increase a litre of petrol selling here from 2.8 cent at the cheapest rate in the world went for more than 10 times that price when smuggled to neighbouring Benin Niger Chad or Cameroun.

Petrostrategies reported that Iran, Saudi Arabia and Kuwait had exceeded their quotas slightly. But Algeria, Libya and Nigeria had produced less than they were permitted.

But the price of crude oil continued to fall because output from the North Sea had been increased because demand was weak and because refineries in Europe and the Far East were de-stocking.

The Middle-East Economic Survey (MEES) reported on Monday that OPEC output in October had been 24.78 MBD.

Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on Nov 9.

(Figures in Taka)

Currency	Selling		Buying		QD Transfer
	TT & OD	EC	TT Clean	EC/HT Ex. Bills	
US dollar	39.9200	39.9500	39.7150	39.6015	39.4900
Pound Sterling	59.2213	59.2659	58.1415	57.9753	57.8121
DM	23.8381	23.8561	23.4728	23.4056	23.3398
F Franc	6.8457	6.8509	6.7393	6.7201	6.7012
S Dollar	30.9302	30.9535	30.4417	30.3548	30.2893
S Franc	27.0438	27.0641	26.6193	26.5434	26.4685
Jap Yen	0.3765	0.3768	0.3632	0.3621	0.3611
Indian Rupee (AMU)	1.2744	1.2773	1.2662	1.2538	
Pak. Rupee (AMU)	1.3271	1.3301	1.3185	1.3056	
Iranian Riyal (AMU)	0.0242	0.0243	0.0242	0.0238	

Indicative Rates

Currency	Selling		Buying	
	T.T. & O.D	O.D	O.D	Transfer
S Riyal	10.6500		10.5200	
UAE Dirham	10.8900		10.7500	
Kuwait Dinar	134.1100		132.2000	
Singapore Dollar	25.5200		25.2100	
D Gulders	22.1600		21.9000	
S Kroner	5.0500		4.9800	

Note: AMU—Asian Monetary Union.

Bangladesh Bank Affairs

Following is the statement of affairs of the Bangladesh Bank Banking Department as on the 21st October, '93.

Liabilities	Taka
Capital paid up	3,00,00,000
Reserve fund	3,00,00,000
Rural credit fund	211,05,96,000
Industrial credit fund	59,78,52,000
Export credit fund	81,00,00,000
Agricultural credit stabilisation fund	205,00,00,000
Deposits:	
a) Government	91,82,000
b) Banks	3844,27,53,000
c) Others	5214,78,82,000
Allocation of special drawing rights	9059,98,17,000
Bills payable	91,74,31,000
Other liabilities	75,53,57,000
Other liabilities	1192,21,84,000
Total Liabilities	10962,32,37,000
Assets	Taka
Notes	82,23,000
Taka coin	
Subsidiary coin	
Bills purchased & discounted:	1,000
a) Internal	
b) External	
c) Govt try bills	
Balance held outside Bangladesh *	7053,09,25,000
Special drawing rights held with the IMF	
Loans and advances to government	
Government's debtor balances	
Other loans and advances	811,84,86,000
Investments	950,61,41,000
Other Assets	2145,94,61,000
Total Assets	10962,32,37,000

* Includes cash & short term securities

Issue Department

Liabilities	Taka	Taka
Notes held in the banking department	82,23,000	
Notes in circulation *	4830,73,44,000	
Total Notes Issued	4831,55,67,000	
Assets	Taka	Taka
IA. Gold coin and bullion	103,32,42,000	
silver bullion		
Special drawing rights held with the International Monetary Fund		
Approved foreign exchange	2200,00,00,000	2303,32,42,000
B. Taka-coin	24,16,06,000	
Government of Bangladesh securities	248,98,89,000	
Internal bills of exchange and other commercial papers	2255,08,30,000	2528,23,25,000
Total Assets	4831,55,67,000	

* The statement with regard to 'Notes in Circulation' is made without prejudice to the claims of the Government of the People's Republic of Bangladesh/Bangladesh Bank for obtaining value from the Government of Pakistan/State Bank of Pakistan in respect of Pakistani currency notes demonetised and withdrawn from circulation.

Scheduled Banks Position

Statement of position of scheduled banks as at the close of business on 21st October, 1993

	Taka in Unit
1. Demand liabilities in Bangladesh	
i) Deposits (General)	5251,14,91,000
ii) Deposits from banks	195,74,15,000
iii) Borrowings from banks	177,50,00,000
iv) Borrowings from non-banking financial institutions	000
v) Other demand liabilities	1267,49,49,000
2. Time liabilities in Bangladesh	
i) Deposits (General)	22048,05,45,000
ii) Deposits from banks	328,68,74,000
iii) Borrowings from banks	000
iv) Other time liabilities	1386,26,60,000
3. Borrowings from Bangladesh Bank	
i) Against usance bills	000
ii) Against promissory notes	195,00,00,000
iii) Against approved securities	000
iv) Other borrowings	2536,14,89,000
4. Cash in Bangladesh	
i) Bangladesh notes	357,54,88,000
ii) Bangladesh taka coins	8,74,44,000
iii) Bangladesh subsidiary coins	46,000
5. Balances with the Bangladesh Bank	
i) Principal office	3763,79,96,000
ii) Other offices & branches	77,96,15,000
6. Balances with other banks in current account in Bangladesh	151,57,07,000
7. Money at call & short notice in Bangladesh	589,27,01,000
8. Investments (at book value)	4804,53,92,000
9. Credit provided in Bangladesh	
*) Advances except those to other banks	25668,73,90,000
ii) Advances to other banks	000
iii) Inland bills purchased and discounted in Bangladesh	122,46,18,000
iv) Foreign bills purchased and discounted in Bangladesh	676,89,28,000
v) Inland bills sold to or rediscounted with the Bangladesh Bank not yet matured and not included in (iii) above	000
vi) Foreign bills sold to or rediscounted with the Bangladesh Bank not yet matured & not included in (iv) above	000

* Figure shown in column No. 9 (i) above includes foreign currency loans of Taka 190,58,54,000

Source: Bangladesh Bank press release.



Dr M Towhidi, Managing Director of KAFCO awarding a turnkey lumpsum contract for the design, construction and commissioning of approximately Taka three crore integrated Housing Colony in Rangadia, Chittagong for its employees and their families. Project Builders Limited and their design consultant, Sthapati Sangsap Ltd will construct the project which is expected to be completed within one year.

China halts foreign buying to stop capital flight

BEIJING, Nov 9: China has ordered a temporary halt to overseas buying sprees by its companies in an apparent attempt to stop capital flight, reports Reuters.

The state council China's cabinet has demanded "an immediate temporary stop to domestic companies and Chinese invested companies overseas (including companies controlled by Chinese capital) investing to acquire interests in overseas companies" the official International Economic

and Trade News reported in its latest edition.

The newspaper received in Beijing on Monday said any exceptions would have to be approved by the cabinet.

Economists said the move was a clear attempt to control the vast sums of money that have moved abroad in the liberal atmosphere that has come with China's economic reforms.

"There has been a lot of money bleeding out of the country," said a western

diplomat who watches the economy.

"It's a sign they're starting to get worried about it."

The newspaper did not give a date for the order and officials declined to comment immediately on the story.

China's central government used to keep strict control over all aspects of the economy but its power has been severely weakened by the economic reforms of the past several years which set off annual growth