about nine per cent per annum

based on the annual consump-

tion figures of the last 11 years.

note paper titled "Fertilizer im-

portation: practices and prob-

lems" presented by M A Malek.

import and marketing develop-

ment advisor of IFDC, at a

workshop held yesterday at a

Ministry of Agriculture and the

International Fertilizer Develo-

pment Centre (IFDC), the

seminar was sponsored by

USAID. Agriculture Secretary A:

N M Yusuf chaired the first

working session of the work-

paper, a lively question and an-

swer session took place when

fertilizer importers dwelt on

their problems and the govern-

ment officials present at the session provided clarification.

that out of the three major fer-

tilizers used in Bangladesh, the

country is only self-sufficient in

urea and is also a major ex-

porter. However, domestic pro-

duction of Triple Super Phosp-

hate (TSP) and Single Super

Phosphate (SSP) can only meet

25-30 per cent of the nation's

Malek noted in his paper

After the presentation of the

Jointly organised by the

local hotel

This was disclosed in a key-

The Paily Star

Best with the views

Fertilizer consumption stands at 23.21 lakh MT during '92-93

By Staff Correspondent

The growth rate of fertilizer requirement and the rest is met consumption in the country is through imports.

In 1992-93, the total fertiltzer consumption in the country stood at 28,21,723 metric ton. of which 15,46,216 tonnes was urea, 407002 tonnes of TSP. 122116 tonnes of SSP. 111082 tohnes of gypsum and 12,6153 tonnes Murtate of Potash (MP) among others.

During the same period a total of 3,52,452 tonnes of fertilizer was imported into the country. Of which, 2,39,133 tonnes was TSP, 78,319 tonnes was MP. 33,000 tonnes of diammonium phosphate (DAP) and 2,000 tonnes of zinc.

Malek pointed out that at present there is no law regulating the fertilizer trade and anybody observing normal formalities can import and strade in tertilizer.

The government is currently formulating regulations for quality control and standardisation of imported fertilizer and it would cover the entire fertilizer trade he said.

He also noted that fertilizer is currently under the free trading list and as such no special import permission is required

Presently, there is no customs duty, sales tax of VAT on fertilizer, but importers are required to pay a 2.5 per cent advance income tax before clearing the cargo.

A manufacturer's certificate about the contents and a preinspection certificate is required to produced before customs clearance of fertilizer cargoes.

Problems being faced by the fertilizer importers were highlighted by Md Shafi Choudhury. Managing Director of A A Enterprise. He noted that the importers have to deal with many bottlenecks in opening letter's of credit with the commercial banks and also during customs clearance at the ports.

Choudhury further pointed out that the Customs Department unnecessarily delay off loading of consignments, supposedly for conducting radiation and toxicity tests and other requirements.

This delay, he said, imposes additional costs on the importers which is ultimately passed on to the consumers and the farmers. He urged for simplifying the procedures at the customs clearance point

Dr Zahid Hossain, First Secretary (Customs) at the National Board of Revenue. noted that there is no reason for hindrance and delay for customs clearance as the normal

procedure would be to clear the consignment by keeping samples and informing the Ministry of Environment.

He added that efforts are being made to simplify the customs clearance procedures. He stressed on formulating expert guidelines for importing fertilizer and for imparting field level training for the customs offi-

Dr Z Karim, Member Director of Bangladesh Agriculture Research Council (BARC). responding to a question, said that the toxicity or safety limit of fertilizers varies among various types of crops, types of fertilizers and its use.

He observed that random checking for radiation and toxicity levels is very much desirable instead of regular checking, which is not feasible.

Dr Karim also noted that the testing facilities in the country is very limited, but steps are being taken to install advanced equipment for testing heavy metals like cadmium and lead contained in fertilizers.

Earlier, the workshop was inaugurated by Agriculture Minister Maj General(Retd) M Majid-ul-Hug and later a second working session on fertilizer import financing was also held.

Call money rates range from 2.25 to 8 pc

Money rates in the call money market during the week ended December one ranged from 2.25 to eight per cent, a bank press release said, reports

During the same week inter est rates offered by the bank on certificate of deposits varied from 5.50 to 8.75 per cent.

The bank rate, however, remained unchanged at six per

CIDA-aided projects discussed

Canadian High Commissioner in Bangladesh John J Scott called on State Minister for Relief Harun-Al Rashid at his office yesterday and exchanged views on different CIDA-aided projects, reports

The State Minister apprised Scott of the programmes of preparedness and mitigation measures of the government to face natural calamities like cyclone. tornado, tidal surge and floods in the country.

Rashid expressed the hope that existing excellent relationship between the two friendly countries would further strengthen in the days to come.

The high commissioner assured all possible help of his government for disaster preparedness programme of the Relief Ministry.

IFIC opens branch at Naya Paltan

The 44th branch of the IFIC Bank Limited (International Finance Investment and Commerce Bank) opened at Naya Paltan Orchard Placa yesterday in a simple ccremony. says a press release.

A large number of industrialists, elites and prominent merchants were present on the occasion. Among others A S F Rahman, Vice Chairman, Syed Mohsen Alt and Aminul Haque Chowdhury, Directors, Kazi Mesbahuddin Ahmed. Managing Director, A H M Shawkat Ali Chowdhury and Rezaul Karim, Deputy Managing Directors. Abbas Uddin Ahmed, Senior Executive Vice President and other high officials of the branch were also present.

their money. But now Taka has been made convertible even on the capital account for foreign in-

vestors to remove these bottlenecks." Finance Minister M Saifur Rahman said while talk

Convertibility of Taka has

One major problem that the

foreign investors faced in the

country was the remittance of

their profits, and sale proceeds

to their headquarters. The for

eign investors were discouraged

to invest because they had to go

through lengthy and cumber-

some procedures through the

Bangladesh Bank which often

took two to three years to remit

helped overcome some major

hurdles in attracting foreign in-

vestments in the country, busi-

ness and banking circles feel.

ing to The Daily Star Any foreign company now By Inam Ahmed

Taka convertibility helps

attract foreign investment

can directly contact a commer cial bank for its remittance and do so within a short time. The bank sends the money to the country addressed after checking all necessary papers of the company. The bank then settles the remittance with the central

Taking the benefit of this liberalised system, the United Insurance Company has already purchased a tea garden -Surma Valley Tea Company Ltd from a foreign company Messrs R E A Holdings PLC. UK, at a cost of 16.80 lakh

British pound sterling. The government has already approved the sale and necessary steps for effecting the remittance to the seller are now being processed by the Bangladesh Bank, Surma Valley Tea Company Ltd has three tea

taking forward cover against the ensuing remittance to avoid exchange risk and to ascertain their payment obligation in local

Silloah and Raikie.

being removed.

When contacted, a high offi-

cial of the Finance Ministry said

that the government's quick re-

sponse to the Surma Valley sale

procedure has proved that

Bangladesh wants to attract

foreign capital into the country

and barriers to remittance of

profit and sale proceeds are

Meanwhile the United In-

surance has already applied for

The exchange decontrolling has immediately benefited the shipping and airlines companies operating from Bangladesh They can now keep their books clear and up-tb-date.

Labour govt forecasts

estates namely. Lashkarpur.

Norway's economic growth to be strongest in Europe next yr

OSLO. Dec 5: Norway's labour government forecast yesterday that economic growth would be among the strongest in Europe next year and ignored a plunge in price for its north sea oil exports, reports BSS.

The basis for an expansion in the Norwegian economy has been strengthened. the Finance Ministry said in a statement accompanying a final 1994 budget plan that adjusted predictions made in October.

"Interest rates have declined further, house prices are rising and new figures strengthen the theory that sectors of domestic demand are in a period of moderate growth," it said.

The final budget proposal to Parliament foresaw strong economic growth for both 1993 and 1994 and cut the projected 1994 budget deficit to 42.6 billion crowns (5.7 billion US dollars) from 46.4 billion crowns (6.2 billion US dollars) in the October original.

Yet it stuck to a key as-

sumption made in October that north sea oil - by far the country's biggest export - would sell for an average 120 crowns (16.06 US dollars) per barrel next year, more than two US dollar a barrel above current

Deputy Finance Minister Svein Harald Oeygard said the government would closely follow oil markets and consider shifts in budget policy if oil prices stayed low.

But, justifying the unchanged forecast, he told a news conference: "It would be inappropriate to let the Norwegian economy swing with oil prices.

Buoyed by signs of rising private consumption, the ministry revised up expected Gross Domestic Product (GDP) growth of the so-called mainland economy - excluding north sea oil and shipping - next year to two per cent from 1.75 in

October, It shaved the forecast for

overall growth to 2.75 per cent from three per cent but the adjustment was largely because north sea oil output would be higher than expected in 1993.

help boost 1993 growth to 1.75 per cent from 1.25 per cent expected in October, thereby reducing scope for growth next Norway's economy is

Higher oil production would

stronger than many in Europe, many of which are struggling to emerge from recession.

A rosy central bank report on Thursday revised up its forecast for growth next year to 3.5 per cent. It said average 1994 growth for industrial nations in the Organisation for Economic Cooperation and Development would be just two per cent.

But central bank governor Hermod Skaanland warned that Norway was far too dependent on oil revenues - oil and gas exports account for about a third of all export income.



Agriculture Minister Majer General (Retd) M Majid-ul-Huq inaugurating a workshop on 'Fertilizer Importation' at a local hotel yesterday. Sitting from right: Richard M Brown, Mission Director, USAID, Kevin J Mullally, Director, OFA, USAID and M A Malek, IFDC Advisor.

After decades of hard work, Asians enjoy themselves

MANILA: The Philippines has had a stagnant economy for the past three years, but you'd never know it inside the 'Mega Mall'

The mall is a cavernous shopping complex in Manila and draws tens of thousands of customers on weekdays and many more on weekends. Its shops sell everything from fresh fish to the latest computer gadgets. The complex also features eight movie-houses and an in-door rink that let Filipinos ice skate even in the middle of the Philippines' blistering summer.

There are many more such monuments to Asia's thriving consumer culture in the region's capitals. After decades of hard work and frugal lifestyles. East Asians are living it up.

Consumer spending is rising throughout the region, boosted by booming economies of many countries, intra-regional tourism and an



increasingly sophisticated retail industry using the latest technology and marketing techniques

from the West. "Asian retailers are facing a lot of business opportunities," said Wonjae, Jun, chairman of the Korean Institute of Retailing Analysis at the Sixth Asian Retailers Convention held recently in Manila.

"But we need to keep close contact with other countries and learn lessons from advanced countries," he added The retail business is predictably growing

fastest in the region's more prosperous countries the tiger economies of Hong Kong, South Korea and the Taiwan. Long considered Asia's shopping paradise,

Hong Kong's retail sales grew nearly 20 per cent

highly-industrialised Japan faltered. Asia's two entrepots. Singapore and Hong Kong, have benefited most from the boom in tourism: Some six million tourists visited Singapore last year while eight million went to Hong Kong. Most of the visitors were from China. Tajwan, Korea and Japan. In Hong Kong, tourists

spent six billion dollar. Business has been good even for the region's centres.

ailing economies tike the Philippines.

"In 1992, the industry managed to post a positive growth despite the general slowdown in the economy," said Bernardo Villegas, an economist at the Centre for Research and Communications, a Manila-based think tank.

For retailers, Asia is a luscious fruit that is ripe for picking. The region has half the world's population and will have two-thirds by the turn of Pakistan and Shri Lanka). the century. During the same period, Asian per capita

gross domestic product (GDP) will double and the number of affluent Asian households (with annual incomes of 30,000 dollar) will rise by 50 per cent to 51 million. Many experts say a pan-Asian consumer

market is rapidly emerging despite many differences in history and culture between countries in the region.

This trend is being hastened by satellite television, such as Hong Kong's STAR-TV which offers advertisers a powerful means to reach 2.8 billion people in 38 countries from the Middle East to South East Asia.

On ground, retailers are tushing to modernise their facilities. Until the 1970s, many Asian countries just had small family-run stores. In Taiwan, the department store business took off only in the mid-1960s and supermarkets appeared in the 1970s.

For some countries, modernising means building bigger and bigger malls. In Kuala Lumpur, the Japanese retail giant Sogo will open next year a 10-storey complex, the

tallest department store in South-east Asia, says Pang Kay Song: chairman of the Malaysian Retailers Association. An even more massive complex will be built in

three phases over the next 20 years, Pang added To be called the Ruala Lumpur City Centre, the . complex will have a twin 85-storey tower. But for other countries, better means smaller or smarter. In many Asian countries, convenience

stores - shops that stay open 24 hours - have boomed, apparently at the expense of the traditional neighbourhood grocery stores. In Japan, about 22,000 convenience stores have been set up since 1985 while 24,000 momand-pop food stores have closed down, said

Takuya Okada, chairman of the Jusco Co Ltd. Big chain stores stay profitable by specialising. Okada cites the Aoyama. Trading Co. a men's wear specialty store that posted rising profits despite the recession that has hurt other in 1992 to about 160 billion US dollar as sales in chains.

> Throughout Asia, the cutting edge of the retail industry has become increasingly transnational. Giant Japanese chains have opened stores in Bangkok, Jakarta and Kuala Lumpur. In recent years, European and non-Japanese

> Asian firms have also jumped in. In Kuala Lumpur, the Dutch company Makro is putting iii 'hypermarts' - one-stop, self-service shopping

EC approves Tk 37 cr grant for South Asian tourism

The European Commission has approved a grant of 8,255,000 ECU (approximately Tk 37 crore) for a regional project South Asia Integrated Tourism Human Resources Development, says a press re-

The project will be implemented in the seven South Asian countries (Bangladesh Bhutan, India, Maldives, Nepal,

To assist in the implementation of the project, coordinate regional training activities, and provide a permanent structure. a South Asia tourism secretariat will be established in Colombo.

The overall objective of the project is to upgrade the quality

of human resources in the tourism industry and so to provide better manpower services to the tourism industry.

The immediate objectives of the project are to establish an operational, institutional framework for South Asia Human Resources Development in tourism, develop regional tourism training standards, testing packs, usage guides and implementation provisions for defined craft skills.

The project will be funded by a grant from the European Community, under its programme of financial and technical assistance to the developing countries of Asia and Latin America.



A milad mahfil was held yesterday on the occasion of the opening of the 44th branch of IFIC Bank Ltd. at Nava Paltan Orchard Plaza, Dhaka. A.S.F Rahman, Vice Chairman, Syed Mohsin Ali and Aminul Haque Chowdhury, Director, Kazi Mesbahuddin Ahmed, Managing Director, AHM Shawkat Ali Chowdhury and Rezaul Karim, Deputy Managing Director and Abbas Uddin Ahmed, Senior Executive Vice President were present.

World commodity markets: Prices of oil down, tea up

LONDON, Dec 5: The price of Brent, the reference oil for the North Sea, fell again this week after Baghdad's acceptance of long-term UN control of its disarmament programme raised fears that the UN embargo on Iraqi oil sales will soon be lifted, reports AFP.

Crude; Weak. The price of Brent North Sea crude oil fell to its lowest level for five years, to 13.64 dollar per barrel, following Baghdad's acceptance of long-term UN control over its disarmament programme.

The move raised market fears that the United Nations will be persuaded to lift its embargo on Iraqi oil sales, in place since Iraq's invasion of Kuwait in August 1990. .

The United Nations said Wednesday that the main obstacle to lifting the embargo had been overcome with Baghdad's agreement on weapons control.

Silver: Recovery after weak start. Silver prices fell by 4.5 per cent in the first half of the week after news that US Polaroid group has developed a new photographic process excluding the use of silver.

Gold: Partial recovery after a

weak start. Gold prices fell by seven dollar to 370 dollar an ounce, weakened by massive silver sales but recovered later after publication of good US economic figures.

weak-start. Platinum fell at the start of the week, depressed by the weakness of the other precious metals and the fall of the Tokyo markets.

Copper: Higher. Cooper prices rose in trading on the London Metal Exchange (LME) over the week, after US economic figures pushed prices higher on the Comex Exchange in New York.

Lead: Higher. Lead continued its recent rally, begun last Friday after the metal burst through the 415 dollar per tonnes barrier, similarly boosted by hopes of rising demand.

Lead is working towards a 450 dollar target, traders said, underpined by further talk of buying by US battery manufac-

Zinc: Higher. Zinc joined the

upward trend, though it moved

less sharply than copper and The market could not agree on whether the European zinc producers will be ready to announce candidates for closure

at their meeting next week. The producers are to meet in Brussels on December 10 to discuss progress on the European shutdown agreement

Aluminium: Higher. Aluminium prices rose in London. sustained by the progress made Wednesday and Thursday, in Platinum: Recovery after Washington at multilateral talks

on world aluminum trading.

The talks generated positive momentum but were likely to end with not more than a broad framework for easing the current oversupply, said David Parker, head of the US Aluminum Association.

Nickel: Slightly higher. Nickel prices rose despite a lack of new information on the metals demand and supply After falling slightly at the start of the week, prices rallied

Wednesday and Thursday, sup-

ported by European and Far

East merchant buying, traders said. On the LME, nickel stocks rose by 1,416 tonnes to a record 119,904 tonnes.

Tin: Higher. Tin was also boosted by the positive sentiment affecting other metals, rising toward the end of the week after slipping slightly in

quiet trading when the markets opened after the weekend. LME stocks of tin fell by 125 tonnes to 17,800 tonnes.

Coffee: Week after firm start. Prices rose at the start of the week but fell back after German statistician F O Licht forecast that worldwide coffee production would rise to 91.76 million 60-kilogram bags in 1993/94 from 86.8 million 1992/93 because of a sharp rise in South American produc-

The group said, however, that despite the increase, world production will remain below

the level of demand.
Sugar: Higher. After a hesitant start, sugar prices rose despite a reduction in the International Sugar Organisation (ISO) estimate of the worldwide sugar production deficit in 1093/94.

The ISO forecast a deficit of 1.5 million tonnes for the year ahead, down from its previous 2.03 million tonnes forecast but still up from the 1.35 million tonnes deficit seen in 1992/93.

The market was not worried by the forecast, however, which came between the 2.18 million tonnes deficit forecast provided by London brokers Czarnikow and the 700,000 tonnes forecast by the US Department of

Agriculture. Vegetable oils: Firm. The price of soya oil was supported by remarks from the Brazilian agriculture minister who said that even if the Brazilian harvest reached a record 25 million tonnes in 1993/94, it would not compensate for a fall in the US harvest

Brazil's production will be two million tonnes higher than last year, not fully offsetting a 3.7 million tonnes fall in US

output.
Rubber: Higher. Prices rose on anticipation of buying by the International Natural Rubber Organisation (INRO), the stock regulator for the natural rubber

Grain: Higher. After a hesitant start, grain prices rose in line with Chicago following news that Russia has repaid 148 million dollar of loan guarantees to the US Department of Agriculture (USDA), making more grain purchases likely.

Grain prices were also supported by a reduction in the International Wheat Council's (IWC) estimate of the 1993/94 world grain harvest to 1.35 billion tonnes.

Cotton: Higher. The indica-

tor price of cotton rose to its highest level for four months on the Liverpool market, boosted by speculation that Pakistan had suspended its cotton ex-Tea: Higher. The price of tea

rose at the weakly London

sales, boosted by the cold spell hitting Europe, which has stimulated demand. Average prices rose to 205 from 200 pence/kilo for higher

grade tea, climbed to 109 from 102 pence/ kilo for medium grade tea, and inched up to 97 from 95 pence/kilo for lower grade tea.

Wool: Lower. The price of wool fell on the Bradford market, weakened by the high level of stocks and the low level of industrial demand following recession in continental Europe.