

People's participation in uplift vital for prosperity

Speakers at a seminar on "Role of people in the development of South Asia" yesterday stressed the need for ensuring people's participation in the various development activities of the government to lead the nation towards progress and prosperity, reports BSS.

Organised by Bangladesh Unnayan Parishad, the seminar was chaired by Parishad Chairman Dr Kazi Khaliquzzaman.

Dr Ashok Mitra, former finance minister of West Bengal government initiated the discussion while former planning minister Dr Fashuddin Mahab, former ESCAP Executive Secretary SAMS Kibria, former Member of Planning Commission Dr Shaikh Maqsood Ali, former Cabinet Secretary Mujibul Haque, Vice-Chancellor of Calcutta University Dr

Rathindra Narayan Basu, Enamul Haque Mostafa Shahid, MP, former Vice Chancellor of Jahangirnagar University Kazi Saleh Ahmed, former diplomat Walur Rahman and Khaleda Salahuddin spoke on the occasion.

Dr Mitra called for creating awareness among the people in rural areas to take part in the development activities in their own areas.

Referring to the success of three-tier administrative system structure by people's representatives, Dr Ashok Mitra said that local people were the best judge to decide their fate and identify their local problems. He said the problems of West Bengal and that of Bangladesh were same and both could be benefitted sharing each others experiences.

Dr Mitra said the provincial

government allocated funds for the activities of the three-tier local government administrative system while it constantly monitor their activities.

Dr Fashuddin Mahab said that the local government system did not succeed in Bangladesh as it was linked with local politics. The party in power has strong influence on the local government as such there had been no visible development, he added.

SAMS Kibria said that industrial development and rural development could not be successful in Bangladesh as those were being done through bureaucratic system. He said rural development could not be achieved without people's participation. He said that local leadership was yet to develop in Bangladesh.

Dr Maqsood Ali said that

the people should be organised at grass root level. He also called for alleviation of poverty to increase the growth rate as two were interlinked.

Mujibul Haque suggested that there should be strong political commitment for national development. He said local development could not be attained without local government system.

Walur Rahman observed that there had been dearth of political transparency and commitment.

Enamul Haque Mostafa Shahid said development of the nation could not be ensured without involving the people in the development activities.

Kazi Saleh Ahmed said the education system has to be developed otherwise productivity would go down.

Export earnings increase

The country has earned about Taka 6,970 crore from export sector during the first eight months of the current fiscal year, registering a 13 per cent rise against the corresponding period of last year (1992-93), reports UNB.

This was disclosed yesterday at the coordination meeting of Commerce Ministry held at its conference room with Commerce Minister M Shamsul Islam in the chair.

The meeting elaborately discussed and reviewed the overall activities of the ministry particularly boosting up export through strengthening the private sector involved in trade and commerce.

The Commerce Minister emphasised the need for cordial cooperation in discharging respective duties of concerned sections and departments so that the liberal trade policies could be implemented accordingly.

Referring to the signing of GATT agreement, Shamsul Islam said utmost sincerity towards duties is a must for remarkable and satisfactory involvement of Bangladesh in world trade.

Commerce Secretary A H Mofazzal Karim, Tariff Commission Chairman Dr Mohiuddin Khan Alamgir, Vice Chairman of Export Promotion Bureau Anisul Haque Chowdhury and other departmental heads of the Ministry of Commerce and officials were present at the meeting.

IMF suspends voting rights of Zaire

WASHINGTON, June 4: The International Monetary Fund has suspended the voting rights of Zaire, effective Thursday, because of the country's failure to pay its 315 million dollar debt to the agency, reports AP.

IMF announced the action Friday.

Zaire has been in arrears in its financial obligations to the IMF since November 1990 and has been ineligible to use IMF resources since September 6, 1991. The IMF issued a "declaration of noncooperation" regarding Zaire on February, 14, 1992.

The suspension of the country's voting rights is the second action of its kind, taken under a strategy on overdue financial obligations to the IMF that was strengthened in November 1992.

The IMF said it has regularly reviewed Zaire's status with a view to encouraging elimination of the arrears and normalizing relations.

NAM accuses rich nations of not liberalising trade

CAIRO, June 4: Non-aligned countries accused rich nations yesterday of sidestepping agreements to liberalise trade and imposing protectionist measures under the pretext of social and environmental concerns, reports Reuter.

The Non-Aligned Movement, made up mainly of third world countries, also called for compensation for the least developed nations likely to suffer loss of special trade privileges after this year's signing of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

"While the developing countries are undertaking... comprehensive economic liberalisation policies, developed countries are resorting to various protectionist measures," Non-Aligned foreign ministers said after a four-day meeting.

They also expressed concern that some developing nations were losing access to vi-

tal technology because industrialised nations were imposing export bans on "dual-use" technology which could be used for military means.

Indian Minister for External Affairs R L Bhatia, in a speech to delegates earlier in the week, criticised western policies linking trade with political issues.

"Pressures mount on US on human rights... the environment and so on," Bhatia said. "It is almost as though these concepts have just been invented and are being sold to the developing world except that the terms of the sale are harsh."

Minister called for compensation "for the least developed countries as well as net food importers who will experience difficulties due to the overall erosion of preferences and income loss resulting from application of the Uruguay Round."

Pakistan's Foreign Minister, Sardar Asef Ahmad Ali, said GATT, was a deal which would "squeeze the poor." We got a bad deal out of GATT. It was a very shabby agreement.

Oil exporters have criticised western plans for carbon taxes, describing them as barriers to trade set up in the name of environmental concern.

The 109-member movement groups countries as diverse as Nepal, Honduras and the oil-rich Gulf Arab states. Some members say the organisation, set up in the cold-war era, should now focus on lobbying for third world causes, especially economic ones.

"Developing countries continue to suffer from sluggish growth as a result of inadequate access to trade and technology, historically low commodity prices and excessive debt burdens," the group's final statement said.

DNATA launches wholesale travel operation

DNATA and its regional partners in the Middle East have launched a wholesale travel operation under brand-name AXIS, says a press release.

It is to offer travellers from the Middle East the benefits of block purchasing power for quality travel products.

AXIS covers UAE, Saudi Arabia, Oman, Kuwait, Bahrain, Egypt, Turkey, Pakistan and Sri Lanka.

DNATA will work as the central coordinator from Dubai.

AXIS is the neutral branding for products developed and distributed under this grouping.



Mohammed A. Awal, Director of National Bank Ltd inaugurating the 56th branch of the bank at Bhola on Wednesday. Abdul Awal, M A Reza, Directors and M A Wahhab, Deputy Managing Director of the bank are also seen in the picture.

PLO against joint venture with Israel

TUNIS, June 4: Ahmed Qurei, the new "minister" of trade and economy in the Palestinian self-rule government, said yesterday the PLO did not support setting up joint ventures with Israelis in the West Bank and Gaza Strip, reports Reuter.

"It is not beneficial at all to set up companies with them (Israelis). This is not on the agenda," Qurei, also known as Abu al, told Palestinian businessmen meeting in Tunis to discuss reconstruction plans for the self-rule areas.

Qurei, who was the key Palestinian negotiator during 1993 secret peace talks with Israel in Norway, was asked by a businessman to clarify the PLO's position on the issue.

But pressed to say whether the PLO would consider joint ventures with Israelis illegal, he replied: "This is the general policy of the organisation. There is no text saying whether they (joint-ventures) are banned or authorised."

Qurei, who negotiated and signed the PLO-Israeli agreement on economy and trade as

part of the self-rule accord signed in Cairo on May 4, said Israel had no choice but to implement the accord by opening the Israeli market to Palestinian produce.

Under the accord, all Palestinian produce except eggs, poultry, tomatoes, cucumbers and potatoes were to enter unrestricted.

But a spokesman for the Israeli agriculture ministry said last week that he would not let in Palestinian farm produce until Israeli farmers were assured of government

compensation for any fall in prices.

Qurei said he did not think Israel would maintain the ban. "I believe they have no choice," he added.

He told the businessmen that procedures for imports of goods including machinery, and authorisations for construction work, would be the job of the Palestinian authority in the self-rule areas initially.

Their mandate would extend to the whole of the West Bank in about three months.

Petroleum prospect in offshore Bangladesh rated generally good

The Bay of Bengal, notorious for breeding cyclonic storms that killed millions of people over the years, has for the last two decades been attracting the scientific community of the Scripps Institute of Oceanography at California, USA, for quite a different reason. The research vessels of the Scripps Institute had been carrying out seismic surveys and other geological investigations that have unveiled the uniqueness of the sea bottom and subsurface nature of the Bay.

In his publication, Dr Joseph Curry, one of renowned geologists of the Scripps Institute, has defined the Bengal deep sea fan extending from continental shelf edge off Bangladesh to the south for very great distance as the world's largest deep sea fan and together with the Bengal basin this forms one of the largest sedimentary basins of the world. The study revealed that beneath the sea bottom of the continental shelf of Bangladesh, an enormous thickness (about 22 km) of sedimentary layer deposit exists — also rated one of the thickest in the world.

Supposedly a purely scientific investigation, the above geological survey of the Scripps Institute did not release any information on potential economic implications; however, the uniqueness of the subsurface Bay of Bengal has been rightly displayed from the above study. How much of this unique set of area in the Bay has been explored for its economic resources especially for petroleum potentialities? The fact remains that the Bay of Bengal remains an underexplored and little known area for its natural resources including petroleum resources.

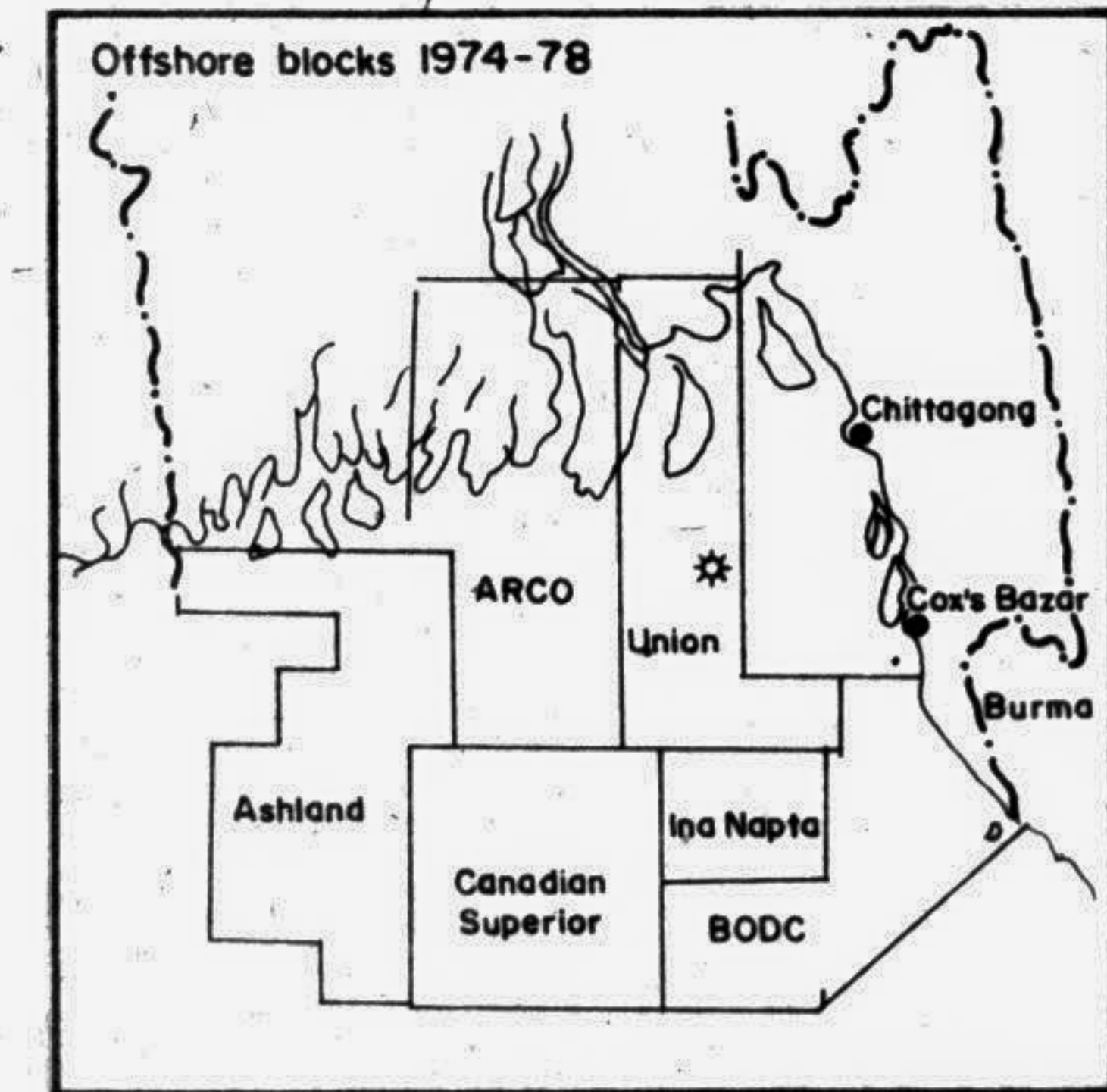
Bangladesh offshore continental shelf has an area of 63,000 sq km extending from the southern shoreline to a distance of about 200 km to the south, to water depth of up to 200 meter. There has been no exploration in the Bay of Bengal except for a single well drilled by Shell Oil Company, before the birth of Bangladesh. The Shell well drilled to a depth of 3698 meter, 40 km southwest of Cox's Bazar had been abandoned as dry hole, although insignificant gas shows were recorded in the well.

In 1974, the Government of Bangladesh signed Production Sharing Contracts (PSC) with six foreign oil companies for petroleum exploration in the Bay of Bengal. These companies include Union Oil Co., Atlantic Richfield Oil Co., and Ashland Oil Co. of United States, Inan Naptaplín of Czechoslovakia, Canadian Superior Oil Co of Canada and BODC of Japan (see map).

The outcome of engaging foreign oil companies in the Bay of Bengal was not very impressive primarily because most of the companies did not extend their exploration to a mature level or complete their exploratory obligations apparently for factors relating to international budget constraint for South Asia oil exploration at that time and partly perhaps for the political instability roaring the nation after the country's President Sheikh Mujibur Rahman was assassinated. Yet the discovery of Kutubdia gas field in 1976 in the offshore block held by Union Oil Company ushered in a new era of hope because this is the first time that significant gas reserve in the country's offshore has been proved. The Kutubdia gas field was discovered 100 km southwest of Chittagong city, at a

depth of about 2665 meters below the surface of the Bay of Bengal. The Union Oil Company primarily estimated a reserve of 780 billion cubic feet of gas in the field. Two more gas zones were detected in the well but were not tested as to their production capabilities.

Surprisingly, the Union Oil Co did not go for further drillings in this proved prospective block and relinquished the block measuring 10,733 sq. km. before leaving Bangladesh in 1977.



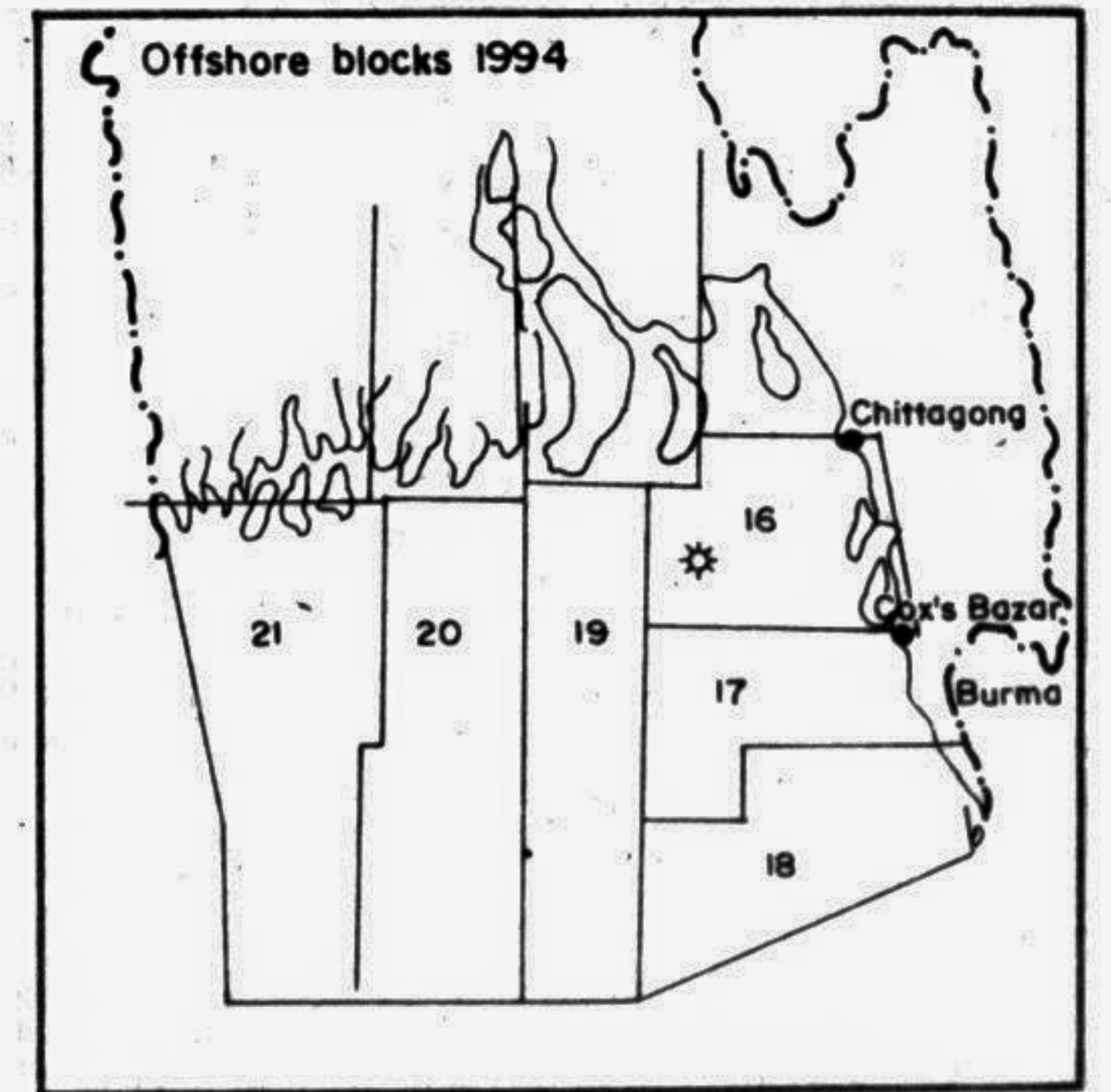
To the west of the Union block, another US oil company — Atlantic Richfield (ARCO) was less active. ARCO drilled its single well ARCO-1 to a depth of 3903 meters and although its seismic survey delineated several other prospective structures, the company did not drill any further before relinquishing the block and left the country.

The Ashland Oil Company, a third US operator which took the offshore block further to the west along the Indian offshore border and off Sundarban coast, did not even drill a single well before leaving Bangladesh. Another oil company, the Canadian Superior, holding the mid southern part of the Bay also did not drill a single well in its block. Therefore, a large part of the continental shelf off Bangladesh coast remains totally unexplored by test drilling in spite of the fact that seismic surveys have detected several prospective structures in the area.

Five wells were drilled in the southern part of the offshore

acres held by Ina Naptaplín of Czechoslovakia and BODC of Japan. BODC drilled three wells to depths of 4435 m, 4598 m and 4506 m respectively while Ina Naptaplín drilled two wells drilled to depths of 4092 m and 4294 m respectively. These wells did not make any discovery although gas shows were recorded in the wells. The above two companies had delineated several other structures in their respective blocks but did not test the prospects.

Since the relinquishments of the offshore blocks by the



foreign companies the whole of the offshore continental shelf area of Bangladesh was reviewed for its block boundaries and new blocks were delineated that were subsequently offered for petroleum exploration, initially in 1988 and again in late 1993. During the latest round of offer several international oil companies have shown interests in exploration venture in the Bay.

The above resulted, till date, the signing of one Production Sharing Contract with Cairn Energy Plc of UK and Holland Sea Search of Netherlands who would jointly explore an offshore area of about 8600 sq km designated as block 16 off the Chittagong coastal area. According to the contract signed with the Bangladesh government on May 5, 1994, the two companies would be engaged in seismic and gravity surveys and drillings for an initial period of 7 years and in case of a discovery the contract would be extended for 25 years.

The petroleum prospectivity of offshore Bangladesh is

generally rated good with the basic geologic framework of the area similar to some major oil provinces like Niger delta, Mahakam delta (Indonesia) etc — delta being a major hydrocarbon habitat in many parts of the world. Offshore Bangladesh, being the subaqueous part of the Ganges delta, all the elements of a delta system favourable for petroleum generation and accumulation are supposed to have been present here. There are good evidences of presence of source rocks, reservoir rocks, traps and seal — the four basic elements for a petroleum pool, in this region. That oil and gas generation beneath the area and surroundings has taken place is evidenced from the gas reserves at offshore Kutubdia gas fields, gas horizons in presently drilled Shahbazpur well (commercial viability yet to be tested), oil seepages and shows at Sitakund area and Jaldi wells in Chittagong. It is interesting to note that recent reevaluation of the Jaldi-3 well record has been suggestively pointed out by petroleum expert that the well contained oil zone which had been overlooked previously. If the above proves that oil and gas have been generated in the subsurface of offshore basin and surroundings, there is no dearth of reservoir rock and cap rock to hold the oil as the whole sequence of sediments beneath the Bay is an alternation of sandstone and shale in a repetitive manner.

Seismic surveys so far carried out in the Bay of Bengal have detected many structures suitable to form a petroleum pool and only a few of these structure have been tested. There are the structures traditionally looked for and drilled in petroleum exploration operation. Recent technological advances in interpreting seismic lines have enabled geoscientists to locate many subtle features in the subsurface that could form non-traditional traps for petroleum pools as found in many deltaic hydrocarbon habitats. Recent geological interpretation of seismic lines have suggested that beneath the Bay of Bengal very large scale non traditional traps of the above types are present in good number. These large scale channel sand traps, as these are known, could hold mega or giant petroleum field should these be proved petroleum bearing. The inherent nature of the continental shelf of Bangladesh, as pointed out at the beginning of the article, with its very thick sedimentary section, very rapid and megagrowth, had given the area an environment where large scale channel sands had pronouncedly developed.

As pointed out by a petroleum expert, the high resolution seismic has given the geologists promising pictures of subsurface Bay of Bengal that were previously unknown and it would not be very surprising should some of these mega-features turn out to be giant fields. "Deltas are generally rated high as to their petroleum prospects all over the world with so many major petroleum province established in delta areas of the world, i.e. Niger delta, Mahakam delta, US Gulf Coast etc." pointed out the petroleum expert. "There is perhaps no major delta area in the world which is as underexplored as the Bangladesh offshore, in spite of the fact that it is part of the second largest delta in the world," he added.

The writer is a Professor of Geology at the Dhaka University