

World Bank backs infrastructural privatisation in LDCs

WASHINGTON, June 20: Reforms in the management and maintenance of existing infrastructure in developing countries can generate sufficient savings to improve the living standards of the poor in the Third World, according to a World Bank report, says a USIS press release.

Gregory Ingram, the principal author of the Bank's 1994 World Development Report: "Infrastructure for Development," said that "while implementing the reforms will not be easy, the potential gains are significant."

The report calculates that 123,000 million dollars — nearly 10 per cent of total government revenues in developing countries — could be saved annually through reduction of subsidies in just three sectors of infrastructure: electrical power, water and railways.

In addition, by raising the efficiency of services in those sectors, another 55,000 million dollars a year could be saved, amounting to about 25 per cent of what is now spent on new investment in infrastructure in the Third World, the report said.

"Looked at another way, if the annual technical losses of 55,000 million dollars could be redirected for three years — at current costs of roughly 150 dollars per person for water systems, the 1,000 million people without safe water could be served," Ingram said.

The report notes that developing countries currently invest 200,000 million dollars a year in the infrastructure sectors, accounting for about 50 per cent of all public investment and totaling around 4 per cent of their gross domestic product.

The report says that although in the past 15 years the proportion of people in developing countries with access to safe water has increased from 45 per cent to about 70 percent and telephone lines and power production per capita have doubled, 1,000 million people still lack access to safe water, 2,000 million lack access to electric power, and nearly 2,000 million lack adequate sanitation.

Ingram pointed out that the

sources of poor performance are inadequate maintenance, poor choice of project investments, and inefficient operation of infrastructure services.

Inadequate maintenance is the most widespread and often most costly source of poor performance. The report says timely maintenance expenditures of 12,000 million dollars could have saved road reconstruction costs of 45,000 million dollars in Africa in the past decade.

The report estimates that on average inadequate maintenance of power systems in the Third World results in an operating rate of only 60 per cent of capacity compared to the average of 80 per cent that adequate maintenance would have achieved.

Ingram said that the poor often pay higher prices and larger shares of their income than the rich for lower quality infrastructure services. For example, the report says that in a survey of 17 cities, the price of

water obtained from vendors serving poor neighbourhoods cost an average of 25 times more than water provided from piped systems.

"Subsidies aimed at making infrastructure (services) more affordable usually benefit mainly the better-off, and often do not even reach the poor," Ingram said.

The report proposes three basic guidelines in structuring incentives for good performance:

— Application of commercial principles of management so that infrastructure services are managed like a business and not a bureaucracy. Costs would then be basically recovered from users and subsidies virtually eliminated;

— Broadening of competition through entry of the private sector into infrastructure services;

— Involving users as full participants in the design and operation of infrastructure, particularly in the provision of

local public services in rural areas such as village water supply, roads and small-scale irrigation.

The report notes that the precise linkages between infrastructure and development are still open to debate. However, it says that infrastructure capacity grows step by step with economic output so that a 1 per cent increase in the stock of infrastructure is associated with a 1 per cent increase in gross domestic product across all countries.

The report adds that the kind of infrastructure put in place also determines how growth affects poverty. Most of the poor in the Third World are in rural areas, and the growth of farm productivity and nonfarm rural employment has been linked closely to the provision of infrastructure.

About 40 per cent of the World Bank's total lending has been for infrastructure — 34,000 million dollars for 300 projects in the last five years alone.



KUALA LUMPUR: Malaysian Prime Minister Mahathir Mohamad (R) shakes hands with Kuala Lumpur Stock Exchange Executive Chairman Nik Mahamad Yusoff at the launch (yesterday) of a Malay version of the KLSE annual companies handbook after opening the Asian Capital Markets Conference.

— AFP photo

India raises coal price

NEW DELHI, June 20: The Indian government has increased the coal prices by five per cent with immediate effect, reports Xinhua.

An announcement made by the government yesterday said the new price of coal from Coal India Ltd. has been raised to 401 rupees per ton from the previous 381 rupees while that of the Sigarani Collieries Company Ltd raised to 503 rupees per ton from the previous 482 per ton.

This is the second coal price increase in India since June 1993 when prices for Coal India Limited were raised to 38 from 361 rupees per ton and that for Sigarani coal raised to 482 from 454 rupees per ton.

Since then, various inputs costs including All-India Consumer Price Index, interim relief to employees, power, explosives, petroleum, oil and lubricants and other stores have increased, according to the announcement.

The four-day fair, aiming to promote the development of cable television technology and equipment, is the largest of its kind ever held in the country.

Some 19 overseas firms and 150 domestic companies are taking part in the fair. Nearly 1000 items of cable TV equipment and satellite receiving devices are on display, including optical fiber transmission, multi-media communication and three-dimension image installations.

By the end of 1993, China had more than 20 million cable TV customers, accounting for 10 per cent of the country's total number of television owners.

Analysts here predict that the number of cable TV sets will grow at the rate of 30 per cent every year.

Foreign MO remittances amount to Tk 13.5 cr

Bangladeshi nationals living abroad remitted through foreign money orders more than Tk 13.5 crore during the month of May this year, reports UNB.

Total remittances through 111,429 money orders during 11 months of the current fiscal year (July-May) amounted to 16,00,01,040.78 pound sterling and 66,45,961 10 US dollars.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 126.24.06.367.09 in local currency, an official handout said yesterday.

The exchange value of those foreign MOs is Taka 12