

BTTB to provide 6000 new phone connections in city

Bangladesh Telegraph and Telephone Board (BTTB) will provide 6,000 new telephone connections to the residents of the capital city on an emergency basis, reports UNB.

A competent source told UNB that BTTB would soon ask the telephone seekers to deposit money by June 15 and get their telephones in September-October this year.

The new telephones will be given only to those who have already applied for. The phones will be distributed among the applicants on first-come-first-serve basis," the source said.

The city's six telephone exchanges at Maghbazar, Nilkhet, Gulshan, Mirpur, Uttara and Sher-e-Bangla Nagar will provide 1,000 new lines each.

Some one lakh applications are now pending before the T&T Board. There are about 1.40 lakh telephone connections in the Dhaka Metropolitan area.

BCSIR-IPGMR joint study on use of Spirulina in medicine

By Reaz Ahmad

Bangladesh Council of Scientific and Industrial Research (BCSIR) and the Institute of Post Graduate Medicine and Research (IPGMR) are now jointly conducting a study on pharmacological aspects of Spirulina, following successful production and marketing of it as a rich protein food in the domestic market.

According to sources in the BCSIR, the main thrust of the study is to see prospect of the use of Spirulina in the manufacture of medicine.

Spirulina, a microscopic blue-green alga, is the only single natural source containing the highest amount of quality protein with great potential to combat general weakness, anaemia, malnutrition and night-blindness.

After an extensive human acceptability trial conducted for two years, BCSIR leased out "Spirulina technology" to several commercial firms and NGOs for production. Earlier, the technology for Spirulina culture was provided by the Bureau d'Etudes et de Concois en culture de Micro Algues (BECOMA) of France.

Successful marketing of Spirulina by private firms, Bangladesh Spirulina Company Ltd, has inspired many others to initiate commercial production of alga.

BCSIR sources said, there are now at least 19 places in the city from where Spirulina food item could be purchased. However, the marketing of Spirulina has so far remained limited within the capital. The BCSIR is now giving emphasis on spread in the Spirulina technology throughout the country.

As alga is devoid of cellulose cell wall, it is readily digestible and its cholesterol content is low. It can be consumed raw, cooked or mixed with other cooked or raw food.

According to an estimate by the BCSIR, a unit with a capacity of manufacturing one tonne of high quality food grade Spirulina powder per annum will need an investment of about Taka 35 lakh including land, pond, building and operational cost for one year and will have around 10 per cent profitability.

"Spirulina is commercially cultivated in many countries of the world including the US, Mexico, Thailand, India, Brazil and Israel.

Bangladesh achieves bumper salt production

COX'S BAZAR, Apr 26: Bangladesh has made bumper production of salt this season when 7.5 lakh metric tons of refined salt has been produced on 41,565 acres of coastal land of Cox's Bazar and Chittagong till the end of the current month, reports BSS.

According to Bangladesh Small and Cottage Industries Corporation (BSCIC) sources here, favourable climate had been very helpful for achieving bumper production of salt. BSCIC earlier estimated production of 7.5 metric tons of refined salt on 40,000 acres of coastal land. It is now estimated that salt production would be more than eight lakh metric tons if dry weather continues to prevail for some time more usually salt production season ends by May 15 if there is no rain.

The sources said that six lakh 95 thousand metric tons salt was produced on 39,641 acres of land last year.

Meanwhile, BSCIC has set up research and training centres at Cox's Bazar for training of salt producers. Efforts are being made to apply developed mechanical devices in salt production.



Khorshed Alam, Governor of Bangladesh Bank, seen addressing the members of Metropolitan Chamber of Commerce and Industry, Dhaka at the bank's conference hall in the city yesterday.

Iraqi parliament rejects UN resolution on oil sale

BAGHDAD, Apr 26: The Iraqi parliament on Tuesday unanimously rejected a United Nations resolution that would allow Iraq, struggling under UN Gulf war sanctions, to sell limited amounts of oil to pay for urgent humanitarian needs, says reports.

"The vote is unanimous to turn down the resolution," Deputy Parliamentary Speaker Ghanim Aziz Ghadouri said after a three-hour session attended by foreign reporters.

"This resolution is not binding on Iraq as it violates the norms in the UN charter... infringes on Iraqi sovereignty and flagrantly interferes in the essence of the internal authority," the MPs said in a statement.

The cabinet at a session headed by President Saddam Hussein had advised rejection of the plan to let Iraq sell two billion dollar worth of oil over six months to buy humanitarian supplies.

Iraq's oil exports are banned under UN sanctions imposed for its 1990 invasion of Kuwait.

Oil Minister Safa Hadi Jawad told the 250-member parliament the measure would not have eased suffering because most proceeds would have gone for war reparations and other UN-related costs. He said the measure did not account for oil installation operation fees, estimated at 170 million dollar every three months. He said Iraq had restored about 80 per cent of the Gulf war damage to its oil installations and was operating refineries at 90 per cent of pre-Gulf war capacity.

He also said Iraq did not feel secure about exporting most of its oil through a Turkish pipeline, as the UN plan required, since part of the pipeline, was under Iraqi-Kurdish rebel control and another part under Turkish-Kurd guerrillas.

He said Iraq had repaired the twin pipeline to Turkey over its territory and believed it could go into full operation shortly after the UN removed curbs on oil exports.

Jawad said Iraq would object to any attempt by Turkey to increase transit fees on its oil.

He said Iraq had other outlets at the head of the Gulf with export capacity of 1.8 million barrels per day (BPD) after removal of sanctions, the capacity can be boosted to about three million BPD just from southern oil terminals," he said.

Jawad said Iraq's OPEC quota of 3.14 million BPD should be increased to 3.6 million in light of old demand, but it would not be easy for Iraq to regain its quota.

"The price will slump at the beginning, creating some chaos in the first two or three weeks, and then stabilise," he said.

He said Iraq's oil policy was under Saddam's supervision. "We shall not allow too high a price and too low rates."

US dollar falls in Tokyo

TOKYO, Apr 26: The US dollar fell against the Japanese yen Wednesday after a key financial meeting took no steps to stop its slide, reports AP.

Economic ministers at a meeting of the Group of Seven major industrial nations issued a statement deploring the dollar's weakness, but presented no major policy changes.

In late Tokyo trading, the dollar was quoted at 82.54 yen, down 0.74 yen from late Tuesday but above its late overnight New York level of 81.93 yen.

The dollar's persistent decline — about 18 per cent so far this year — has resulted mainly from Japan's huge trade surplus with the United States, which reached 66 billion dollars last year. Japanese exporters flood the market with dollars when they turn their earnings into yen.

Despite the market's disappointment Wednesday, Prime Minister Tomichi Murayama assessed the G-7 meeting favourably, saying he believes the statement was "a strong message" for the currency market.

Murayama was referring to a G-7 statement declaring that the dollar's "recent movements have gone beyond levels justified by underlying economic conditions in the major countries."

He told reporters he believes the message will "eventually have favourable effects on the market."

The dollar's weakness dampened sentiment on the Tokyo Stock Exchange, pushing share prices lower.

Majid inspects boro cultivation in N-dists

LALMONIRHAT, Apr 26: Agriculture and Water Resources Minister M Majid-ul-Haq yesterday visited Lalmonirhat, Nilphamari, Thakurgaon and Iswardi to see for himself the actual condition of current boro crops, irrigation facilities and the drought situation, reports BSS.

The minister talked to the field level officers of concern department and farmers and inquired about overall condition of boro cultivation. Officials of agriculture extension department informed the minister that boro cultivation had already been increased in the northern districts to meet the food shortage of last season which was caused by drought. They informed the minister that in current season boro cultivation increased upto 20 per cent in Lalmonirhat, 22 per cent in Nilphamari and 40 per cent in Thakurgaon and Iswardi areas.

While talking to the farmers the minister was informed that the use of fertiliser had been increased due to increase of cultivable lands.

Agriculture extension department has provided 45,000 new shallow tubewells in the northern areas to extend irrigation facilities. In addition about 1,000 deep tubewells have been installed after necessary repair to increase irrigation facilities.

Recently Gramen Bank returned back 231 disturbed deep tubewells to Water Development Board and 156 of them have already been set up after necessary repair and they are now providing irrigation in Dinajpur, Thakurgaon and Panchagarh districts.

The Agriculture Minister instructed the Water Development Board officials to create water reservoirs as much as possible in the northern areas. He also suggested the farmers to use water from any water bodies for irrigation.

The Agriculture Minister was accompanied by senior officials of agriculture extension department and water development board.

Workshop on coastal aquaculture in Cox's Bazar

CHITTAGONG, Apr 26: A four-day workshop on coastal aquaculture and environment management began at a hotel at Cox's Bazar on Tuesday under the auspices of Marine Science Institute of Chittagong University and the UNESCO club, a press release of the organisers of the workshop said here today, reports BSS.

The inaugural ceremony of the workshop was presided over by Prof M A Saleh, Dean of the Faculty of Science, Chittagong University while former Vice Chancellor of Dhaka University Prof Fazul Halim Chowdhury was present as chief guest and Chittagong University Vice Chancellor Prof Rafiqul Islam Chowdhury, and Dr M A Latif, founder of Marine Science Institute (CI) were present as special guests.

Experts from home and abroad are participating in the workshop.

New drug

A New generation of anti-hypertensive drug Amlodipine is being launched in the country for the first time by Beximco Pharma, report UNB.

Amlodipine, a calcium channel blocking agent, manufactured and marketed by Beximco will be available in the name of Amdocol, a press release said yesterday.

BIBM workshop on credit risk analysis ends

A three day Workshop on "Credit Risk Analysis and Decision Making," conducted by Bangladesh Institute of Bank Management (BIBM) was concluded yesterday. The main focus of this workshop was on equipping the officials of banks and financial institutions with requisite skills of analysing credit risks and making proper decision in giving credit, says a press release.

The concluding session of the workshop was chaired by AHM Nurul Islam Choudhuri, Director General, BIBM.

Addressing as the chairman of the session, Choudhuri emphasised the role of risk analysis at the time of sanctioning credit to the clients.

He also expressed the hope that the workshop would help the participants in identifying various risk factors and taking proper decision about approving credit proposals. Thirty one officers from banks and financial institutions participated in the Workshop.

Choudhuri distributed certificates to the participants. BIBM faculty members AKM Khabir Uddin Chowdhury and Md Nurul Islam served as coordinators of the workshop.

G-24 complain of declining aid

WASHINGTON, Apr 26: Top financial officials of 24 developing countries — the G-24 — complained on Tuesday that the future of the world's poor is being clouded by cuts in aid and the world economic system in general, reports AP.

To solve the problems, they urged reinstatement of aid levels and reform of the international monetary system.

G-24 issued a statement on their condition as counterpart officials from the G-7 — the United States and the six other major industrial countries — met in Washington to decide what to do about the drop in the value of the US dollar.

The volatility and persistent misalignment of the exchange rates of the major reserve currencies — which have an adverse impact on world trade and investment — are some of the important factors that call for a reform of the international monetary system," the statement said.

The dollar, which has plummeted against the Japanese yen in recent weeks, is the major world reserve currency.

N'Goran Niamien, Ivory Coast's economy minister, chaired the G-24 meeting and released its statement at a news conference. He said the dollar's fall makes it difficult for poor countries to plan for the future.

But the decline in aid clearly presents a more persistent worry. The statement said the main sanctions of the World Bank, the biggest source of aid to the Third World, took more money in the interest and loan repayments last year than they put out in new loans.

"They called for an expeditious reversal of this alarming development," the statement said.

According to the bank, which is owned by 178 governments, its net transfer from all borrowers was 3.9 billion dollar in the year that ended last June 30, up from 1.9 billion dollars the year before.

Bank officials said some more advanced Third World countries, including Chile, South Korea and Thailand, now borrow from private sources but still are paying off old debts to the World Bank.



Dr Mohiuddin Khan Alamgir, Secretary of the Ministry of Science and Technology, speaking on 'Modern day banking and technology' at the Executive Development Programme of Islamic Bank Bangladesh Ltd in the city on Tuesday.

Saifur reaffirms continued commitment to reform measures at Paris meet

(Following is the excerpt from the speech made by Finance Minister M Saifur Rahman on Tuesday at the Bangladesh aid group meeting in Paris which concluded yesterday.)

It is indeed a matter of great pleasure for me to be amongst you today. This is the fifth meeting in a row that I have been leading the Bangladesh delegation during this term as the Finance Minister. I also appreciate the qualitative changes in the Aid Group Meetings increasingly emphasizing policy dialogues.

At this stage, I would like to put on record our appreciation to World Bank for preparing an excellent report, "Bangladesh: Recent Economic Development and Priority Reform Agenda for Rapid Growth". The Memorandum circulated by the Government of Bangladesh also seeks to review the economic situation of the country as well as to cover the issues raised in the Bank report. The two reports provide a good basis for a constructive dialogue and exchange of views.

We are approaching the end of our Government's tenure. Arrangements are underway to hold the next general election. I therefore, feel a strong urge to look back to the situation when we took over and review our performance during our term in the government. The immediate task was to restore the political institutions weak-

ened during the autocratic regime. The process of political transition towards a democratic, accountable and transparent system of government, although a difficult task, was accomplished with a measure of success.

It was therefore the economic area which presented the most formidable challenge. Circumstances indeed bordered on the critical when this Government took up programmes of economic stabilization and structural adjustments in earnest. Deficits in the budget and the external current account were at unsustainable levels.

It is important that this abysmal situation is not lost sight of for an objective evaluation of the true depth and dimensions of the problems confronted by this Government.

Therefore, the first and onerous task of the Government was to restore fiscal and financial viability of the economy and with this end in view, we embarked on a firm stabilization programme and succeeded in stabilizing the economy within a short period which has been sustained throughout our term. Overall budget deficit has been contained just over 5 per cent of GDP. Current account deficit has been brought down to 1.4 per cent of GDP.

National savings and investments have increased to about 14 and 15 per cent respectively of GDP. Inflation rate continued to remain at a historically low level of below 2 per cent for the second consecutive year. Some upward pressures, however, are being felt on the price level this year because of increase in price of rice. There has been a continuous improvement in mobilization of domestic resources. This together with a better expenditure control resulted in an investible surplus sufficient enough to finance 43 per cent of current year's Annual Development Programme. Fiscal stability was sustained despite increased government obligations for higher levels of investment and expenditure.

Despite continued sound and prudent macroeconomic management, Bangladesh is yet to attain the desired level of economic growth. However, during the past 4 years economic growth appears to have got over the cycle of low annual average growth rates observed in the eighties, and in the current year the real GDP growth will be around 5%. The growth rate would have been higher but for a shortfall in cereal output despite a robust growth in fisheries, livestock manufacturing, construction and other sectors.

The slow response of the private sector to macroeconomic reforms was one of the major issues discussed in the forum earlier. We, on our part, spoke about the time-lag involved in micro-response to macroeconomic measures. It is now evident that the private sector started to respond well to favourable macroeconomic conditions and started to pick up in FY 94. Despite political uncertainty, the private sector is showing signs of increased positive response during the current year as demonstrated by the increased demands for bank credits. A 39 per cent rise in exports during the first six months of the current fiscal year amply demonstrates the robustness of the private sector.

Poverty reduction remains at the heart of all our economic policies and reform measures. The magnitude of the challenge in this field is reflected in various social indicators and their changes over time.

In pursuance of our thrust on social sectors, development expenditures in education, health, family planning, social welfare, women and youth sectors have increased five fold from Tk 5.7 billion in 1989/90 to Tk 31.10 billion in 1994/95. Percentage of population below the poverty line has declined and the number of people in absolute poverty estimated to have declined to

28 per cent from 37 per cent in the mid-eighties. Likewise, enrolment in primary school has increased from 12.6 million in 1991 to over 15 million in 1994, ratio of boys and girls enrolment now stands at 53:47. In the field of health and family planning, the Government is pursuing the dual goals of 'Health for All' by the year 2,000 and Net Reproductive Rate of One by the year 2005. Our Government also attaches high priority to Women in Development. A high-powered National Council for Women Development has been set up under the leadership of the Prime Minister.

The World Bank report has mentioned that in most cases the reform programme is either incomplete or important actions are yet to take place. It has also mentioned that the recent slowdown has created a perception of uncertainty regarding reforms. True, political uncertainty since early 1994 has somewhat slowed down reforms in some sensitive areas like privatization and separation of workers. I draw the attention of this august group to the realities of life in a pluralistic democracy. A faster action by the Government in these sensitive areas would only have exacerbated political opposition and resistance to the reform programmes as a whole and could have been counter-productive.

Despite political constraints, the Government reaffirms its continued commitment to reform measures. I must emphasize that reforms in a number of critically important areas are in progress including financial and banking sectors, fiscal policy, trade, industrial and exchange regimes, public resource management and human resource development.

During the last fiscal year, there has been a significant improvement in the implementation of public investment programmes. ADP utilization in FY '94 stood at Tk 89.83 billion representing 94 per cent of the revised ADP, the highest level attained so far. A still better performance of the current year's ADP during the first 9 months has encouraged the Government to revise the ADP size upward to Tk 113.50 billion, representing an increase of 26 per cent over the realized ADP of the last year.

It is universally recognized that an efficient and effective public administration is essential for better public resource management. To this end in view, the Government constituted a Cabinet Committee on Public Administration Reforms and another committee for organising and nationalising the Ministries and the Departments. However, the subject is complex with wide implications. The work of the Com-

mittees is continuing.

Let me now briefly touch upon the aid situation. We shall need the donor's continued support to our efforts to achieve higher economic growth required to meet the challenge of poverty. Such support assumes greater importance since the flow of direct foreign investment so far has been insignificant. The situation has been further aggravated by the continuous decline of ODA since the democratic Government came to power. The total aid commitment in three years from 1990/91 to 1992/93, after the transition to democracy, was about 20 per cent lower than that of the three years of autocracy from 1987/88 to 1989/90. During the first nine months of FY 95, foreign aid commitment stood at only \$ 732 million. The total commitment for the entire year will be nowhere near the target.

Food aid has also been continuously declining and the projection indicates further decline for the coming year. Food aid is being increasingly utilized as an important development resource, particularly for the targeted safety net programmes. These programmes need to be supported by increased food aid. Although agriculture has made a continuous progress, it is still not free from the vagaries of na-

ture. Foodgrain production has significantly fallen in the recent.

Years mainly due to drought. As a part of food security, it has become imperative for my Government to request for increased food aid for FY 96.

I am aware of the global aid climate, increase in the number of aid claimants following changes in international political scenario and internal economic problems facing donor countries themselves. However, Bangladesh deserves special consideration for its sound and prudent macroeconomic management, the wide range of reforms that it has undertaken and the extensive plans and programmes that it is implementing for social sector development and poverty alleviation.

Bangladesh like the world at large is at cross-roads of history. We are prepared to seize the window of opportunity created by successful initiation and attainment of macroeconomic stability for accelerated and higher growth.

We shall pursue a socially responsive structural adjustment and reform agenda. This is a unique opportunity and challenge for us. We hope that world community will join us in facing the formidable task that lies ahead.