



**Tk 138 cr Dutch grant to REB**

Bangladesh will receive a grant assistance amounting to 55.00 million NLG (equivalent to about Tk 138 crore as budget support to Rural Electrification Board (REB) under the grant agreement signed here on Sunday between the government of Bangladesh and the Government of the Netherlands, reports UNB.

The REB will utilise 15.00 million NLG for implementation of "Intensification and expansion of 15 PBS (palli bidyut samities)" and 40.00 million NLG for implementation of "area coverage rural electrification programme (5th phase, Part-A)" over a period of five years from 1995.

Abu Saleh, Joint Secretary, ERD and ARM Schutte, counsellor and CDA of the royal Netherlands embassy in Dhaka signed the grant agreement on behalf of their respective governments.

The main objective of the projects is to construct distribution lines for supply of electricity in the rural areas for production, employment creation, rural households and community services in the project areas.

**City Bank AGM held**

The 12th annual general meeting (AGM) of the City Bank was held at a city hotel on Sunday with Chairman of the bank Anwar Hossain presiding, says a press release.

It was attended by the directors and a large number of shareholders of the bank.

In his inaugural address the chairman spoke of the untiring efforts put in by the directors, executives and officers of the bank for bringing about all round development of the bank.

He also acknowledged with gratitude the cooperation received from the shareholders in this respect.

He hoped that the bank would continue to march ahead with the concerted and dedicated efforts of all.

The shareholders dwelt at length on the accounts of the bank for the year 1994 and made various queries.

Managing Director Quazi Baharul Islam explained that an added thrust was laid on consolidation of financial position of the bank during the year in adherence to the regulations prescribed in the financial sector reform programme.

The shareholders endorsed the strategies and policies adopted by the bank to face the present situation and approved the accounts of the bank for the outgoing year.

The meeting re-elected unanimously Abdul Hadi, Azizul Haque Chowdhury, Ibrahim Mia, Md. Ali Hossain and Hosne-Ara-Begum directors of the bank.

**Gas Fields Co earns Tk 68 cr pre-tax profit**

Bangladesh Gas Fields Company Limited has earned a pre-tax profit of Taka 67.97 crore during the fiscal year 1994-95, says a press release.

This was disclosed at the 40th annual general meeting of the Company at its head office in Brahmanbaria on Sunday.

The Chairman of Petrobangla and Board of directors of the Company, SKM Abdullah, presided over the meeting.

The Company earned a net profit of Taka 40.78 crore. This profit is 7.15 per cent higher than that of the previous year.

While reviewing the audited balance sheet of 1994-95 financial year, it was disclosed that the Company

earned Taka 802.72 crore from sales of gas, petroleum products and other sources and paid Taka 763.95 crore to the government exchequer in the form of VAT, SD, Corporate Tax, DSL and dividend.

The Company is under Petrobangla and commenced gas production on commercial basis in 1968 from two fields - Titus and Habiganj. At present it has seven gas fields under its control.

A maximum of 660 million cubic feet gas and 700 barrel condensate can be produced daily at the moment from four gas fields viz: Titus, Feni, Habiganj and Bakhrabad.

In order to meet gas demand of Karnaphuli fertilizer Company (KAFCO), a newly established 100 per cent ex-

port oriented fertilizer Company in Chittagong, drilling of an additional well at Feni Gas Field and workover of two wells at Bakhrabad gas field under Bakhrabad - Feni Project were completed successfully and gas is being supplied to KAFCO as per its demand.

Bangladesh gas fields company limited is one of the largest government controlled commercial enterprise in the country producing natural gas and its by-product condensate.

By producing 84 per cent of the total gas demand of the country. This company is playing a significant role in strengthening the socio-economic structure of the country.



A five-day push mela (winter fair), organised by Maitree Samaj Kalyan Samity, began on the Faridabad High School campus in the city yesterday. — Star photo

**ODA set at \$ 11.3b Record-low increase in Japanese aid to South**

TOKYO, Dec 25: The Japanese government yesterday settled an argument over state budget plans with a record-low increase of 3.5 per cent its aid to developing countries, reports AFP.

After last-minute negotiations, the finance and foreign ministries agree to set Japan's Official Development Assistance (ODA) for the next fiscal year at about 1.15 trillion yen (11.3 billion dollars), government officials said.

The annual increase rate for Japan's ODA was improved from an original planned 2.8 per cent to 3.5 per cent, but still comes in a record low for the third consecutive year. It stood at 4.0 per cent in the preceding fiscal year.

"I believe we have given adequate consideration to international contributions despite the tough (financial) situation," Foreign Minister Yohei Kono told a news conference after meeting Finance Minister Hasayoshi Takemura.

Kono said the revised allocation would help the government fulfil its five-year ODA target of 70-75 billion dollars for fiscal 1993-1997.

On Monday, the cabinet of Prime Minister Tomichi Murayama was scheduled to adopt bills on a big-spending budget of 75.1 trillion yen (736 billion dollars) for the year beginning on April 1.

The bills will then be submitted to parliament for weeks of debate expected to

be heated up by the government's decision on Tuesday to use public funds to limit the fallout from massive losses of housing loan companies.

The budget plans included a record 21 trillion yen in government bond issues to offset a decline in revenue, stimulate the economy and clean up the massive bad debt of the seven failed housing loan firms.

The Finance Minister told another news conference that the draft budget, due out on Monday, represents only a transitional stage for solving the daunting task of rehabilitating state finances.

"We have just moved half a step forward," Takemura said.

**Beijing launches some 5000 Sino-overseas joint ventures**

BEIJING, Dec 25: China has launched some 5,000 Sino-overseas funded joint ventures in the past five years, involving a total overseas investment of 6.52 billion US dollars, 5.14 billion of which was directly pledged by overseas investors, reports Xinhua.

Gu Xiulian, the Chinese Minister of Chemical Industry said that the ministry has in the meantime entered into agreements of cooperation with some eight foreign government organisations and 13 world-renowned chemical giants including Du Pont and Bayer.

She said that about 300 Chinese government institutions and enterprises have obtained the authorisation to deal in import and export of chemical products.

She added that some 60 chemical enterprises are big earners of foreign exchange.

**Keynes secretly bought art for UK in World War I**

LONDON, Dec 25: John Maynard Keynes, one of the century's most influential economists, secretly bought 27 French drawings and paintings for Britain during World War I. The Sunday Times reported, reports AP.

Keynes, then a middle-ranking official in the Treasury Department, went to Paris during the final year of the war, when it was being pounded by German guns, on a mission for then Prime Minister Lloyd George, the paper said.

The British government, in the middle of fighting a war, didn't want anyone to know it was spending money on paintings from the estate of the artist Edgar Degas so it shrouded the mission in secrecy. The Sunday Times said.

Keynes posed as an emissary to a financial meeting of the wartime allies and Sir Charles, Holmes, director of the National Gallery, who accompanied him, shaved off

his beard and donned glasses so he wouldn't be recognized, it said.

Details of their mission were discovered in Treasury Department and Foreign Office documents by Anne Emberton, fine arts lecturer at Humberstone University and will be published this week in History Today magazine.

Keynes and Holmes attended the sale of Degas estate and bought masterpieces for 20,000 pounds, equal to 500,000 pounds 775,000 dollar today, the paper said.

A handwritten note from an assistant treasury secretary reveals how the 20,000 pounds, which was a credit note drawn on France's huge war debt to Britain, was hidden from parliament until after the war, the paper said.

The 19th century paintings they purchased, including works by Edouard Manet, Eugene Delacroix and Paul Gauguin, were brought to Britain in diplomatic cars.

**ROK to spend \$113 b on arsenal**

SEOUL, Dec 25: South Korea will spend 113 billion dollars in a five year arms build up programme that includes purchases of the nation's first AWACS early warning aircraft, military officials said Saturday, reports AP.

The Defence Ministry's spending plan, authorised by President Kim Young-sam, calls for the nation to double its defence budget by 2001 to catch up with the military might of communist North Korea.

In the five-year period from 1997, South Korea will buy two AWACS planes at a cost of 416 million dollars and two submarines at 519 million dollars apiece, the officials said.

The military also will spend about 909 million dollars on ATACM missile systems and MLRS rockets; and another 909 million on SAM missiles and attack helicopters, they said.

Overall, 30 billion dollars of 26 per cent of the budget, will go for new weapons systems, while personnel and maintenance expenses will account for the bulk of the spending plan.



Anwar Hossain, Chairman of the City Bank Limited, speaking at the twelfth annual general meeting of the bank at a city hotel on Sunday.

**Manila makes impressive economic performance**

MANILA, Dec 25: Despite internal and external shocks, the Philippines has managed to give an impressive economic performance in 1995, vowing to catch up with the economic tigers in the Association of Southeast Asian Nations (ASEAN), reports Xinhua.

For the first three quarters of 1995, the country's Gross National Product (GNP) posted a growth of 5.8 per cent, the highest in five years. Thus the 6.0 per cent annual growth target is likely to be met this year.

During the year, the industry and services in this country expanded significantly to offset the weak performance of the agricultural sector which suffered from drought, typhoon and other natural disasters. The growth of the domestic economy was driven to 5.7 in average.

The economic growth is also mirrored in the employment situation. Based on the latest statistics, about 765,000 new jobs have been created in 1995, 52 per cent more than that in 1994.

**Hanoi earns \$550m by exporting aquatic products**

HANOI, Dec 25: Vietnam has caught more than 1.34 million tons of aquatic products this year, the fifth consecutive year that the annual total is over one million tons, reports Xinhua.

A total of 127,700 tons of aquatic products were exported to earn 550 million US dollars, Vietnam news agency reported yesterday.

**Notice Inviting Tenders No. 17 of 1995-96**

- Name of work : Special repair to different & staff quarters attached to Thana Sanitary Inspector's office at Borhanuddin in the Dist of Bhola: Gr No I= Civil Work; GR No II= Electrical work.
- Estimated cost Tk : Gr No I= 11,75,442/- and Gr No II= 1,40,133/-
- Earnest money Tk : Gr No I= 23,510/- and Gr No II= 2,805/-
- Date of last selling : On 02.01.96 during office hours.
- Date of receiving : On 03.01.96 up to 12.00 Noon.
- Place of selling and receiving : Office of the all Executive Engineer, under PWD Circle, Barisal.
- Eligibility of contractors/Firms : Gr No I Enlisted and valid special class-I and Bldg contractors/ Firms of PWD according to their financial power and limit. Gr No II Enlisted and valid special class-I and E/M contractor/Firms of PWD having ABC/BC licence according to their financial power and limit.
- Contractors/Firms willing to purchase schedule from other Divisions should apply to the Executive Engineers concerned at last 5 (five) days before the date of last selling. Otherwise no tender schedule will be sold to him/them.

Md Mizanul Karim  
Executive Engineer  
PWD Division  
Bhola

**Bangladesh needs pragmatic agri-strategy**

Bangladesh is an agrarian country where 85 per cent people live on agriculture. It plays a dominant role in our economy contributing nearly 36 per cent to GDP.

The country's policy-makers need to understand the implication of these basic statistics. Bangladesh cannot be compared with other developing countries for policy adoption. We have to have our own policy relating to our country's realities and needs.

Time and again, we hear the need for rapid industrialisation as an answer to our economic development. However, in most cases, those countries which achieved success because of industrialisation did not have such a very large population like Bangladesh. How many industries will we need to employ the vast rural majority?

To compete in today's world markets with industrial products, we require a high degree of sophistication and quality awareness. But we sadly lack it. Therefore industrialisation can take place for meeting domestic needs where quality is still not of concern compared to availability and price.

Bangladesh's main thrust has to be upon the development of its agriculture. While it is notable that productivity of agriculture has continued to increase over the years, we are still not self-sufficient in basic foodgrain production. We remain vulnerable to imports, which is not desirable.

It is worthwhile to mention that Japan ensures its basic rice production — even though it costs 3-4 times

higher than what is available on the world market. The Japanese want to ensure their own food security. Japan, with a 125 million population — which is about the same as ours, produces surplus rice on a land of only 2.2 million hectares. They are even offering 300,000 tons of rice aid to North Korea.

Bangladesh with nearly 11 million hectares of land and a population of 120 million needs to import foodgrains of a minimum of 2 million tons annually.

We have the potential not only to feed ourselves but also to produce surplus many times over. We have been endowed with a rich fertile land, available and a hard-working labour force. What we need is macro policy to exploit these resources and make Bangladesh self-reliant.

Let us do some simple arithmetic. A farmer produces 2 tons of rice per acre. If he would get only one taka extra per kg from the existing market price of today, he would have an additional disposable income of two thousand taka per season! With this money, he would be able to afford consumables which would create demand and provide the impetus for local industrialisation.

If this concept is understood, then the government has to ensure a higher procurement paddy price. Look at the amount we spend to acquire foodgrains from abroad. This money could easily be channelised to buy foodgrains locally. And benefit our farmers — the vast majority who otherwise remain

deprived of development activities.

To produce efficiently, farmers have to have the right agricultural inputs at the right time. The recent experience of fertiliser distribution shows the need for a pragmatic approach to fertiliser distribution. Fertiliser is actually used throughout the country in about a month's time during the rice seasons.

To ensure availability as near as possible to farmers and cope with these peak demands, fertiliser has to be stored well in advance in strategic locations throughout the country. The current practice of supplying fertiliser only from the mill gates of fertiliser factories will again lead to bottlenecks in distribution.

Private distributors quite naturally lift fertiliser as near to sales as possible. They do not want to stock up for fear of carrying over inventories and the interest on bank loans. Therefore, there is a rush for fertiliser when demand begins to build up — and only six mill gate outlets are not enough! This bottleneck leads to favouritism, opportunism and our farmers, who have to pay an exorbitant price for their bag of urea, lose again.

The government has to realise the implication of fertiliser distribution. Unless we build up a thoroughly managed and organised fertiliser distribution management, self-reliance in rice production will remain elusive. The

private sector cannot invest in such a massive system.

The recent decision to hire BADC godowns to stock fertiliser so that it can be made available when needed is indeed a commendable step.

The recent trend of environmentalism and green agriculture will not help in augmenting our foodgrain requirements. The USA and other developed countries consume three fourths of world's agro-chemicals — and continue to produce surpluses. We are concerned with the implications of fertiliser and pesticide use.

In a recent report, Stefano Pagiola, under the auspices of the World Bank, voices concern for pesticide use in Bangladesh in vegetables, not rice.

Residues in water samples collected in heavy pesticide use areas show only traces of pesticides, and that too of organo-chlorines which by their nature are longer lived. This clearly shows that pesticides do not pose a threat to contamination of water.

The highest concentrations of nitrates (from urea fertiliser) was 20-30 micrograms/litre, below the WHO safe drinking water standard of 50 micrograms/litre.

Pesticides help ensure desired yield of a crop. Due to our climate, our crops are prone to insects, diseases and weeds. These pests bring down yields which in case like potato, can completely damage the whole crop.

**Cuba's economic growth may reach 2.5 pc**

HAVANA, Dec 25: Key committees of Cuba's National Assembly of People's Power, the nation's parliament, spent Christmas weekend discussing the economy in preparation for sessions of the full parliament to begin on Tuesday.

The Cuban parliament will take up and approve the nation's budget and economic plan for 1996. Unlike the US Congress where budgetary and fiscal battles can be intensely partisan and bitter, Cuba's parliament normally approves the budget, proposed by its own elected committees, without any strong partisan debate and with only minor changes.

The new budget and economic plan will come only days after Cubans were informed that there were discrete improvements in their economy in 1995.

Cuban Vice President Carlos Lage announced last week that economic growth, as measured by the gross domestic product (GDP), will reach 2.5 per cent this year compared to 0.7 per cent in 1994. He said he expects the GDP to further improve in 1996.

The gains in the GDP came after a 34.3 per cent decline during the previous four years when Cuba's economy was devastated by the fall of the eastern European communist governments and the Soviet Union, which were its main trading partners.