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Supply of urea exceeds projected demand of agri-ministry in 8 months

The supply of urea during the first eight months of the current fiscal ending in February 96 has exceeded the demand projected by the agriculture ministry and officials said there is no possibility of fertilizer scarcity in the on-going peak demand period from January to March, reports BSS.

The agriculture ministry had estimated the demand for the eight months at 13,60,000 tonnes while the actual supply during the period was 14,56,000 tonnes, a press release of Bangladesh Chemical Industries Corporation (BCIC) said here yesterday.

It said that during the same eight months last year the supply of urea was 12,42,000 tonnes.

The agriculture ministry estimated the demand of urea at 19 lakh tonnes for the whole 1995-96 fiscal.

The press release said, in order to augment the supply during the current IRR-Boro season, BCIC has started supplying urea from 15 buffer stock godowns located at remote areas particularly in the northern region of the country in addition to usual supply from factory gates.

At present the factories have combined stock of 1,33,291 tonnes (60,161 in factory godowns and 73,131 in buffer stock godowns) as against 71,950 tonnes at the end of February '95 indicating relatively higher inventory of 62,181 tonnes. Moreover all the fertilizer factories are now operating almost at 100 per cent efficiency. Allot efforts are being made to maximise supply of urea from the fertilizer factories and buffer stock godowns to ensure availability of required urea

allower the country through the network of 2294 dealers. The existing buffer stock of 73,131 MT is lying at the buffer godowns in Khulna-8458 MT, Kaliganj-4000 MT, Santihar-15,295 MT, Bogra-5,424 MT, Rangpur-3,966 MT, Mahendranagar-2,931 MT, Farhatpur-7,927 MT, Rajshahi-4,927 MT, Thakurgaon-9,240 MT, Brahmanbaria-5,296 MT, Takerhat-2,200 MT and Baghabari-3,793 MT.

As an integral part of the new system of fertilizer distribution being followed the new system of fertilizer distribution through 2294 dealers recently selected by six-member committee led by Deputy Commissioner effective from January 1, 1996 has been sustained. The take of fertilizer from the factories and availability of this fertilizer in all the districts in

accordance with the agricultural demand projected by agriculture ministry.

Six urea fertilizer factories have produced 14,51,199 tonnes urea during the first eight months of current financial year (from July, '95 to February, '96) as against 13,91,394 tonnes during the corresponding period of last year (July, '94 to February, '95) indicating comparatively higher production of 59,805 tonnes.

Comparatively higher production and augmented supply through the network of dealers all over the country along with substantial inventory of fertilizer have been arranged to ensure supply at reasonable price all over the country during the remaining days of current peak demand period, the press release added.

Exchange rate corridor won't be extended in Russia

MOSCOW, Mar 1: Russian President Boris Yeltsin said Thursday that a programme to control the value of the rouble, a key element of the government's anti-inflation efforts, would not be extended beyond June, says AP.

"It was a temporary measure," Yeltsin told a special session of government and legislative leaders.

An exchange rate corridor was imposed in July. At the end of last year the government announced that the target band would continue until June 30, keeping the rouble between 4550 and 5150 to the dollar.

Exporters have strongly criticised the measure as damaging to their competitiveness.

Country's jute yarn export, production decline

By Staff Correspondent

The Production and export of the country's jute yarn have declined during the last six months due to high price of raw jute and increase of production cost.

"Jute yarn production has decreased by about 17.64 per cent while the export earning from this sector has fallen by 22.51 per cent this year compared to the same period of the previous year," Sabir Yusuf, President of Bangladesh Jute Spinners Association said yesterday while addressing the 17th Annual General Meeting of the association.

Exporting grave concern at the persisting political crisis, he urged the political

leaders to find a solution immediately for the greater interest of the national economy. If the crisis continues, the economy will face disastrous situation, he said.

He said that the production cost in the mills under the association had shot up by at least 100 to 150 US dollars per ton.

The spinning mills have produced 48,265 metric tonnes of jute yarn during the period while the production during the same period of previous year was 56,777 metric tons indicating 17.65 per cent decline.

Export earning fell by about Taka 25.91 crore during the period compared to the same

period in the previous year.

The country exported 42,182 metric tonnes of jute yarn during the period fetching Taka 115.09 crore, while the export volume and earning during the same period in the previous year was 51,926 metric tonnes earning Taka 141 crore.

He demanded further devaluation of Bangladeshi Taka and 10 per cent marketing subsidy in jute yarn export.

Sabir Yusuf urged the political parties and the government to settle the stalemate immediately and take long term steps to recover the industries in jute spinning sector.

Britain's trade deficit steady in December

LONDON, Mar 1: Britain held a trade monthly deficit steady in December, official figures showed yesterday, surprising analysts who had expected the deficit to increase, reports AFP.

Britain also achieved its first trade surplus with the European Union since August 1993 of 56 million pounds, after a deficit in November of 118 million pounds.

In December, the trade balance showed a steady monthly trade deficit of 557 million pounds (835.5 million dollars) but the balance for the whole of 1995 showed a slight increase in an annual deficit, the figures from the central statistical office showed.

The balance for the whole year showed a deficit of 11.6 billion pounds from 10.8 billion pounds in 1994.

The gap between exports and imports for December of 557 million pounds was broadly in line with the figure for November of 574 million pounds. Analysts had forecast a deficit of 880 million pounds for the month.

Boeing to sell 16,000 new planes in next 20 yrs

BATTLE, Mar 1: Boeing co President Phil Condit said on Wednesday he expects a decision next month from Chinese and South Korean officials on a western partner for a new small commercial jet, says Reuter.

"That's the current plan," he told reporters at a pipe jaffray investment conference. "We clearly want to be that partner."

The decision on a western partner has been delayed several times, and Condit said the two Asian countries have been unable to agree on where the plane will be assembled.

"They are struggling with it," he told investors at the conference. "They both want to do the final assembly."

Condit, who was named this week as Boeing's next Chief Executive Officer, also said in his address that there is "a lot of room left for growth" in commercial air travel, pointing to company forecasts that 16,000 new airplanes will be sold worldwide over the next 20 years, with only 25 per cent going to replace current aircraft.

He said China remains one of the company's most promising markets, but he added that prospects for continued success there remain clouded by an uncertain political situation.

Probe into \$ 171.6 m corruption cases in Russia nearing end

MOSCOW, Mar 1: The Russian Interior Ministry is completing investigations into corruption cases involving state losses totalling hundreds of millions of dollars, a senior ministry official said Wednesday, reports AFP.

"These cases will stun Russia," said General Alexander Dementev, Head of the Interior Ministry's Directorate on Economic Crime, in an interview with Interfax news agency.

Dementev said his directorate aimed to "undermine the financial might of the Mafia, which is profiting from up to 40 per cent of the country's total assets, and combat corruption which is sapping

the machinery of state."

The ministry was still working on cases involving Yevgeny Bychkov, former head of the state committee for precious metals and stones (Komdragnet), the St Petersburg Mayor's office and certain ministries and banks, Dementev said.

Last week Russian President Boris Yeltsin sacked Bychkov, who is under criminal investigation for embezzlement.

A senior Interior Ministry official said Saturday that senior officials in Komdragnet had robbed the state of 171.6 million dollars.

Bychkov and two of his colleagues stand accused of

abuses of power and illegal foreign currency transactions.

In another development, a senior Finance Ministry official told Interfax that the government was expected to decide soon on the resignation tendered by Deputy Finance Minister Anatoly Golovaty.

Finance Minister Vladimir Panskov has accepted Golovaty's request to resign, the official said.

Golovaty and the job of overseeing Komdragnet and was in the Russian delegation which negotiated a new diamond export agreement with South Africa conglomerate De Beers, Interfax reported.

Polish Airlines records \$ 2.4 m net profit in '95

WARSAW, Poland, Mar 1: Polish Airlines LOT has recorded a 16 per cent growth in passenger traffic and showed a 2.4 million dollars net profit in 1995, the company chairman announced Thursday, reports AP.

Addressing a news conference, Jerzy Litwinski said that Poland's flag carrier showed a small profit of 6 million zlotys (2.4 million dollars), nearly three times the 1994 income.

Despite the burden of payments for its new fleet of 21 Boeing and ATRs - some 100 million dollars last year - LOT has showed profit for a third consecutive year, the chairman said.

In 1995, LOT sold all of its remaining Russian-built TU-154 jets and its present fleet, acquired since 1989 through 700 million dollars leasing deals, is considered the youngest in Europe.

LOT carried 1.8 million passengers last year, some 16 per cent above 1994, thanks to expanding traffic in eastern Europe and on trans-Atlantic destinations, Litwinski said.

Krzysztof Zimebinski, LOT's chief sales executive, said especially flights to New York and Chicago showed a 20 per cent increase in number of passengers. Both cities are the sites of Poland's largest expatriate communities.

The company hopes to see some 270,000 more passengers this year, and total revenues up by 23 per cent. Revenue in 1995 was 1.1 billion zlotys (440 million dollars), marking a 23 per cent increase over 1994.

The state-owned company is slated for privatisation.

Taiwan-China trade grows despite political standoff

TAIPEI, Mar 1: Despite their worst political standoff in a decade, trade between Taiwan and China grew 27 per cent last year, the government said Thursday, reports AP.

Taiwan came out with a surplus of 14.8 billion dollars up 15.7 per cent from 1994, it said.

Chen Yi-ling, an Economics Ministry official, said Taiwanese who invested in China have been cautious about increasing their stake, but have no choice but to keep their mainland operations going.

"The Chinese military threats did not have an immediate effect on trade, but we are monitoring the possible impact," she said in an interview.

Tensions flared after Taiwan President Lee Teng-hui visited the United States last June. China accused Lee of pushing for the island's independence and responded with missile tests and war games that rattled Taiwan's financial markets.

China claims sovereignty over Taiwan and refuses to renounce the use of force to recover it.

The Board of Foreign Trade said exports to China were up 22 per cent to 17.9 billion dollars and imports from China were up 66 per cent to 3.1 billion dollars.

The huge growth worries Taiwan officials, who fear the island is becoming over-dependent on trade with its hostile neighbor.

Economists say Taiwan's economy, already suffering a slowdown because of the tensions, could weaken further if its China trade drops sharply as a result.

50m hectares of land brought under irrigation in China

BEIJING, Mar 1: Nearly half of China's existing cultivated land, or 50 million hectares, have been brought under efficient irrigation, China Daily reports yesterday, says Xinhua.

The past five years have seen an increase of about 800,000 Ha of irrigated land, the paper quoted a water resources ministry official as saying. During the past five years, he said, more than 10,000 Ha of new farmland with better irrigation guarantees have been built each year through improving or developing irrigation systems.

The increase was particularly notable in the first two years of the eighth five-year plan (1991-95), when it was vital for China to end a decade-long fluctuation on development of the high-yield farmland that it experienced in the 1980s, the paper said.

About 35-40 per cent of the world's grain was produced by only 10 per cent of the globe's irrigated land. In China, nearly 70 per cent of its grain yields come from its irrigated land, said Chinese expert.

Apex body of NGO Forum

An eight-member new Executive Committee has been elected with Dr Fazle Hasan Abed as its chairperson, says a press release.

The committee was elected at the annual general meeting of NGO Forum for Drinking Water Supply and Sanitation held at its central office in the city on Thursday.

The other members of the committee are:

Tahrunnessa Abdullah - Vice Chairperson, Anish K Barua - Treasurer, Rashida K Chowdhury - Member, Sheikh A Halim - Member, Jowshan A. Rahman - Member, Mufawez Khan - Member and SMA Rashid - Secretary (Ex-Officio).

The Executive Director of CARITAS Bangladesh Jeffrey S. Pereira and Dr TU Lung Sanitation Coordinator (WESS), UNICEF were present at the meeting.



The annual general meeting of NGO Forum for Drinking Water Supply and Sanitation was held in the city yesterday.

ROk hangout of trendiest young things

SEOUL, Mar 1: On a typical Saturday afternoon Seoul's Aekyong district is the hangout of South Korea's trendiest young things, reports Reuter.

College-age boys and girls are adorned with the latest fashion accessories. Girls wearing high-high platform boots defy the frigid winter in micro-miniskirts. Tucked in each right-side back pocket or capacious channel leather bag is a colour-coordinated electronic pager or "beeper".

"Everyone has to have a beeper," said Seung-You Chang, an 18-year-old college student who has had her own bright blue Motorola pager for a year. "We have to stay in touch. Some of the kids can't afford the monthly connection fee, they just buy the pager so they can be seen."

These young fashion victims are just the kind of communications junkies that South Korean telecommunications firms are betting on for a lucrative future.

With pressure building from the World Trade Organisation for South Korea to open its markets to the world, fierce competition is also brewing within the country for a piece of the 7.84 trillion won (10.05 billion dollar) a year industry.

In June the government will hand out 30 licences to operate in seven different telecommunication services. These run the gamut of Personal Communications Services (PCS), trunked radio systems, international and domestic call services and wireless data transmission.

"This year is a very important one for us because it will set a path for the future," said Jung Tae-Chul, director of corporate strategy.

BOJ's dollar-buying intervention Japan spends \$15b in Feb to keep yen low

TOKYO, Mar 1: The Bank of Japan bought an estimated 15.3 billion dollars for yen in currency market interventions in February, the largest amount on record, bankers said yesterday, reports Reuter.

The previous record for its monthly purchases was an estimated 14.07 billion dollars in March 1995. In January, the central bank's aggressive interventions, widely seen as preventing a revival of a strong yen, which would undermine prospects for Japan's fragile economic recovery, bankers said.

"The BOJ's (Bank of Japan) intervention is not aimed at guiding the dollar higher to a specific level, but to prevent it from sliding, because a fall below 100 yen would undermine prospects for the country's economic recovery," said Ichiro Ikeda, Vice President at Goldman Sachs International Bank in Tokyo.

Data released by the central bank on Thursday showed that capital outlays from the government's special foreign exchange account to the private sector totalled 2,007 trillion yen (19.2 billion dollars) in February.

The figure comprises yen payments from the government's foreign exchange account to the private sector, mainly commercial banks.

The payments are a result of the BOJ's dollar-buying interventions for yen and the maturing of financing bills previously sold to the market by the finance ministry.

A total of 408 billion yen

Bundesbank's key interest rates unchanged

FRANKFURT, Germany, Mar 1: The Bundesbank, Germany's central bank, left its discount and Lombard interest rates unchanged at its regular meeting Thursday, reports AP.

The discount rate remained at 3.0 per cent and the Lombard rate at 5.0 per cent after the Central Bank Council's semi-monthly session.

The Bundesbank bank last adjusted the two key rates on Dec 14, dropping both by a half percentage point.

The discount rate is Germany's cheapest form of bank refinancing. The Lombard is the emergency rate for overnight loans.

High-speed rail link work may start next year

LONDON, Mar 1: A consortium involving the Virgin Group has won a contract to build a high-speed rail link between London and the Channel tunnel, the British government said yesterday, reports AFP.

The announcement followed months of tortuous negotiations.

Work is now expected to begin next year on the 68-mile (110-kilometre) line.

The project, for which the contract was to have been awarded at the end of last year, will cost 2.7 billion pounds (four billion dollars) and will cut half an hour from the London to Paris Brussels journey once it is completed in 2002.

Construction of the high-speed link has been delayed for a long time because the British government was reluctant to provide finance and because of local opposition in the south-east of England.

Greece to resist Turkey's customs union accord with EU

ATHENS, Mar 1: Greece will resist the full implementation of Turkey's customs union agreement with the European Union "as long as Turkish aggressiveness persists", Prime Minister Costas Simitis said yesterday, reports Reuter.

"It would be foolish for Greece to go along as if nothing were happening while Turkey threatens war," he told a news conference.

"Greece will not cooperate in the customs union agreement as long as Turkish aggressiveness persists," Simitis said. The two countries came close to blows in January in a dispute over some small islands in the eastern Aegean.

"This is what we told our partners and this is going to be our policy over the coming months. The customs union agreement says that Turkey must have friendly ties with EU countries and Turkey is not following this agreement," he added.

India having problems in opium business

Neena Bhandari writes from Jhalawar

Cultivating the poppy plant is a tedious, back-breaking process, but India has 10.4 million farmers who grow the lucrative crop.

And while their counterparts in nearby South-East Asia are constantly being hounded by authorities, India's laws allow opium farmers to grow poppies for medicinal and scientific use.

The South Asian country is now the world's largest and only legal producer of opium. Official figures show it exports nearly 700 metric tonnes to the United States and the United Kingdom alone at 50 US dollars per kg.

To meet the growing demand, the area under poppy cultivation has been doubled from 13,000 hectares in 1987-88 to 26,000 hectares in 1994-95.

"Opium gives 50 per cent more profit than any other crop and I have had a crop of five kgs," says Ramgopal, a local opium grower here, as he twirls his lush mustache in apparent satisfaction.

Opium has been a traditional crop grown in the Madhya plateau of the central Indian state of Madhya Pradesh, in the northern Indian state of Uttar Pradesh and in western Indian Rajasthan since the days of the Mughal emperor Akbar's reign in the 16th century.

"Opium is more sought after than the concentrated poppy straw cultivated in Turkey and Australia, because the latter, despite being capital intensive, lacks the alkaloids used in medicines," says an Indian narcotics bureau official.

The alkaloid content of opium is used in making morphine for pain killers and in cancer drugs. But its seeds are used as an aromatic spice in traditional Indian cooking.

The poppy seeds are sown in October or early November and harvested between March and April. The crop needs a perfect blend of water, air and temperature for maximum yield.

The field has to be ploughed eight to nine times and, before sowing, the soil has to be enriched by dung, urea and plenty of water. Once the capsule shaped poppy fruit is ripe, a three edged knife is used to cut it to extract opium.

Poppy fields are divided into three rectangular sections and this process, called lancing, is done three to seven times in each of them. It begins at noon and carries on till sunset. The next phase carries on from dawn to 11 a.m.

India's Department of Narcotics constantly monitors the entire process from issuing licences, measuring the field, weighing and finally collecting the opium from the cultivators.

But it has been unable to totally control the pilferage of stocks for making heroin, brown sugar and hashish.

While the government pays only eight US dollars per kg for the crop, the black market value of opium is anything between 250 US dollars for a kg in Madhya Pradesh and

Rajasthan to 1,050 US dollars in Uttar Pradesh.

This makes poppy cultivators targets for armed attacks by thieves. In this area of Rajasthan, the Katar group of indigenous people who depend on stealing for their livelihood are often blamed for the murders of poppy cultivators for a small fraction of their yield.

This year, three opium farmers have already been killed and several others beaten up in a single village in this southern district.

Surprisingly, the plant's narcotic product has not tempted the cultivators in Jhalawar to get addicted to opiate. "It is in fact people in western Rajasthan where the crop is not grown, who are addicted," says Hari Ram of Pepliya village where 40 farmers cultivate the crop.

But in Uttar Pradesh, especially in the two districts of Barabanki and Faizabad, there are tales of large-scale addiction among the labour working on poppy fields. The opium is also sold illegally at exorbitant

rates in the local market after being converted into heroin, brown sugar and hashish.

A local reporter, requesting anonymity, says at least 20 per cent of the population in the two districts is addicted to either hashish or brown sugar. Being in close proximity to the state capital Lucknow, the trend is also catching on among the students there.

The government rarely gives out new licences for poppy cultivation. It is mostly existing licences that are renewed so that a tight hold can be kept on the process. The area allotted for cultivation is based on the previous year's yield.

The poppy cultivators in the village form an opium panchayat or self-governing council, with the persons with highest yield being elected the chief. He keeps a daily record of the opium grown in the village and receives a 1.5 per cent commission on the price of the opium of the entire village.

To curb illicit sales of

opium, the government has introduced a scheme of incentives that increases the prices with increased yields. But the cultivators are unhappy.

"The government price is too meagre for this labour intensive crop," says one of them. They have been demanding that eight US dollars per kg be raised at least four times.

Meanwhile, the Indian narcotics official insists that the increased yield has not really jacked up pilferage, smuggling and addiction. In an annual collection of 1,000 tonnes last year, only seizures worth 300 kgs were made, he says.

What he fails to mention is the undetected quantities that are pilfered and smuggled out from the state of Punjab in the northwest into Pakistan and from Salem in the southern state of Tamil Nadu via sea routes to other countries, making India one of conduits of the widespread international narcotics trade.

IPS Feature