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The Daily Star

BUSINESS

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HYUNDAI

CARS THAT MAKE SENSE

Bhutan willing to import dry fish, limestone from Bangladesh

Bhutan is willing to import dry fish, limestone, drycell battery and various raw materials from Bangladesh, reports UNB.

The offer was extended by Bhutanese Ambassador Lyopo Tashi Tobgyel in a meeting yesterday with Finance Minister SAMS Kibria at the latter's secretariat office.

The envoy informed the minister that his government intended to increase present volume of trade and commerce with Bangladesh.

Finance Minister Kibria stressed the need for regional cooperation and interaction among the countries of this region for their economic development.

Both of them expressed the optimism that the existing bonds of friendship between the two countries would be strengthened.

Pakistan keen to buy more raw jute, finished products

Pakistan is keen to purchase more raw jute and finished products from Bangladesh, reports BSS.

This was stated by Pakistan High Commissioner to Bangladesh Karam Elahi when he called on State Minister for Jute, AK Faezul Huq at the latter's office here yesterday.

During the meeting, they discussed different issues of mutual interest especially, the enhancement of cooperation and exchange of experiences between the two countries in jute sector, a PID handout said.

The envoy emphasised the need for close cooperation between the two countries and wished all success of the present government under the able leadership of Prime Minister Sheikh Hasina.

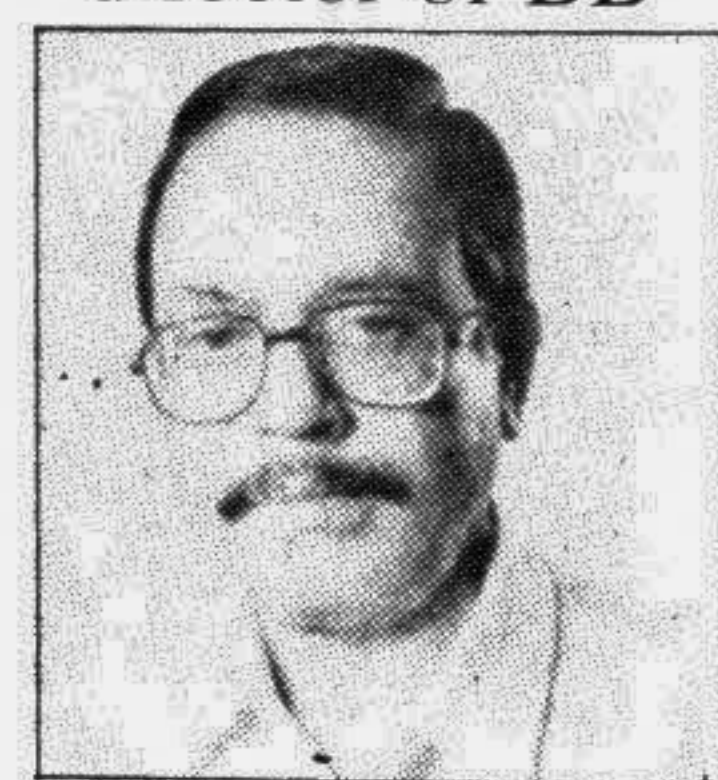
In this context, he recalled her stopover in Pakistan on her return from Saudi Arabia after performing Umrah recently.

Treasury bill auction results

The 19th auction of the 90-Day Treasury Bill and the 10th auction of the 30-Day and 180-Day Treasury bills were held yesterday, says a press release.

The bid for a total of Tk. 50,000 crore was offered against the 30-Day Bill and that was accepted. No bid was offered against the 90-Day and 180-Day bills. The price of the accepted bid was Tk 99.44 per 100 Taka. The yield is 6.76 per cent per annum.

New executive director of BB



Sultan Ahmed Mollah has been promoted to the post of Executive Director of Bangladesh Bank, says a press release.

Before his promotion, he was the General Manager of the Department of Bank Management and Development.

He also worked as General Manager of Banking Control Department and Personnel Department.

Mollah joined the then State Bank of Pakistan in 1968 as Officer Class-1.

During his long Banking career, he attended a number of training courses and seminars at home and abroad and held many important positions.

430 ADP schemes implemented in two thanas of Sirajganj

SIRAJGANJ, July 15: A total of 430 schemes under the annual development programme have been implemented in Kaziপুর and Raiganj thanas during the fiscal 1995-96 at a cost of Taka 1.75 crore, according to UNB.

The schemes including construction, reconstruction and development of roads, bridges, culverts, schools, agriculture and public health sectors have been implemented during January 1 to June 30 this year.

With the completion of the schemes, road communication in two thanas has been improved to a great extent.

Of the total schemes, 250 were implemented in Raiganj thana at a cost of Taka 1.25 crore while 180 schemes in Kaziপুর thana costing Taka 55 lakh.

City traffic congestion costs Tk 160 cr every year

By Masud Arif

Delay caused by traffic congestion in the capital costs more than Taka 160 crore every year.

A senior official of the Bangladesh Road Transport Authority (BRTA) quoting UNDP-funded Dhaka Integrated Transport Study (DITS) said that of the 73 road intersections in the city in 1992, 20 were found most congested. These were responsible for 75 per cent of the total road delay.

One of the reasons for congestion is that Dhaka has a number of missing links in road networks which are obstacles to smooth flow of traffic. The city road intersections are not made on the modern principles of road design to control the volume of traffic.

BRTA sources said.

Improper traffic signal timings, undue interference by road-side activities, unauthorised parking and road encroachment by vendors cause traffic congestion.

Besides, lack of provision for separating slow and fast-moving vehicles in the intersection and on the road links, non-existence of grade separation and absence of flyovers on the critical rail-road and road-road intersections and absence of well-trained and well-equipped traffic police are other reasons for congestion and delay in the city roads.

Though DITS has found that 73 per cent of road space in the city is occupied by manually driven rickshaws, BRTA

feels that it will be very wrong to assume that Dhaka's rickshaws which operate economically on almost 95 per cent of the road system can be eliminated totally because many roads and areas are not accessible to buses or mini-buses.

But the main transport corridors of the city must be freed from rickshaws and auto-rickshaws.

Meanwhile, it is estimated that it would require minimum 4,000 large buses to meet the requirement of the city. But at present the city has a fleet of about 1,400 old medium-size buses and mini-buses, of which about 1,100 go into service everyday, according to BRTA sources.

The DITS of 1993 revealed that of all the transport trips,

share of the bus and mini-bus was about 22 per cent, car seven per cent while the share of rickshaw was about 48 per cent and para-transit like auto-rickshaw was about eight per cent.

Besides, a presentation paper on Dhaka Urban Transport Project (DUTP) described the capital's present traffic and transport scenario. It pointed out issues such as the absence of dependable public transport service, predominance of non-motorised transport and para-transit, insufficient investment in infrastructure development, lack of sufficient pedestrian facilities, lack of coordination between different agencies, absence of overall planning and inadequate traffic management.

Bangladesh requires Tk 63b to improve infrastructure

Bangladesh will require Taka 63 billion to achieve a modest target of meeting about 70 per cent of the current infrastructure improvement needs over the next 10 years, reports UNB.

This indicates the annual development expenditure of about Taka 6.3 billion for the same period.

In addition, the maintenance cost in this sector will also go up from the present 1,300 million to Taka 2,900 million by the year 2006, says a World Bank sponsored study.

Currently, Bangladesh spends about Taka 5.5 billion or 5.5 per cent of its development budget, based on foreign and local resources, on rural roads and markets development.

The Bangladesh Rural Infrastructure Strategy Study report was released Sunday at a seminar, jointly organised by the Local Government Engineering Department, the Planning Commission and the World Bank.

The study estimated an annual requirement of about Taka 8.1 billion (Taka 6.3 billion) for development and Taka 1.8 billion for maintenance during the next five years for reaching the goal of improving 70 per cent of the existing network by the year 2005.

Resources available at present are about Taka 6.8 billion annually (54 per cent foreign, 46 per cent domestic).

Inaugurating the seminar at a local hotel, LGED and Cooperatives Minister Zillur Rahman said the government had attached high priority to rural infrastructure development.

He said an adequate, efficient and balanced physical infrastructure development is the basic requirement for both initiating and sustaining economic development.

The minister stressed the need for finding out appropriate

cost effective methods of introducing alternative low-cost solutions or approaches for physical infrastructure development.

The study revealed that 54 per cent of the current budget for rural infrastructure development is drawn from foreign aid and the rest 46 per cent from domestic resources.

The share of domestic contribution for this sector is higher than the share of domestic funds in the total annual development budget covering all sectors.

The study stated that annual resource for maintenance will be needed to be increased by 20 per cent to Taka 8.1 billion as against the current (1995-96) level of Taka 6.8 billion.

In view of this findings, the study stressed that it is necessary to maintain, and possibly increase the present flow of foreign fundings to build rural infrastructure.

It said that the future strategy needs to build on the lessons of past and calls for a higher level of investment both from foreign and local sources.

State Minister for LGED and Cooperatives Alhaj Syed Abul Hossain, chief of ADB resident mission Bhanupol Horayangura and chief of World Bank resident mission Pierre Landell Mills also spoke at the seminar.

The World Bank mission chief said rural poverty could not be alleviated unless the rural infrastructure is developed.

ADB mission chief Bhanupol Horayangura said the rural poor and the unemployed need to be addressed during formulating strategy for development of rural infrastructure.

Representatives of development partners, including FRG, USAID, SIDA, SDC, EC and Royal Danish Embassy also addressed the seminar presided over by secretary of the Local Government Division Alamgir Farouk Chowdhury.



Tofael Ahmed, Minister for Commerce and Industries, addressing the members of the Metropolitan Chamber of Commerce and Industry, Dhaka, in the chamber conference hall yesterday. The MCC&I President, Samson Chowdhury, is also seen in the picture—Star photo

Govt plans to improve steamer service, develop launchghats

The government plans to enhance facilities for water transport passengers and develop launchghats with the assistance of donors, including world Bank, reports UNB.

This was stated by Shipping Minister ASM Abdur Rab while inaugurating the operation of a vessel at Pagla Ghat in Narayanganj yesterday.

PS Lepcha, a renovated paddle steamer, was commissioned further expanding BIWTC's rocket service in the Dhaka-Barisal-Khulna route.

Addressing the inaugural function on board the steamer, the Shipping Minister stressed

the need for improving the standard of steamer service.

He asked all including the BIWTC officials, crew of vessels and passengers to put their sincere effort in preserving national property.

Shipping Secretary Anwarul Islam, Chairman of Bangladesh Inland Water Transport Corporation (BIWTC) Tofael Ahmed Chowdhury and Ambassador of Royal Belgian Embassy Eric Focke were present at the function as special guests.

With the commissioning of PS Lepcha, the number of steamers in BIWTC's fleet in

the Dhaka-Barisal-Khulna rose to three. The three steamers—PS Lepcha, PS Masud and PS Sela—will provide service in this route five days a week.

PS Lepcha was built in 1938 with coal-fired steam engine and converted to marine diesel engine in 1983. It was further renovated with mechanical drive system this year.

The renovation work was done with the financial and technical assistance of Belgium.

The 190-foot-long vessel, with a capacity of boarding 600 passengers and 79 tons of cargo, has 14 airconditioned first class cabins, 12 second class and 574 third class seats.

BIWTC sources said the renovation work of another paddle steamer, PS Ostrich, is now underway and it is expected to join the fleet by October.

The total estimated cost of the rehabilitation of the three steamers—Masud, Lepcha and Ostrich—is Tk 12.64 crore with foreign exchange component of Tk 7.59 crore.

The Belgian government provided some 76 million Belgian franc for this project.

The sources said BIWTC had undertaken a similar project for rehabilitating three other vessels—PS Gaz, Kiwi and Tarbo—at a cost of Taka 25.50 crore with a foreign exchange component of Taka 17.5 crore.

The Belgian government has already assured financial and technical assistance for the project, which is expected to start by the year end at local shipyard with the supervision of Belgian experts, the sources said.

After completion of the project, these three steamers will also join in the rocket service from late 1997.

New branch of Prime Bank starts work in Barisal

From Staff Correspondent

BARISAL, July 15: A new branch of the Prime Bank has started functioning in Barisal.

This puts the number of the bank branches to 8 so far opened in the country.

The branch was formally inaugurated by the Divisional Commissioner (in-charge) of Barisal Md Yahya Khan as chief guest on July 8.

Speaking on the occasion, the Chairman of the Prime Bank, Dr. RA Gaani, said the bank has introduced merchant banking through capital accumulation along with general banking.

The Prime Bank, the Chairman added, aims at modern, progressive and welfare banking.

In his speech, the Managing Director of the bank, Lutfur Rahman Sarker, said the bank's new schemes in savings and investment sectors have created enormous enthusiasm among the people everywhere.

He said the bank has earned a profit of Taka 2.50 crore and its deposit has been raised to taka 217 crore.

To help the fixed income group, Rahman said, we have introduced contributory savings scheme, monthly benefit deposit scheme and special deposit scheme including consumers credit scheme. The bank will also introduce modern system of leasing operations. The lease finance portfolio of our bank will be the first of its kind in a commercial bank in Bangladesh, he added.

Iraq faces food shortage due to poor harvest

CAIRO, Egypt, July 15: Iraq faces a possible food shortage this year because of a poor grain harvest, adding to the strain of the six-year UN embargo, reports AP.

Iraqi businessmen in neighbouring Jordan told the Associated Press on Sunday that poor rainfall and problems getting fertilisers and pesticides had set back wheat and barley crops.

A report by the United Nations Food and Agriculture Organisation said grain production was down some 30 per cent this year from last year and predicted shortages for both human consumption and livestock.

The Rome-based FAO said wheat and barley output has fallen to 1.5 million metric tons in Iraq this year.

Under a national rationing system, each Iraqi gets 12 kilograms (26.4 pounds) of subsidised wheat flour each month for bread.

The ration was reduced in 1993 because of a poor harvest, but raised again in 1995 when crops were better.

Iraqis have been living with shortages of food and medicine—and prices that make them too expensive for many families—since UN sanctions were imposed after Iraqi leader Saddam Hussein's 1990 invasion of Kuwait.

BKB disburses Tk 100 cr loan in 11 S-districts

PATUAKHALI, July 15: Bangladesh Krishi Bank disbursed Taka 100.11 crore as loan in 11 southern districts during the fiscal 1995-96, reports UNB.

The districts are Patuakhali, Barisal, Pirojpur, Jhalakathi, Bhola, Barisal, Madaripur, Shariatpur, Gopalganj, Faridpur and Rajbari.

Bank sources said against the target for the fiscal 1995-96, BKB attained 80 per cent by disbursing Taka 100.11 crore as agricultural loan in these districts.

It is learnt that in the financial year 1994-95, BKB disbursed Taka 96.85 crore as agricultural loan in the said districts.

According to the report, BKB recovered outstanding loan amounting Taka 79.14 crore from these districts during the last fiscal year.

Of the total amount, Taka 8.88 crore were disbursed in Barisal, Taka 9.17 crore in Bhola, Taka 9.52 crore in Pirojpur, Taka 5.03 crore in Jhalakathi, Taka 11.42 crore in Patuakhali, Taka 9.54 crore in Barisal, Taka 12.45 crore in Faridpur, Taka 6.98 crore in Gopalganj, Taka 8.10 crore in Madaripur, Taka 10.02 crore in Shariatpur and Taka nine crore in Rajbari districts.

Bank sources said an outstanding loan of Taka 309.88 crore in 11 southern districts remained unrealised hampering smooth lending in those areas.

Workers protest govt decision to privatise telecom in Nepal

KATHMANDU, July 15: Nepali telecommunication workers stayed off work yesterday hitting telecommunication in the Himalayan kingdom as they protested against government efforts to privatise the industry, says Reuters.

The state-owned Nepal Telecommunications Corporation (NTC) currently operates all telecommunication services, but the government recently invited privates and foreign firms to run wireless, mobile phone and radio paging services.

Trade union officials said workers would close down services for seven hours a day until Tuesday, and then for 12 hours every day through Friday.

Information and Communications Minister Chiranjibi Wagle has vowed to privatise NTC after three years, a move he regards to upgrading the telecommunication network.

But NTC's trade unions have opposed the move and claim it would result in a tripling of service tariffs and increase international telephone.

China to get \$3b WB loan

BEIJING, July 15: A top World Bank official has praised China for the soft landing of its runaway economy and pledged to give it three billion dollars in loans in the next 12 months, reports AFP.

There is a great deal that the Chinese authorities can be pleased about regarding the overall performance of the economy," said Russell Cheetam, bank Vice-President in charge of East Asia and the Pacific.

He told the China daily that he believed Beijing had succeeded in ensuring a soft-landing for its runaway economy which witnessed 13.4 per cent growth in 1993 and 21.7 per cent inflation in 1994.

The country has avoided the sharp drop in growth rate that has sometimes occurred on previous occasions when the government tried to dampen inflationary pressure," he said, referring to China's boom-and-bust cycles of the late eighties and early nineties.

ROK traders need no visa to attend investment confce in DPRK

TOKYO, July 15: South Korean government officials and businessmen will be allowed to enter North Korea without a visa for an investment conference in September, a North Korea official said in Tokyo, reports AFP.

Kim Jong U, a close aide to North Korean leader Kim Jong Il and Vice Chairman of the External Economy Commission, told South Korean reporters here Sunday about the plan, Kyodo news agency said.

The investment conference is to be held in the Rajin-Sonbong economic zone in the north eastern part of North Korea and the Korean officials was here to publicise it.

South Korean newspapers reported Friday that South Korea planned to send a 100-member delegation of government officials and businessmen to attend the conference.

Rich-poor gap widens despite economic growth worldwide

Key findings in UN report

TOKYO, July 15: A worldwide surge of economic growth over the past three decades has mainly benefited a small number of countries, and a quarter of the world's people are actually worse off than they were 15 years ago, according to an annual United Nations survey, reports AP.

The 1996 Human Development Report follows world trends in economic development and ranks countries based on an index that measures life expectancy, education, and purchasing power. It was to be released Wednesday following a meeting of top UN Development Programme officials in Tokyo.

This year's report, the seventh edition of the annual survey, outlined serious concerns about the widening gap between rich and poor people as fast paced economic growth continues to leave many people and countries behind.

"The world has become

more economically polarised, both between countries and within countries," UNDP Administrator James Gustave Speth wrote in a preface to the report.

"If present trends continue, economic disparities between industrial and developing nations will move from inequitable to inhuman, he wrote.

The report looks beyond simple economic growth data to examine factors that determine how many people are actually better off than before, both in terms of wealth and other measures of well being such as health and education.

The survey found that despite a strong surge in economic growth in 15 countries over the past 30 years, some 1.6 billion people—about one-fourth of the world's population—were left behind and are now worse off than they were 15 years ago.

At the national level, 89

UNDATED, July 15: Here are some key findings from the 1996 Human Development Report, compiled by the UN Development Programme.

MORE PEOPLE IN POVERTY: The world's total economic output grew by 40 per cent in the 10 years ending in 1985, but only a minority of nations benefited. During that same period, the number of poor people increased 17 per cent.

RICH ARE GETTING RICHER: The assets of the world's 358 billionaires exceed the combined annual incomes of countries accounting for 45 per cent of the world's people.

POOR COUNTRIES ARE DOING WORSE: Compared with 10 years ago, 89 countries are worse off than they were before, but most of those are developing countries. Among rich countries, only three—Canada, Finland and Iceland—are worse off today than before, while 70 developing countries have seen income levels fall below levels seen in the 1960s and 1970s.

GREATER EQUALITY IN ASIA: Countries in East Asia and Southeast Asia have not only grown the fastest but have also had the most fair division of income and assets like land and credit.

COUNTRIES RANKED: Canada ranked first of 174 countries on a UN index of "human development" that combines measures of life expectancy, education and basic purchasing power. The United States came next, followed by Japan, the Netherlands and Norway. —Source: AP



A view of the inaugural ceremony of the eighth branch of the Prime Bank held in Barisal. —Star photo