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The Daily Star BUSINESS

DHAKA SATURDAY, MARCH 1, 1997

HYUNDAI
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Japanese loan for Lanka

COLOMBO, Feb 28: Japan will provide a 20 billion rupees (350 million dollars) loan to develop and upgrade Sri Lanka's telecommunication network and roads, an official said Friday, reports AP.

The assistance is provided under Japan's yen loan package, said S Pathirathana, a finance ministry spokesman. Last year, Japan gave 18.8 billion rupees (329 million dollars) for infrastructure development.

First delivery of relief aid to Iraq begins today

PARIS, Feb 28: UN Secretary General Kofi Annan said on Thursday that the first deliveries of relief aid to Iraq would begin on Saturday, reports Reuters.

"We are going to begin on March 1. Things are going well enough but obviously we have to follow the situation in Iraq," Annan told reporters when asked about the oil-for-food deal following talks with French Prime Minister Alain Juppe.

The complex oil-for-food programme involves UN monitors checking on food, medicine and other goods for the Iraqi people.

Under the programme, Iraq is permitted to sell two billion dollars worth of oil over six months to buy needed supplies for its people, who have suffered under trade sanctions since August 1990.

The United Nations on Thursday named Staffan de Mistura, a veteran UN official for relief assistance in world trouble spots, as the new coordinator for humanitarian aid in Iraq.

US retaliates against Japanese cargo ships

WASHINGTON, Feb 28: Japanese cargo liners will be slapped with a 100,000 dollar fee every time they port in the United States in retaliation for restrictive practices against US shippers in Japanese harbours, the US Federal Maritime Commission has announced, reports AP.

The commission said Wednesday it will begin levying the severe levies April 14 on three Japanese shipping companies — Kawasaki Kisen Kaisha Ltd., Mitsui OSK Lines Ltd. and Nippon Yusen KK with those companies cargo vessels averaging 34 arrivals a month in US ports, the agency estimated the new levies could total 45 million dollars a year.

Tokyo, Japan's Transport Minister Makoto Koga criticised the sanctions and demanded they be rescinded. "This is absolutely unacceptable," Koga told the Kyodo news agency. "We strongly request that the FMC withdraw this decision immediately. We are prepared to seek a solution to this problem under bilateral and multilateral treaties."

The maritime commission accused the Japanese of discriminating against US carriers who have attempted to run their own operations in Japanese ports.

In a 20-page ruling, the commission said the Japan Harbour Transportation Association, a trade organization of waterfront employers, wields such considerable power that no American carrier can run its own dock operations in Japan.

The government of Japan appeared to discriminate against US carriers by not licensing non-Japanese companies to perform stevedoring or terminal operating services... to protect the dominant position of the Japan Harbour Transportation Association, the commission said.

LOS BANOS, Philippines, Feb 28: The demand for rice is rising constantly in Bangladesh with nearly 2.3 million people being added each year to its population of about 120 million, rice production increases must be achieved at a faster rate than most other countries in the world, while Bangladesh's land planted to rice is not expanding, reports BSS.

In addition, Bangladesh is faced with production constraints such as drought, lack of irrigation facilities, flooding, salinity of soils, coupled with the fluctuating commercial prices of rice.

Rice is central to Bangladesh's economy and agriculture, accounting for nearly 18 per cent of the national gross domestic product (GDP) and providing about 70 per cent of an average citizen's total calorie intake.

Rice areas totals about 10 million hectares, and accounts for 75 per cent of the total area of agricultural crops and 93 per cent of the total area planted to cereals, the rice sector is by far the most important provider of rural employment, International Rice Research Institute (IRRI) estimates said.

Future growth in rice production will likely come from expansion of irrigated areas, use of new high-yielding varieties, higher amounts of fertiliser inputs and improved

Major DSE indicators fall to new low

By Rafiq Hasan

The major market indicators of the country's premier bourse have declined to their lowest position in recent times due to massive correction over the last few months.

With minor ups and downs prevailing on the floor for several months the Dhaka Stock Exchange (DSE) All Share Price Index went down to 1702.49 points from its highest position of 3600 points four months back.

The market capitalisation also declined to a new low of Taka 12,503.93 crore from its position of Taka 25,000 crore.

During the period, the prices of a number of blue chip issues like Chittagong Cement, Shine Fokur Holdings and Olympic Industries fell sharply.

The prices of Chittagong Cement came down to Taka 5,000 from Taka 18,000, Shine Fokur Taka 290 from more than Taka 700 and Olympic Industries Taka 1000 from over Taka 5,000.

According to the share traders and experts, the market correction may continue for some more days as the investors are still hesitating to buy shares with full confidence. They forecast that the prices will go down further.

Though the price index and other market indicators have been experiencing ups and downs over the last few weeks the over-all trend was 'declining', commented a leading broker.

According to him, there is hardly any chance of dramatic change on the floor next week. The falling trend may continue in the coming week with a further correction in the market, he predicts.

Talking to The Daily Star, Prof Abu Ahmed of Dhaka University's Economics Department expressed similar views over the situation of the country's capital market. He said, "the investors con-

fidence lost due to sudden crash in the market few months back is yet to be restored. So we can think that the declining trend will continue in future". But he hoped that after two to three weeks the market would go up again.

Temporary withdrawal of circuit breaker from a number of issues for adjustment of their resulted in a sharp decline in the market indicators, Abu Ahmed observed.

He said the increase of interest rates on savings certificate by the government also had an adverse effect on the capital markets.

"If the people get more benefit from the savings certificates they would not feel encouraged in the stock market," Abu Ahmed said.

With a view to gaining confidence in people regarding capital market, the government should make the National Stock Exchange operative soon, he suggested.

Ahmed Iqbal Hasan, vice chairman of the DSE, said the market has been suffering from a lack of fresh money inflow over the week.

Compared to the previous week's position the DSE price index and market capitalisation registered 101.60 points fall and Taka 760.48 crore decline over the week.

During the six-day business, on an average 2.93 lakh shares valued at Taka 10.23 crore exchanged hands.

Out of 121 average traded issues, 79 suffered and 37 gained while 4 remained unchanged.

The All Securities Price Index of Chittagong Stock Exchange (CSE) closed at 749 points declining by 43.50 points from previous week's 792.62 points.

The CSE market capitalisation incurred Taka 387 crore losses over the week closing at Taka 10,069.97 crore from Taka 10,457.10 crore.

WB, Nepal hold talks on PDF

KATHMANDU, Feb 28: Senior officials of Nepal and the World Bank have been holding talks here on the establishment of a fund for hydropower development in this Himalayan state since last week, the local press said yesterday, reports Xinhua.

The World Bank promised to set up the Power Development Fund for Nepal when it withdrew financial support for a large-sized hydropower project in east Nepal by citing huge environmental and economic risks in 1995.

After scrapping the 402-megawatt Arun III Project which the World Bank had backed since the feasibility study over 10 years ago, the bank said that it would promote an alternative hydropower strategy focusing on medium and small-sized projects in Nepal.

The bank also pledged to set up a 175 million US dollar Power Development Fund (PDF) with the amount originally earmarked for the Arun III.

According to Nepali sources, a five-member taskforce from the World Bank is in the capital for holding discussions with water resources ministry officials on the guidelines and legal structure needed to regulate the PDF.

Dhaka to get Tk 140 cr Danish grant this yr

Denmark's Minister for Development Cooperation Poul Nielson Thursday said Bangladesh should push for reforms for overall development of the country and its people, reports UNB.

"If it is done, windows of opportunities will open up," he told newsmen at the state guest house Padma before leaving Dhaka concluding his five-day visit to Bangladesh.

Nielson, the first Danish cabinet minister to visit Bangladesh, said he emphasised "conception of good governance, human rights and corruption-free administration" while meeting Prime Minister Sheikh Hasina and other ministers.

Matters relating to poverty alleviation, sanitation, pure drinking water, rural and human development on which the Danish government gives priority for Bangladesh featured prominently in discussions during his meeting with eight ministers.

Referring to his visit to rural Bangladesh, Nielson praised the success of sanitation and pure drinking water projects in the village areas.

He expressed his dissatisfaction about lower level of dis-

bursement of assistance in the field level. "Bureaucracy is being cited as a safe excuse for it... your government should take the matter seriously."

The Danish minister for development cooperation said that Bangladesh will be given Tk 140 crore as grant this year, which was Tk 126 crore last year.

"We are planning to allow you a total of Tk 789 crore as grant in 1997-2001," he said. All these are technical assistance grants.

Referring to his extensive tour to the southern Laxmipur district, Nielson praised the role of rural women in development activities. "Bangladesh can make a difference by properly utilising its female manpower," he said.

Earlier, the Danish Minister called on Prime Minister Sheikh Hasina in the afternoon. He appreciated Bangladesh's potentials for economic growth and the steps for foreign investment in the country.

Denmark will come forward to invest in Bangladesh, Poul Nielson told the Prime Minister.

Nielson praised the initiatives for development of democratic institutions.



The 181st board meeting of NABIL Bank Limited, Nepal was held at the board room of National Bank Limited in city on Tuesday. NABIL Bank has proposed to issue 1:1 bonus share to the shareholders.

Fish landing in Ctg may increase sharply in near future

Fish landing at a modern wholesale fish market in Chittagong city is expected to increase significantly in near future due to the enforcement of law in the maritime zones of the Bay of Bengal, reports BSS.

Officials of the 'Fish landing, preservation and distribution project' in the port city's bridgehead area told a group of newsmen that the amount of fish-catch would rise in a larger extent as the members of Bangladesh coast guard were active round the clock in the maritime zones.

They said compared to the current operational cost, the performance of the project was encouraging with its operational income at Taka 8.73 lakh in 1994-95, Taka 17.13 lakh in 1995-96 and Taka 9.75 lakh in 1996-97 so far.

The project, which was a long-felt demand of the local fishing community, was handed over to the Bangladesh Fisheries Development Corporation (BFDC) in 1994.

Implemented on a turn-key basis at a cost of Taka 52.66 crore including Taka 43.00 crore Japanese grants, the project started its work in 1991-92 and completed in 1992-93 by an organisation nominated by Japan International Cooperation Agency (JICA).

The main objective of the project was to ensure hygienic

handling of fish being caught from the Bay of Bengal to maintain their quality which was exposed to quick deterioration beforehand.

The officials said fish-catch by the country, boats in this locality was being landed in the most unhygienic condition at Monoharkhali for long.

"How this problem is over and we are all maintaining hygienic condition of the fish landed here so that their quality remains intact," an official said.

The Monoharkhali project is one of 10 different projects in Dhaka, Gazipur and Chittagong implemented with Japanese grants and assistance where the newsmen visited recently under the auspices of Japanese embassy in Dhaka.

Available facilities at the Monoharkhali fish landing project include at 1,529 sqcm fish landing centre, a 624sqcm block ice plant of 30 tons, one steel bridge, three pontoons, one gangway, one ice-store one diesel filling station, one truck-parking and pavement 42 offices for fish traders and two fresh water tanks.

The officials said the performance of the project at this moment is not worth mentioning compared to the total investment cost but the situation would rise to improve with increased catch.

Labour law issue ROK unionists stage strike

SEOUL, Feb 28: Tens of thousands of South Korean unionists staged a four-hour strike Friday, unhappy with the snail-paced legislative negotiations on changing a disputed labour law, reports AP.

The strike was called by the Korean Confederation of Trade Unions, the outlawed union umbrella group responsible for last month's three-week strike that had crippled the nation's auto, shipyard, and other industries.

The unionists want the changes to be completed by midnight Friday, before the disputed law, adopted in December, takes effect Saturday. They also want to make sure the changes meet their demands.

"If changes to the labour law is made without taking our demands into consideration, we are just back in square one," the confederation said.

"We, the workers, will continue our concerted action against the law," it said. The confederation said 131,000 workers belonging to 107 unions took part in the four-hour strike. But the government's Labour Ministry said only 32,000 walked off their jobs.

It is uncertain whether the confederation has enough support to call another prolonged strike if their demands are not met. Support has waned since the strike was called off.

Asia's investment in EU rises : UNCTAD

GENEVA, Feb 28: Foreign direct investment (FDI) flows from Asia into Europe soared from an average 100 million US dollars during 1989-1991 to an average 860 million dollars during 1992-1994, a report released here Thursday by the United Nations Conference on Trade and Development (UNCTAD) said, reports Xinhua.

In the report entitled "Sharing Asia's dynamism: Asian direct investment in the European Union (EU)", UNCTAD said that many firms from Asia's Newly Industrialising Economies (NIEs), such as Hong Kong, South Korea, Singapore and Taiwan, increasingly find a direct presence in the EU necessary to serve this large wealthy market.

Others are seeking access to advanced technology and skills, research and development programmes, the report said.

However, Asian FDI in the EU accounted for only five per cent of the total FDI from the region in 1995, reflecting the fact that Asian firms are just at the beginning of their entry into Europe, the report pointed out.

The report noted that the United Kingdom is the most popular destination for Asian

NIEs' investment, which accounts for 40 per cent of the FDI. Germany and the Netherlands followed with 30 per cent and 20 per cent respectively.

More recently, Asian transitional corporations have begun investing in central and eastern Europe, where they find a low-cost production base and a good platform for relatively unrestricted entry into the EU's internal market.

Seminar on 'Hill economy' today

A day-long seminar on "Hill Economy and Environment" will be held at the Chittagong Zila Parishad auditorium today (Saturday), reports UNB.

Finance Minister Shah A M S Kibria will open the seminar at 9.30 am, says a press release.

Chittagong University Vice Chancellor Prof Abdul Mannan will be the special guest at the seminar, jointly organised by the Bangladesh Economic Association and Economics Department of Chittagong University.

Association president Prof Wahid Uddin Mahmud will preside.



A staff member from China Gold Coin Inc shows a 500-yuan gold coin yesterday featuring the late Chinese patriarch Deng Xiaoping's portrait with Hong Kong skyline and a slogan saying "One Country, Two Systems." Deng died February 19 at the age of 92.— AFP/UNB photo

Bangladesh must increase rice output to meet rising demand : IRRI

crop management practices. To achieve such growth, a key factor will be results emanating from successful research, carried out in collaboration with the International Rice Research Institute (IRRI).

Bangladesh's research link with IRRI goes back more than 30 years in 1966, the government of what was then East Pakistan emphasized rice research with the cereals section of the agricultural research laboratory in Tejgaon, Dhaka and began collaborative research to test rice lines from IRRI in 1967. IRRI, the first widely distributed semidwarf rice variety, was produced into the country.

In 1970, the Bangladesh Rice Research Institute (BRRI) was established and has worked closely with IRRI ever since. The two institutes launched the rice research and training project in December 1975, with its primary goals being (1) to increase rice production and make Bangladesh self-sufficient by developing improved varieties suited to the country's growing conditions (2) to develop technically and economically sound rice production technologies and test there in

fields and to strengthen country's rice research capability through short and long term training of Bangladeshi rice scientists.

In 1991, Bangladesh and IRRI signed a six-year memorandum of understanding to foster technical assistance and cooperation in research and training on rice and rice-based farming systems. The work was jointly carried out by BRRI and IRRI. IRRI also has cooperated with the Bangladesh Agricultural Research and Training.

Other institutions in Bangladesh collaborating with IRRI on rice research include the Bangladesh Agricultural Research Center, the Bangladesh Agricultural Research Institute, and the Ministry of Agriculture.

The present collaboration between BRRI and IRRI is one of partnership and cooperation. Current areas of collaboration include:

Safeguarding and preserving the diversity of the gene pool, evaluating rice germplasm, resource management in the coastal wetland ecosystem, enhancing rice productivity in the rainfed lowland areas, projecting rice supply and demand,

evaluating rice seed health, nitrogen supply in rice-wheat systems, and developing hybrid rice.

Since 1987, five Bangladeshis have served the IRRI board of trustees as members. Dr MO Ghani was the first trustee from Bangladesh, serving from 1967 to 1970. Dr Nurul Islam was a trustee from 1974 to 1977. Dr M Amirul Islam, from 1978 to 1983, Tohrussa A Abdullah, from 1984 to 1988 and Professor Muhammad Yunus, Managing Director of the Grameen Bank, from 1989 to 1994.

Dr Sadique Bhuiyan Water Resource Specialist in IRRI's Soil and Water Sciences Division, has been an IRRI scientist since 1977. Dr Mahabub Hossain, Economist and former Director General of the Bangladesh Institute of Development Studies, joined IRRI in 1992 as head of its social sciences division.

Thirty young Bangladeshi scientists mostly from BRRI, have worked at IRRI as postdoctoral fellows or project scientists, each for a period of about two years, they contributed to IRRI's research, while learning specialised skills from their supervisors.

BRRI researchers work with scientists from other Asian rice-producing countries through two IRRI-coordinated international networks, International Network for Genetic Evaluation of Rice (INGER) and the Crop and Resource Management Network (CREMNET).

These networks benefit all participating IMT 31 rice varieties of BRRI, at least seven which were selected from INGER materials, came from IRRI and three came from Indonesia. The parentage of IRB, the IRRI variety that started the green revolution, includes the Bangladesh traditional variety latissol, thirteen BRRI-developed lines have been released as varieties in 12 countries of Asia and Africa.

As an INGER partner, BRRI has provided about 10 per cent of the total amount of germplasm contributed by national agricultural research systems.

Bangladesh also is a member of the rainfed lowland rice research consortium, along with India, Indonesia, The Philippines, Thailand, and IRRI. The consortium was developed by IRRI to identify and solve con-

straints to rainfed rice production. One of the consortium's key research sites is located near the BRRI regional station at Rajshahi.

Membership in research networks and consortium has also seen Bangladesh of assistance to other countries as of September 1996, 13 of BRRI's rice breeding lines and varieties have been released in 12 countries: Bhutan, Burundi, People's Republic of China, India, Gambia, Ghana, Iraq, Kenya, Myanmar, Nepal, Sierra Leone, and Vietnam. The exchange of these materials was made through the INGER.

Since 1985, the BRRI-IRRI Rice research and training project funded the graduate studies of 123 BRRI staff, including 70 who conducted their research as IRRI scholars at Los Banos, Philippines.

Another 427 Bangladeshi scientists have received short term training at IRRI since 1965. In all, 620 Bangladeshis have participated in IRRI training programmes.

To maintain self-sufficiency in rice, Bangladesh will have to continue to increase rice production by raising yields at a rate that is at least equal to population growth rate until the demand for rice is stabilised, although population growth rate decreased to 2 per cent in recent decades, it is not expected to stabilise within the next 25-30 years.

Tender Notice

Name of work: (a) Supply of stores materials for emergency maintenance work of Distribution Division, Power Development Board, Madaripur, (b) Supply of steel almirah & file cabinet for Headquarters Electric Supply under Distribution Division, Power Development Board, Madaripur. Eligibility of contractor: Power Development Board enlisted A, B, C & D class contractors. Estimated cost: (a) Tk. 1,83,000/- (one lakh eighty three thousand) only, (b) Tk 50,000/- (fifty thousand) only. Price of tender: (a) Tk 125/- (one hundred twenty-five) only, (b) Tk 50/- (fifty) only (non-refundable) in the form of Bank Draft/Pay Order in favour of Deputy Director (Accounts), Zonal Accounts Office, Power Development Board, Faridpur. Place & date to obtain tender: From the office of the Chief Engineer, Distribution, Western Zone, Power Development Board, Khulna/Superintending Engineer, Operation & Maintenance Circle, Power Development Board, Faridpur/Manager, Agrani Bank, Puran Bazar Branch, Madaripur up to 08-03-97. Date of receiving & opening tender: 09-03-97 up to 12-00 Noon & on the same day at 12-30 PM. Other terms & conditions of tender and all rules & regulations must be properly complied with.

Executive Engineer
Distribution Division
Power Development Board
Madaripur
Biddut/Jana-981(4)/96-97
DFP-4129-23/2
G-557

R&H, Tender Invitation Notice

1. Tender Notice No. : 189/EE/1996-97.
2. Name of work : Supply of spare parts for repairing (Scraper No. XO-6 DG, M. Engine 4-Cylinder) of R&H Road Sub-Division, Banani, Dhaka under R&H, Workshop Division, Dhaka.
3. Estimated cost : As per schedule.
4. Earnest money : 2% (two per cent) of the estimated cost should be submitted through BD/TC/Sanchaya Patra/CD from any scheduled bank of Bangladesh Bank in favour of the Executive Engineer, R&H, Workshop Division, Dhaka. 10% earnest money should be submitted before the work order.
5. Time for completion : 20 (twenty) days from the date of issuing work order.
6. Eligibility of : As per eligibility & rules, R&H, Directorate's enlisted 'A' to 'E' class contractors.
7. Offices where tender & schedule will be available : Can be purchased at Tk 510/- (Non-refundable) per set with Bangladesh Form No. 2908 from Workshop Division, Dhaka/Executive Engineer, R&H, Workshop Division, Mymensingh up to the day before the date of receiving tender.
8. Officers & offices to receive tender & schedule : Superintending Engineer, R&H, Workshop Circle, Tejgaon, Dhaka/Executive Engineer, R&H, Workshop Division, Tejgaon, Dhaka/ Executive Engineer, R&H, Workshop Division, Mymensingh.
9. Last date of selling tender : 9/3/97.
10. Last date & time of receiving sealed tender : 10/3/97 up to 12:00 Noon.
11. Date & time of opening sealed tender : 12/3/97 at 12:30 PM.
12. Date of lottery (if needed) : 12/3/97.
13. Head of expenditure : T&R.

Md Humayun Rashid Khalipha
Executive Engineer, R&H (Mechanical)
Workshop Division, Tejgaon, Dhaka
DFP-3958-22/2
G-556