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HYUNDAI
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Informal traders export fish at cheap rate

High prices of hilsa: Officials wonder about replenishing stocks

By Cameron Kennedy

High prices and fewer hilsa have some officials wondering if the government can replenish stocks while informal traders export the popular staple in bulk at cut rate prices.

Fish prices jumped 15 per cent last year, according to the Consumers Association of Bangladesh, an organization that monitors prices in Dhaka's markets. The average price of a large hilsa rose from Tk 164 in '95 to Tk 180 in '96. The same hilsa sells for about Tk 220 today, an expensive meal in a country where fish accounts for over 60 per cent of dietary protein.

Fazlul Haque, co-ordinator of CAB, says he believes prices are up because of low supply, but that will change. "In the next one or two months, the supply will be adequate and the price of fish will come down," Haque says.

Prices may drop soon, but the government appears prepared to avoid future supply

problems. It has already announced five projects to help the fish industry increase production, including a thorough survey of its waters -- inland, along the coast, and in the Bay of Bengal -- to determine fish stocks. Though it missed the government's Tk 1,617 crore export target, the industry still earned a little over Tk 1,200 crore last year.

But some say the government should do more to ensure the industry's long term stability. Dr. Mazid, director of the Fish Research Institute in Mymensingh, has suggested fishermen could replenish hilsa stocks and increase production dramatically if they stopped for about 10 days sometime between September and October, the tail end of the hilsa's breeding season. The government has asked the institute to submit a more detailed proposal.

But any break will face opposition from fishermen, most

of whom live hand to mouth. Md. Azizul Karim, joint chief in the Ministry of Fisheries and Livestock, says he believes it would be difficult to convince fishermen without an economic incentive, like an allowance or alternate job.

"Law is not enough," he says. "Motivation is necessary."

Karim says Bangladesh can't meet demand for hilsa because governments have been content to let fishermen regulate themselves instead of enacting a strong, uniform policy. That situation will change, he says, once the government introduces its draft fish policy.

Karim says the policy will make the industry more systematic, transparent and accountable, and, with the help of the private sector and NGOs, will create an environment where fishermen can expand operations.

However, exporters have a different explanation for the low fish supply. Dr. Aftabuzza-

man, secretary general of the Bangladesh Frozen Food Exporters Association says informal traders have organized an 'unholy alliance' near the borders and sell bulk, unprocessed hilsa to India cheap, gutting the supply and driving up the local price. BFFEA sells processed hilsa for between 2.20 and 2.50 US dollars per kilogram while the informal traders sell for between 1.50 and 1.45 US dollars, he says.

"Bangladesh is losing money," Aftabuzaman says. "Why should we encourage this to continue?" The secretary says he asked the politicians to stop the informal traders, but to no avail.

It's a claim Karim dismisses. "Smuggling isn't the main factor behind the price increases," he says, though he admits the ministry doesn't have any statistics on the extent of hilsa smuggling or other informal trading along the border.

Kuwait's trade surplus rises by 42pc

KUWAIT CITY, July 28: Kuwait's trade surplus rose by 42 per cent in 1996 to more than seven billion dollars, mainly due to higher oil prices, figures released by the planning ministry showed yesterday, reports AFP.

Total exports in 1996 reached 4,675 billion dinars (15.4 billion dollars), a rise of 21 per cent on the previous year, while imports were 2,507 billion dinars (8.27 billion dollars), eight per cent higher than 1995.

The trade surplus in 1996 was 2,168 billion dinars (7.1 billion dollars). Compared with 1,530 billion dinars (5.0 billion dollars) the year before, a 42 per cent rise, the report said.

Kuwait's main export is oil and oil-related products, and economists attributed the rise in the surplus to higher oil prices in 1996.

Non-oil exports, including local products and re-exports, were only 227 million dinars (747 million dollars) in 1996, five per cent higher than a year earlier.

Kuwait produces some two million barrels of oil a day, mainly for export as crude or refined products.

ROK investors meet govt officials

Separate desk to be set up at BOI to address Korean problems

The government has decided to set up a separate desk at the office of the Board of Investment (BOI), exclusively for the Korean investors in Bangladesh for addressing their problems, reports BSS.

The decision was taken yesterday at a meeting held between the Korean investors and Bangladesh government high officials in the conference room of Industries Ministry.

The Executive Chairman of the BOI Anisul Huq Chowdhury led the Bangladesh side while Korean Ambassador to Bangladesh Tae Kyu Han led the Korean team.

Representatives of Bangladesh Export Processing Zone Authority (BEPZA), National Board of Revenue (NBR), Export Promotion Bureau, T and T Board and related ministries and agencies attended the meeting.

UNB adds: The Ambassador said the Korean companies were facing three main problems in Bangladesh -- non-payment against LCs by the local banks,

security concern in Export Processing Zones and dispute between their local partners.

"The investors must be paid against their LCs (Letter of Credit), but the local banks are not doing so for various reasons. This problem must be addressed," Han said.

The Korean Ambassador made a request for devising a workable mechanism to resolve the disputes between the Korean investors and their local partners within shortest possible time.

Referring to the security problem in the BEPZ, he alleged that a number of armed robbers were committed there recently. This problem should be contained strictly and promptly.

The Korean investors requested the authorities to allow import of raw material for their industries without opening LC. Currently, they are allowed to import only machinery without LC.

They also stressed the need for opening a duty-free shop and a branch of Export Promo-

tion Bureau (EPB) in DEPZ to resolve their problems regarding export of finished products.

As the Korean investors told the meeting that they were facing problems in carrying goods, a Bangladesh Biman official said as per the agreement between Biman and Korean Airlines, joint air freight service would begin soon.

Other problems like customs clearance, problems related with Import General Manifesto, export, rejected products, acquisition of land for new industries, abnormal telephone bills and problems in shifting telephones came up for discussion.

BOI Executive Chairman Anisul Huq Chowdhury requested the concerned ministries and departments to take note of the problems raised in the meeting by the Korean investors and resolve those as early as possible.

A total of 112 Korean companies have so far listed with the BOI and investment from the newly industrialised country in Bangladesh stood at 267 million US dollars.

Believe it or not

BANDARBAN, July 28: Believe it or not, two or three pineapples are being sold at Taka one in Bandarban Sadar, reports UNB.

The bridge on Bandarban-Keranihat road collapsed due to recent flood and as a result, pineapples cannot be transported outside by bus or truck. Businessmen from other parts of the country cannot buy pineapple due to acute transport problem.

A huge quantity of the standing crops have been damaged by cyclone of May 19 and recent landslide. Pineapples started to ripen in the constant rain but the growers cannot not market the products for landslide.

The growers are carrying pineapples from different parts of district by old jeeps to sadar. But in the absence of buyers they are seen waiting all day long. They are forced to sell two to three pineapples at Taka one.

There is no cold storage or processing facilities in the district to preserve the pineapples.

Feasibility study on deep-sea port likely

The government is likely to carry out a feasibility study on a proposed deep-sea port in the Bay of Bengal for easing the cargo-handling problems in the two seaports of the country having limited draft, reports UNB.

The proposed deep-sea port in addition to supporting Chittagong and Mongla ports in handling increased volume of export-import cargoes might provide service to Myanmar and the northeastern coast of India which does not have any deep-sea port.

The low draft of Karnaphuli and Passur rivers is restricting the berth of bigger vessels in the Chittagong and Mongla ports. Due to the draft restriction the mother vessels carrying cargo for Chittagong have to stay at Chittagong outer anchorage or near Kutubdia or Moheshkhali for discharge of their cargo through lighterage operation.

If deep-draft berth or deep-water port is constructed, the bigger vessels can berth and discharge the cargo directly avoiding the lighterage cost, delay and risk involved in lightering cargoes from the open sea.

The Ministry of Shipping has proposed the project for carrying out a new feasibility study scrapping the 20-year-old study carried by the Netherlands Economic Institute (NEI) in 1977-78.

The NEI in its study found Kutubdia Channel, Sonadia Island, Moheshkhali Channel, Elephant point, St Martin's Island, Teknaf Bay, North patches, Kutubdia point, Passur river, Patenga, Middle Island and near the entrance at the left bank opposite Patenga point (with artificial basin, with lock gate) as possible sites for a deep-water port.

'India's future lies in closer links with Asian nations'

NEW DELHI, July 28: Indian Prime Minister Inder Kumar Gujral said yesterday that his country's future lay in strengthening its links with other Asian nations, reports AFP.

"India must look at the east as India's future is its relationship with China, Korea, Japan and other Asian countries."

"At the same time, we have consolidated our relationship with Russia after the breakdown of the Soviet Union," Gujral told a local television network.

He said India's ties with Europe were "very good" but added New Delhi needed to build a "new relationship" with the United States, its largest trading partner.

Most Asia-Pacific currencies close mixed against dollar

HONG KONG, 28: The region's currencies closed mixed against the dollar with battered Asian units dipping lower after a week of renewed speculative attacks, says AFP.

JAPANESE YEN: The yen slipped against the dollar in the week, as the US unit gained strength in line with its advance against the mark on dampened expectations that the German central bank may raise key interest rates, dealers said.

In late trading Friday, the Japanese currency traded at 116.23 to the dollar against 115.73 a week earlier.

The yen was changing hands in the mid-115 range on Wednesday, and fell back closer to 116 on Thursday along with the mark's declines.

AUSTRALIAN DOLLAR: The Australian dollar pushed higher over the week. Gaining half a US cent Friday after the central bank stayed silent on monetary policy and analysts predicted a rate cut would be stalled off for another week.

Analysts believe a half-percentage point easing in the official cash rate of 5.5 per cent is now virtually assured, after weak inflation and wages data this week.

PHILIPPINE PESO: The Philippine peso depreciated to 28.50 pesos to the dollar on Friday from the closing rate of 28 pesos on July 18 following re-

newed speculative attacks on the local currency.

The Central Bank of the Philippines intervened in the market and imposed restrictions on the dollar transactions between local banks and non-resident clients this week in order to defend the local currency.

THAI BAHT: The Thai baht recovered from an all time onshore low of 32.63 to the dollar mid-day Thursday to close Friday at 31.95-32.15 to the dollar compared with 30.10-30 the previous week.

Thailand's Central Bank said the currency had overshoot the mark, having depreciated 24 per cent from the onshore level prior to the July 2 float, but declined to say what an appropriate level was.

MALAYSIAN RINGGIT: The ringgit closed lower 2.6480 against the US dollar from 2.6120 last week, after having sunk to a 38-month low of 2.6545 on Friday amid the central bank's continued silence, dealers said.

Deputy Prime Minister Anwar Ibrahim, who is also Finance Minister, said Thursday the ringgit situation was manageable despite concerted attack on the local unit this week.

INDONESIAN RUPIAH: The Indonesian currency closed at the end of the business week at 2,616 rupiah to the dollar or 127 rupiah weaker than at close-

ing the previous week.

SINGAPORE DOLLAR: The Singapore dollar ended lower at 1.4675 to the greenback from 1.4620 at the close of the previous week, as it was buffeted by speculative selling pressure.

It hit a 32-month low of 1.4785 Thursday before firming slightly as speculators adjusted their positions ahead of the week-end and caution reigned amid a meeting of regional central bankers in Shanghai.

HONG KONG DOLLAR: The Hong Kong dollar slid slightly Friday at 7.739-7.74 to the dollar against 7.742-7.743 the week before.

NEW ZEALAND DOLLAR: The New Zealand dollar closed higher Friday at 65.46 US cents after closing a week earlier at 64.93 cents.

"We have had a bit of short squeeze up in the last two days but most of that interest has gone and rumours of US funds poised to sell KIWI still overhang the market," a foreign exchange dealer said.

SOUTH KOREAN WON: The won weakened from 892.80 per dollar on a week before to 893.20 won on Saturday.

TAIWAN DOLLAR: The Taiwan currency declined Friday closing at 27.955 Taiwan dollars against the US dollar, down 2.9 Taiwan cents from the previous week's finish of 27.926.

2 lakh jobless nationals in UAE likely in 10 yrs

ABU DHABI, July 28: The United Arab Emirates (UAE) will have an estimated 200,000 jobless nationals in 10 years and the private sector must hire more home-grown labour, a UAE minister said in press comments yesterday, reports AFP.

Communication Minister Ahmed Al-Tajer said a government job nationalisation drive in the banking sector could be enforced in other sectors to absorb the growing number of graduates from universities and other institutions.

"Employment of UAE nationals will be among the most serious challenges facing the country," Tayer told Al-Itihad newspaper.

"Estimates show that there will nearly 200,000 citizens in the year 2006 searching for jobs. They should be a plan to ensure jobs for them in the private sector and I think the national and foreign institutions should shoulder their responsibility in this respect."

The UAE has launched a campaign to provide jobs for its growing number of qualified citizens and ease reliance on dominant foreign labour.

But the private sector has been reluctant to recruit nationals on the grounds they lack skills and demand much higher salaries.

According to independent estimates, UAE nationals account for less than 10 per cent of the

Gulf country's workforce of around one million. Most of the expatriate workers are from India, Pakistan, and other Asian countries.

In banking, UAE natives from only 8.8 per cent of the nearly 13,000 employees, said Tayer, who heads a government committee overseeing a job nationalisation programme in the UAE's 47 banks.

"I think the efforts being exerted in the banking sector to develop national manpower will spread to other sectors, including industry, trade, insurance and other services," Tayer said.

ROK's current account deficit narrows

SEOUL, July 28: South Korea's current account deficit in June narrowed to \$61.4 million dollars, down from a shortfall of 1.31 billion dollars a year earlier, the central bank of Korea said Monday, reports AP.

The bank attributed the narrowing to the country's reviving exports of visible goods. In June, South Korea posted a 264.6 million dollars surplus in the balance of trade -- the difference between money values of visible exports and imports.

That was the nation's first monthly trade surplus since December 1995.

Tough competition in business

Kawran Bazar loses wholesale monopoly

By Naimul Haq

Kawran Bazar has lost its wholesale monopoly for resilient competition. This has dismayed some traders while delighted others.

"Business has been depressing," said an onion dealer who has 15 years experience on Kawran Bazar's floor. "I have had to ask my salesman to wait for another month to collect his salary."

Kawran Bazar used to be the largest wholesale market in the city. But as the demand for goods increased, smaller wholesale markets sprang up in Mohammadpur, Fakirapool, Malibagh and Shantinagar. Traders complain regular customers who come to Kawran Bazar prefer to shop at other wholesale markets.

"There has been a boost in farm products but the trading has become dull for a short time, said Quayum, a potato

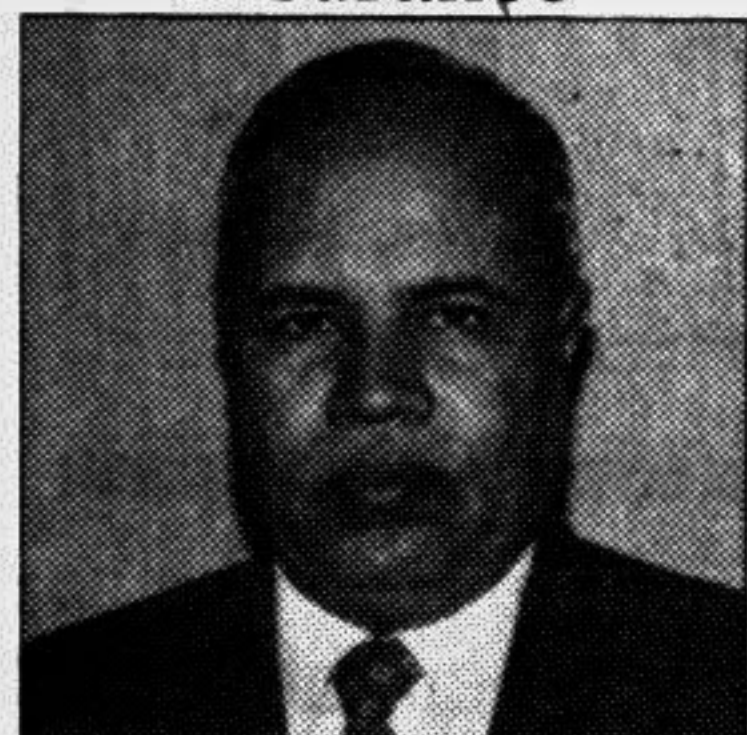
trader. "I stocked potatoes worth Tk two lakh from Munshiganj early this week hoping to sell all of them by the end of the month. So far I've only sold about a fourth."

Babul Mia agreed. "I've made a little over four thousand taka this morning," he said. "In previous years I sold milk cans worth over Tk 50,000 each day."

Traders may be hurt but the Beparis seem pleased with the new markets for their merchandise. Md Jahangir brings vegetables from Bogra to the capital each week. He used to have fixed buyers in Kawran Bazar but now he sells elsewhere.

"Wholesalers do not want to stock more than the quantity they need so I have troubles in selling all my vegetables," said Jahangir. "But now I have choices and there's no risk of their rotting."

New MD of Central Insurance



Md Hasmat Ali is the new Managing Director of Central Insurance Company Ltd, says a press release.

He took over the position recently.

Prior to his present job, he was holding the current charge. Ali has to his credit 27 years of experience in general insurance.

He joined the then Pakistan Insurance Corporation in 1970.

Tk 9cr foreign MO. received in June

Bangladeshis living abroad sent a total of Taka 9.11 crore to Bangladesh through money order Sunday last month, reports BSS.

A PID handout Sunday said that Tk 126.04 crore was received in the last financial year through foreign money orders.

10pc of Russian govt employees to be cut

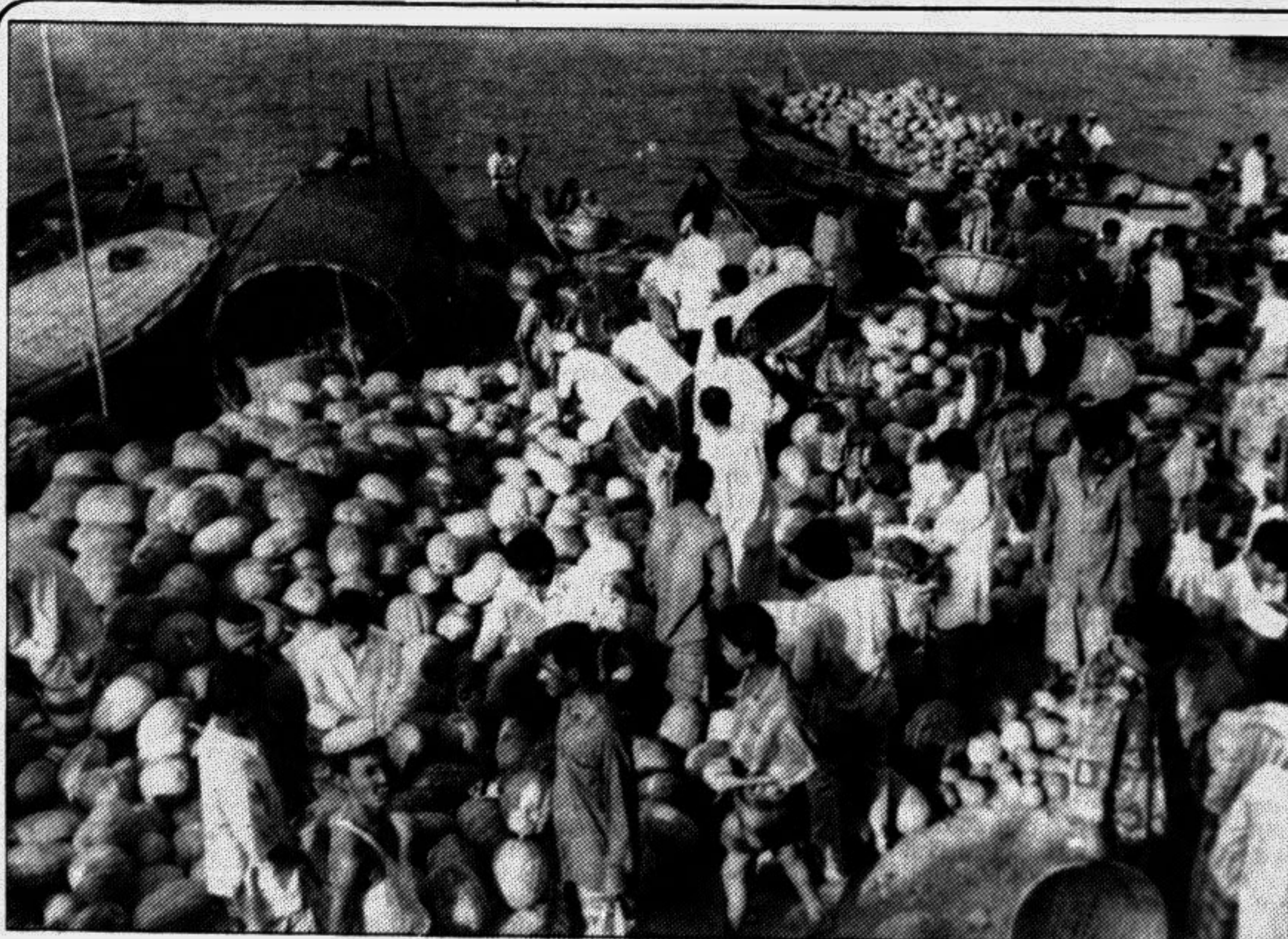
MOSCOW, July 28: Ten per cent of Russia's government bureaucrats will be axed from their jobs, First Deputy Prime Minister Boris Nemtsov announced yesterday in the latest of a series of belt-tightening measures, reports AFP.

Nemtsov, quoted by Itar-Tass during a telephone question-and-answer session with the public, said that the energy ministry, which he also heads, would be reduced by 25 per cent.

The manpower cuts to Russia's infamous bureaucracy would allow more funds for "urgent needs" such as paying pension and public sector salary arrears, he said.

Nemtsov and fellow first deputy prime minister Anatoly Chubais are spearheading an ambitious new attempt to re-launch market reforms in Russia.

Nemtsov earlier announced another fat-cutting measure -- ordering government employees to use Russian cars instead of more glamorous western ones.



A wholesale fruit market at Shyam Bazar is having a brisk business. Fruits are sold here quicker than anywhere else for their freshness. — Star photo by Enamul Haq

Shipping Intelligence

Chittagong Port
Berth Position and Performance of Vessels as on 28.7.97

Berth No	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Leaving
J/1	Kuan Yin	GI	Wall	Litmond	1/7	31/7
J/2	Martime Faith	M Seed	Yang	Rainbow	14/7	1/8
J/5	Feng Qing	GI/GL	Yang	BDShip	16/7	31/7
J/6	Almi	Wheat (G)	Sing	Ancient	15/7	3/8
J/8	Banglar					
J/9	Gourab (Flag)	GI	Kara	BSC	25/7	30/7
J/10	Ping Shun	C Click	Dali	USTC	23/7	10/8
J/11	Elbe Star	Cont	Col	BDShip	18/7	28/7
J/12	Fong Yun	Cont	Sing	BDShip	18/7	29/7
J/13	Banglar					
CCT/1	Kiron/Khanak	Wheat (G)		BSC	R/A	31/7
CCT/2	Lian Sha	Cont	Sing	BDShip	14/7	28/7
CCT/3	Da Fa	Cont	Sing	APL (B)	13/7	29/7
RM/14	Banglar Robi	Cont	Sing	BSC	27/7	30/7
CGJ	Standwear	C Click	Dali	Litmond	R/A	31/7
TSP	Euro Liberty	R Phos	Anna	Litmond	16/7	10/8
RM/3	Chosun Hope	Idle	Lian	OWSL	28/6	28/7
RM/4	Shui Cheng	Cement	Yang	PSAL	15/7	31/7
RM/5	Ebuma	HSD/Jet-1	Sing	ECSL	20/7	1/8
DOJ	Banglar Shourabh	Repair		BSC	R/A	4/8
DOJ/1	Ras Al Zour	HSD	Mina	MSTPL	16/7	29/7
DOJ/2	Thana Star	Repair	Para	PSAL		
DOJ/3	Banglar Shourabh	Repair	Para	PSAL		
RM/8	Ocean-1	Repair	Col	Karna	R/A	30/7
RM/9	Zara	Repair	Col	Nishan	2/7	31/7
CUPLJ	Blue North	Cement	Qing	PSAL	3/6	30/7
Kafco(U)	Penguin	Urea		Cross	R/A	30/7

Vessels Due at Outer Anchorage

Name of Vessels	Date of Arrival	Last Port Call	Local Agent	Cargo	Loading Port
Oil Valour	28/7	-	B Bay	Supply vessel	-
Jiang Cheng	28/7	P Kel	BDShip	GI	-
Freesta 21/7	29/7	Sing	RSL	Cont	Sing
Ilakmon	28/7	-	PSAL	Cement	-
Tug Brit-16	28/7	Sing	AHZ	Explorer-IV	-
Explorer-IV	28/7	Sing	AHZ	Scraper	-
Galina-1	28/7	Niko	Litmond	Mop	-
Steamer Future 21/7	29/7	Col	BDShip	Cont	Col
Navigator	28/7	Agaba	UMTL	Scraper	-
Al Mustaba	30/7	S Hal	Prog	R Phos/GI	-
Litonia	30/7	Phil	CA	GI (St Cargo)	Yang
Meng Klat 26/6	30/7	Col	OTBL	Cont	Col
Mok Ran	30/7	Sing	AML	Cont	-
Padma 21/7	30/7	Sing	AASS	Rice (P)	-
Grand Orient	30/7	Sing	RSL	Cont	Sing
Fong Lee 24/6	30/7	Dali	MBL	C Click	-
Banglar Mont 17/7	30/7	Sing	BDShip	Cont	Col
Able Lieutenant	2/8	Sing	BSC	Cont	Sing
(Roro/24) 26/6	30/7	Yoko	BBA	Vehi	-
Dragon Sentosa 22/7	31/7	Col	Baridhi	Cont	Col
Danyal Express	31/7	-	Seacom	Sugar (G)	-
Hill Harmony	31/7	-	AASS	M Seed/Wheat/ W Peas	-
Dona-1	1/8	Col	OTBL	Ballast	-
Kota Bintang 24/7	1/8	Sing	Pil (BD)	Cont	Sing
Yong Jiang	2/8	Momb	RSA	Cont (St Coll)	-
QC Trail 22/7	2/8	Sing	QCSL	Cont	-