

### EPZs post 37pc growth in exports

By Rafiq Hasan

Earnings from the country's two export processing zones increased by 37 per cent last fiscal year.

Sources at Bangladesh Export Processing Zone Authority (BEPZA) said Dhaka and Chittagong EPZs exported goods worth about 463 million US dollars in 1996-97, compared to 337 million US dollars in 1995-96.

Chittagong EPZ earned 343.31 million US dollars while Dhaka EPZ made 119.45 million US dollars on everything from electronics and machinery to garments.

A total of 76 different kinds of industries operate at the Chittagong EPZ, at an investment of 189.42 million US dollars. Only 26 industrial units operate at the Dhaka EPZ, with an investment of 61.96 million US dollars.

More than 56,000 Bangladeshis are employed in the two EPZs. Of the total, 39,574 are working in different factories located in Chittagong Export Processing Zone while 16,382 in DEPZ.

# Officials wake up to do their job

Exporters warn against intervention in preparing list ahead of EU review

By Govinda Shil back from Khulna

Quality control officials will strictly assess the performance of frozen food processing plants as they prepare a list of factories able to maintain EU standards. Another EC investigation team is due in Bangladesh sometime in October.

The Department of Fisheries officials said they would prepare another list of successful plants through a proper scrutiny during October 1 to 10 this year.

"We will proceed according to EC norms while re-selecting the plants," said Liaquat Ali, Director General of Fisheries Department.

He doesn't want to look back. Asked what was wrong with the previous list, he said: "We are looking forward... what happened in the past should not be taken into account."

Shrimp exporters said the government must not be biased while selecting processing plants able to maintain EC health regulations.

"The (temporary) ban could have been avoided if the government behaved professionally," said SM Amjad Hossain, managing director of the Lockpur Fish Processing Company Ltd in Khulna. SM Abul Hossain, another exporter, agreed.

He alleged that the government unnecessarily tried to favour some 'already shut-down' companies which, in fact, affected the entire industry.

The EC, which slapped the ban on Bangladeshi frozen foods, will however, review its decision by November this year when Bangladesh invites it to re-investigate the eligible factories.

"I hope the government will be free from any intervention before it enlists the well-performed companies next time," Ali in Khulna said last week.

The government intervention allegedly forced the quality control department to put at least five plants on the list which were under construction and did not comply with the EC health criteria.

"Now we will consider only two categories, the 'passed' and the 'failed' ones," said Faisal Ahmed Chowdhury, Vice Chairman of the Export Promotion Bureau (EPB).

He said a good number of



DESTINATION UNKNOWN: Black tiger shrimps are being graded and packed in Khulna plants but exporters do not know where to sell them.

Bangladesh's frozen food processing plants were quite able to maintain EC and US regulations.

"Out of 12 plants I visited, some were good, some very good and some excellent" a German government official, who visited the processing plants recently, was quoted to have told the EPB official.

Meanwhile, the government has taken steps to raise the 'efficiency level' of the relevant authorities, the Department of Fisheries in this case, responsible for quality control of the exporting plants.

"We will soon buy new equipment to enrich our testing laboratories," All said. The Fisheries Department also plans to recruit additional manpower to monitor the quality performances of the plants.

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Star Photo by Govinda Shil

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### Exchange Rates

The following are the Sonali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 12/8/97.

	Buying		
	TT	OD Sight	OD Transfer
US Dlr	43.9700	43.8050	43.7085
GB Pound	69.4534	69.1927	69.0403
D Mark	23.4724	23.3843	23.3828
F Franc	6.9671	6.9410	6.9257
JP Yen	31.3779	31.2601	31.1912
C Dlr	28.6792	28.5716	28.5087
S Franc	0.3753	0.3739	0.3731

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US Dollar	44.2610	44.3010
GB Pound	70.4844	70.5481
D Mark	24.8780	23.8996
F Franc	7.0871	7.0935
JP Yen	31.9144	31.9432
C Dollar	29.1783	29.2047
S Franc	0.3858	0.3861

### Prices go below production cost in Jessore, Khulna

# Going gets tough for jute growers

From Quazi Amanullah in Khulna and Atiur Rahman in Jessore

Jute growers are facing problems in selling their produce as prices have plummeted to unexpected lows in all major centres of Khulna and Jessore districts.

While the low price has adversely affected the growers, absence of buyers in the markets and fund-constraint have led to the situation.

According to our Khulna correspondent, the price of jute is selling at Daulatpur and Jessore between Taka 150 and Taka 250 per maund.

Growers say at least Taka 350 is spent on producing a maund of jute. Traders are yet to buy jute although it is abundant in the local markets.

The farmers are demanding immediate rise in the price to save them from ruination.

Mills are not buying jute and as a result middlemen are taking full advantage of hoarding jute by purchasing it at a cheaper price.

Daulatpur once known as 'dundee' of the East is a dull market.

The jute traders are not getting any more loans from banks, as most of them are defaulters.

Some jute traders say they would not hesitate to start their business afresh, provided funds are available from banks. They say they regret that jute mills are not paying due prices. For example, shipper bottom jute is being sold at Taka 260 per maund, while top jute is selling at Taka 240. SMR bottom at Taka 290, while Tossa is selling at Taka 200 per maund.

Jute purchase centres at Daulatpur and other thana levels are yet to open.

Meanwhile, all the jute mills of Khalishpur and Atra Industrial belts haven't geared up production works even to meet domestic need.

The over-stuffed jute mills have turned into losing concerns at the cost of national economy.

Each of the mills is overburdened with huge bank loans tallying over several crores taka. As a result, banks are refusing to provide new loans.

Our Jessore correspondent

# Mothers beware!

## Breast-feeding campaigners want tighter grip on baby food business

By Cameron Kennedy

Full-cream milk has left a bad taste in the mouths of breast-feeding advocates and they want tighter control on its import and promotion.

The 1984 Breast-Milk Substitute (BMS) Ordinance regulates the import and promotion of infant formula and other baby food. Companies must register each BMS with the government at a cost of Tk 25,000. Penalties include fines up to Tk 5,000 and two years in prison. Full-cream milk isn't covered under the law.

Four companies — Unilac, the New Zealand Dairy Board, Milco, and Mead Johnson — currently supply the milk to Bangladesh.

Dr A I Begum, coordinator of the Bangladesh Breast-feeding Foundation, says some mothers believe full-cream milk is the same as formula so they dilute it with water and feed it to the baby, increasing its chance of contracting diarrhea and other gastro-intestinal problems.

She says some mothers dilute the milk too much, leading to malnutrition, while others too little. Full-cream milk is high in casein protein, which infants have trouble digesting, and fat, which can lead to obesity.

A I Begum estimates about two out of every 15 women who bottle feed substitute full-cream milk for formula, though she admits the foundations doesn't huzz concrete statistics to support those numbers.

But more regulation is necessary, she says, because the law doesn't cover all the products mothers could use as a breast-milk substitute, including full-cream milk. She says the foundation is working with the Ministries of Commerce and Information to close that gap, though there isn't a time frame for the amendment.

The country manager of Milco Bangladesh, Ahmed Kabir, says the companies' products are for the elderly and the food industry — not babies — though he agrees a few mothers may confuse full-cream with infant formula because of illiteracy or little education.

However, he questions whether restrictions are necessary when so few mistake full-cream for formula, and warns against an attempt to add it to the BMS ordinance.

"There would be trouble if we couldn't promote our products," says Kabir. "But if they wanted us to put some kind of label on the tins which said the full-cream milk wasn't suitable for infants, we could probably do that."

# Cairn to count the cost as drilling hits snags

By Mizan Ali

Drilling at Semutang by Cairn Energy has been suspended for about two months now, and Petrobangla officials have told the Scottish company that it has to pay a price for the stoppage.

Petrobangla officials said they informed the company which struck gas at Sangu, the Bay of Bengal, earlier under the same production sharing contract (PSC) that expenses for the suspended period will not be recoverable from the cost expenditure.

They said a letter to this effect has already been sent to the Cairn Energy.

At least US\$ 25,000 is spent a day during the drilling operation at Semutang, which is recoverable from the cost expenditure under the PSC unless it is stopped due to contractor's faults, they said.

Drilling stopped June 18, following a trouble with the rig, which, sources said, was expected to be corrected by August 15.

The company was awarded the contract for exploration on the onshore block — Semutang for which a Chinese contractor was employed.

Petrobangla sources said the Cairn Energy cited a damaged travelling block in the hoisting system of the rig was the cause.

Cairn blamed the drilling contractor.

The parts were flown in from abroad recently.

## Ethiopia faces food shortage

JOHANNESBURG, Aug 12: A serious food shortage is expected this year in Ethiopia, the latest monthly food security bulletin issued in Addis Ababa at the weekend said, reports Xinhua.

At least 88,750 tons of grain are in short supply as a result of irregular rains, the Southern African Broadcasting Association (SABA) quoted the bulletin as saying.

Less than normal rains have fallen in Ethiopia's highlands, the country's leading farming region.

The bulletin said total food aid available for the need in the east African country currently stands at 175,000 tons.

It said some additional 40,000 tons in food aid is expected to come from the United States, while another 29,000 tons will come from the world food programme.

Ethiopia's disaster prevention and preparedness commission said over 1.2 million people are in need of food aid.

# Shipping Intelligence

### Chittagong Port

Berth Position and Performance of Vessels as on 12.8.97.

Berth No.	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Date of Leaving
J/1	Ping Shun	C Clink	Dali	USTC	23/7	18/8
J/2	Caraka Jaya Niaga-III	GI	Sing	Beeline	27/7	12/8
J/5	Danyal Express	Sugar (G)	Porta	Seacom	31/7	15/8
J/6	Dragon Sentosa	Cont	Col	Baridhi	5/8	12/8
J/7	Banglar Mamata	GI	Mong	BEC	10/8	13/8
J/8	Joalmi	Wheat (G)	Vanc	Ancient	3/8	14/8
J/9	Eastern Mars	GI	Busa	Prog	27/7	13/8
J/11	Mok Ran	Rice (P)	Sing	AASS	1/8	14/8
J/12	Sea Elegance	Cont	Sing	PI (BD)	3/8	13/8
J/13	Danis-P	R Seed	Zela	Rainbow	14/7	12/8
CCT/1	Da Fu	Cont	Sing	APL(B)	7/8	14/8
CCT/2	Qc Pintail	Cont	Sing	GCSL	9/8	13/8
CCT/3	Steamer Future	Cont	Mong	BDSHP	4/8	12/8
RM/14	Chosun Hope	Idle	Lian	ONS	28/6	14/8
TSP	Auro Liberty	R Phos	Anna	Litmond	16/7	17/8
RM/4	Esha Global	Cement	Ind	Seaglor	27/7	18/8
RM/6	Yue Yang	Cement	Long	OLM	25/7	18/8
DOJ	British Eak	F Oil	Sing	ECSS	10/8	13/8
DD	Ocean-1	Oil	Cal	Cross	29/6	16/8
DD	Tahay-1	Oil	Cal	PSAL	29/6	16/8
RM/8	Blue North	Repair	Viza	ETC	25/7	15/8
CUFLJ	Blue North	Cement	Qing	PSAL	30/8	30/8
Kafco (A)	Al Mustaba	Urea	Cal	CLA	4/8	14/8
Kafco (U)	Kuanyin	Urea	Everet	R/A	16/8	16/8

### Vessels due at outer Anchorage

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Ya Feng	12/8	Lans	Delmure	Cement	-
Canon Arican	12/8	Sing	PSAL	Cement	-
Venturer	12/8	Fuja	Simni	Scraping	-
Joy D	12/8	-	-	Oil	GI
Sky Sun	15/8	Mad	Prog	GI	-
Smit Lloyd-72	12/8	Yang	B Bay	GI	-
Theognitor	13/8	Sing	JF	Ballast	-
Banglar Robi 3/8	13/8	Sing	BSC	Cont	Sing
Nanping Shan	14/8	Adab	Litmond	GSSP	-
Vanesa (Cont) 5/8	14/8	Sing	BSL	Cont	Sing
Polynia	14/8	Sing	PSAL	Cement	-
Penguin	14/8	Mong	Cross	-	-
Wan Ru	14/8	Bali	MBL	Cement	-
Lamphun Navee 5/8	14/8	Sing	BSL	Cont	Sing
Ebe Star 3/8	16/8	Col	BDSHP	Cont	Col
Meng Kiat 26/6	15/8	Col	AML	Cont	Col
Ultima	15/8	Col	Baridhi	Cont	Col
Kota Pusaka 4/8	14/8	Sing	PI (BD)	Cont	Sing

### Tanker Due

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Primar	13/8	Sing	ECSS	SKO/MS	-
Eburna	14/8	Sing	ECSS/HSO/Jet-1	-	-
Aspilos	16/8	-	BSL	Crude Oil	-
Normar Spirit	20/8	-	Seacom	CDSO	-

### Vessels at Kutubdia

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Ismaya	-	-	B Bay	9/1
Orizont	-	Sing	B Bay	25/2
Oil Valour	-	-	B Bay	R/A(31/7)

### Vessels at Outer Anchorage

Ready On

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Grand Orient	C Clink	Sing	Seacom	31/7
Clipeer Fedeltiy	Sugar (G)	Coat	Litmond	3/8
Trust-38	Sugar (G)	Darb	Litmond	4/8
Navigator	R Phos/GL Sing	Prog	8/8	8/8
Weser Star	Cont	Sing	BDSHP	8/8
Yong Jiang	GI	Mad	BSA	8/8
M Regina	Cont	Sing	PI (BD)	8/8
Pistis	Cement	Sing	PSAL	2/8
Jiang Cheng	GI	Mong	BDSHP	9/8
Da Fa	Cont	Sing	BSL	9/8
Banglar Kiron	Wheat (G)	Col	R/A (4/8)	10/8
San Yang (48)	GI	Yang	Everet	10/8
Iliakmon	Cement	Sing	PSAL	28/7
Sin Hai	Cont	Sing	GCSL	11/8
China Star	GI	Cal	Everet	12/8
Arktis Trader (24)	Rig Equip	Lans	SML	12/8
Peleas-K	GSSP	Lata	Rainbow	9/8

### Vessels Not Ready

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Hill Harmony	Wheat (P)	Sing	AASS	1/8
Aurora	Cement	Lans	USTC	2/8
Sangate	HSB	Mina	MSTPL	2/8
Western Progress	Cement	Lish	H8H	5/8
An Da	Cement	Peng	USTC	7/8

### Vessels Awaiting Instruction

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Banglar Shourabh	Ballast	Mong	BSC	R/A(8/8)
Banglar Asha	Ballast	Mong	BSC	10/8

### Vessels not Entering

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Galina-1	Mop	Niko	Litmond	28/7
Hydroussa	Ballast	Belu	OTL	21/12
King Fisher	Ballast	Mad	ARL	26/7
Sokol	Scraping	Hald	Seacom	R/A(18/7)
Nektar	Scraping	Col	BSL	11/8
Carbou	Scraping	Hald	UMTL	10/8
Award-1	Scraping	Sing	Simni	2/8
Pacific Arrow	Scraping	Sing	JF	6/8
Dona-1	Scraping	Col	OTL	12/8
Zara	-	-	Nishan	R/A(11/8)

### Movement of Vessels for 13.8.97.

Outgoing	Incoming	Shifting
J/7 B Mamata	CCT/2 B Robi	Kafco(U) Al Mostafa to Kafco (A)
J/9 E Mars	NB B Kiron	Kafco (A) Kuanyin to Kafco (U)
J/9 A Trader	DOJ Asha	-
J/12 Sea Elegance	J/12 M Regina	-
CCT/2 QC Pintail	NB Da Fa	-
DOJ British Eak	NB Sin Hai	-
	J/9 Jiang Cheng	-
	DOJ Peleas K	-

### Boeing becomes part-owner of Chinese aircraft maintenance centre

WICHITA, Kansas, Aug 12: Boeing became part-owner of Talkoo Aircraft Engineering Co with an 11 million dollars investment in the Chinese aircraft maintenance center, reports AP.

Under the deal, Boeing owns 9.1 per cent of TAECO's stock. Boeing Commercial Airplane Group announced Monday. The TAECO maintenance facility in Xiamen, China, has been operating for 18 months and is managed by its largest shareholder — Hong Kong Aircraft Engineering Co, or HAECO.

TAECO specialises in 747, 737 and 757 maintenance, repair and overhaul services. With the Boeing partnership, TAECO will have an annual capacity of modifying up to three older 747s from passenger configurations to all-cargo layouts.

"We see this venture as expanding the market for 747 freighter conversions, stimulating replacement orders and generally enhancing market access for Boeing in an important region of the world," said Larry Clarkson, president of Boeing Enterprises, the organization responsible for finalising the agreement.

### India's forex reserves up, foodgrain stocks decline

NEW DELHI, Aug 12: India's foreign exchange reserves shot up by 3.1 billion dollars to 25.4 billion dollars in the three months to June, a government report said yesterday, according to AFP.

The monthly economic report said reserves steadily increased since March, when they were 22.3 billion dollars to 22.6 billion dollars in April and 24.1 billion dollars.

The report said foodgrain stocks had declined 21.7 per cent to 22.1 million tonnes in the three months to June, compared to a year earlier.

Rice stocks were lower at 11.15 million tonnes on June 1 compared to 13.46 million tonnes in the previous year. Wheat stocks also dropped 25 per cent to 10.96 million tonnes for the same month, the report said.

The report said M3 money supply — currency with the public, ordinary deposits with banks and time deposits — was up 4.2 per cent year-on-year during the three months to June 1997.

"The currency with the public showed a higher growth of nine per cent as compared with the 7.5 per cent growth in the corresponding period last year," the report said.

Industrial output growth

### Kuwait plans to launch its own telecom satellite

KUWAIT CITY, Aug 12: Kuwait plans to launch its telecommunications satellite in anticipation of a sharp rise in the use of satellite telephone stations, the official news agency KUNA reported yesterday, says AFP.

"The ministry is determined to launch a satellite and is examining the options," said the telecommunications ministry's undersecretary, Adel Ibrahim.

He said use of satellite phones in the oil-rich state was expected to rise rapidly over the next two years.

### Scandals send top executives off

TOKYO, Aug 12: Eleven executives of one of Japan's largest brokerages, Yamaichi Securities, resigned Monday, making it the nation's third major financial institution to lose top management in an extortion payoff scandal, says AP.

Yamaichi President Atsuo Mikii and 10 other senior officials resigned over the scandal, following similar management upheavals at Nomura Securities, the nation's No. 1 brokerage, and Dai-ichi Kangyo Bank.

Several executives from Nomura and Dai-ichi Kangyo have been arrested in the scandal involving alleged payoffs and favours to Ryuichi Koike, who is in custody on extortion charges. Yamaichi is also being investigated by prosecutors, but no Yamaichi officials have been arrested.

Yamaichi also will shuffle and slim down its board of directors as part of its management shakeup. The decisions were made at a board meeting Monday.

The Yamaichi executives said their resignations were not an admission of personal guilt but a symbolic gesture, and they are to remain at Yamaichi as advisers.

Such demonstrations are common when scandals surface at

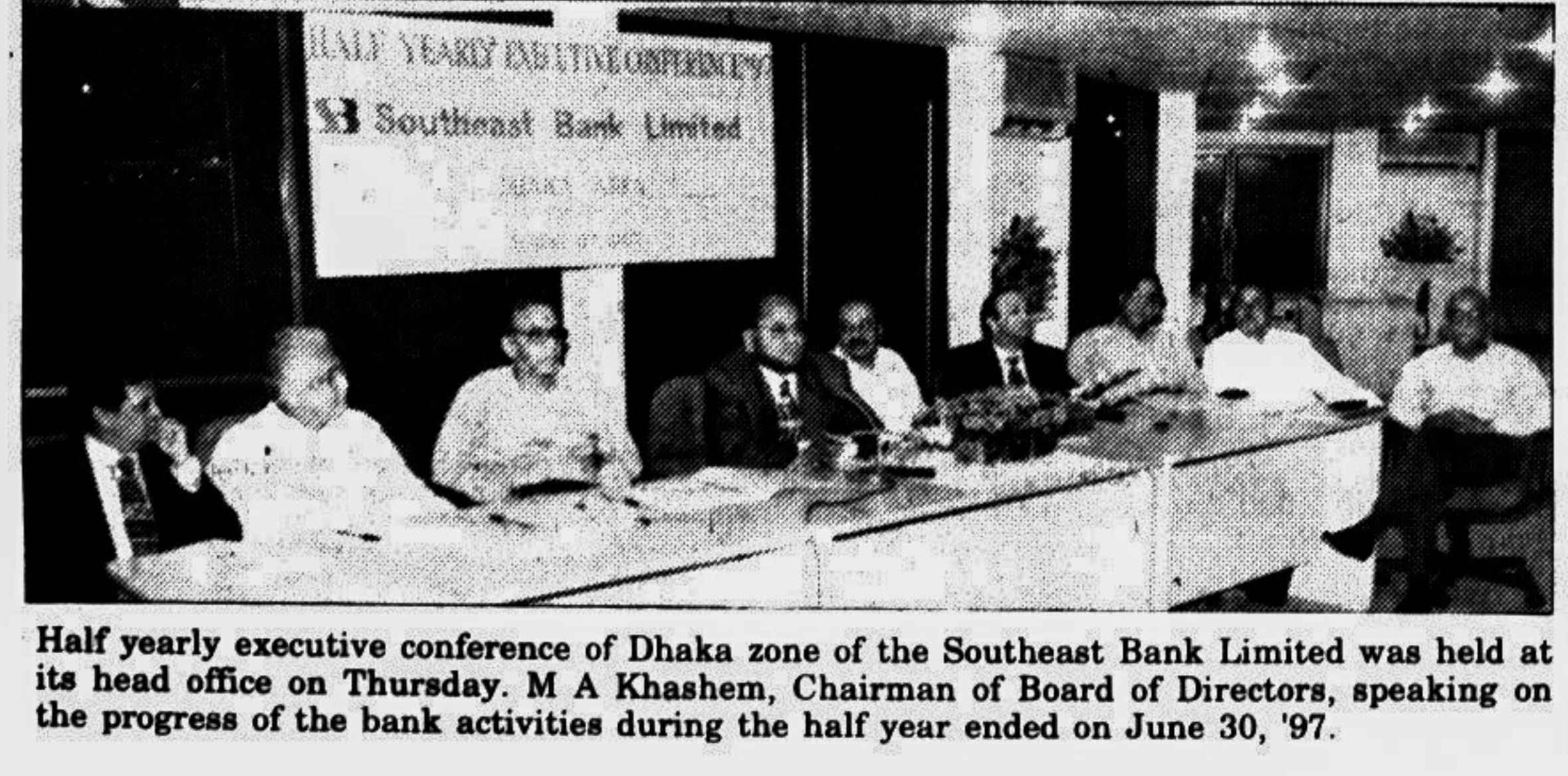
### Saudi bid to enter WTO

RIYADH, Aug 12: King Fahd has directed his government to take measures enabling Saudi Arabia to become a member of the World Trade Organisation (WTO), the official Saudi press agency reported Monday, reports AFP.

"King Fahd said one of the trade ministry's new tasks is to take the necessary measures to join the WTO," said Higher Learning Minister.

Saudi Arabia and the WTO are to hold a fourth round of talks at an unspecified date in autumn, Industry Minister Hashem Yamani said last week.

A third round was held in May at the WTO headquarters



Half yearly executive conference of Dhaka zone of the Southeast Bank Limited was held at its head office on Thursday. M A Khashem, Chairman of Board of Directors, speaking on the progress of the bank activities during the half year ended on June 30, '97.

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