

## 'Sheer mismanagement' kills Pakshey paper mill

ANWAR ALI from Pabna

High production cost, sheer mismanagement and lack of proper planning by the Bangladesh Chemical Industries Corporation (BCIC) have led to the closure of the country's lone paper industry in the northern region, alleged workers and trade union leaders of the factory.

The factory, North Bengal Paper Mill (NBPM), started incurring losses since its inception some 32 years back. The government has finally decided to close down the mill on November 30.

The union leaders are blaming their 'bosses' in Dhaka for the failure of the paper plant.

But BCIC officials rather blame trade unionism saying their interference in the management has led to the closure of the factory.

While talking to this correspondent, leaders of NBPM Sramik Shingha urged the government to reconsider its move to shut down the mill for good as they claimed that the mill still has potentials to generate profits.

The union leaders attributed high paper production cost to wrong planning of the government and demanded immediate withdrawal of its decision to close down the mill. The paper production cost at the mill was Tk 62,000 per metric ton and its selling cost varied between Tk

40,000 and Tk 42,000.

Few years back, the BCIC formed a high level technical committee for suggesting steps to make the industry viable, said Rashid Ullah, general secretary of the Shingha.

"But the government decided to close down the mill at a time when suggestions of technical committee was under consideration," he said, adding that some 10,000 families will face misery if the government sticks to its decision.

He also said it is inhuman to close down the mill with Eid-ul Fitr round the corner.

Raj Babul Haque, president of the Shingha, said corruption and mismanagement of the BCIC officials are the reasons behind closure of the mill that has some 1100 staff with monthly salaries of Tk 70 lakh.

He said the government can run the mill profitably by providing gas connection as a huge amount of money is spent every year for purchasing furnace oil at an increased price.

"The mill can reduce fuel cost by Tk six crore every year if natural gas is used as a substitute," he said, adding that the electricity cost will also come down if a gas-engine generator is installed at the mill.

The labourers and employees of the mill are holding meeting everyday in front of the mill protesting the government move. Heavy security

personnel are deployed at the mill to face any unpleasant situation.

Talking to this correspondent, a senior high official of the mill said there is no running capital to continue its production.

Established in 1967 on about 134 acres of land on the bank of river Padma at Baghail of Pakshey, 7 kilometers away from Ishwardi in Pabna district, the mill went into production on July 25, 1970.

The mill was severely damaged during the Liberation War but it resumed functioning in 1974.

The production capacity of the mill was 14,000 metric tons per year and it also had the capacity of producing 200 kinds of paper including white paper.

Even some 15 years ago, the mill produced white board paper, white duplicating paper, blue match paper, mini-fold paper, cigarette foil besides its usual white paper.

However, the mill could never work with its full capacity due to old and outdated machinery and acute dearth of power and water supply. The mill needed 22 to 25 thousand liters of water that was collected from the river Padma through a two-kilometer long pipe.

At the beginning, pulp of sugarcane was used as the raw material of paper. But in 1994, the mill authority introduced the newly invented local technology of producing paper by pulp of green jute. This

introduction of the new technology brought fresh hope among the region's jute growers who were losing interest in jute cultivation.

But their hope could not last long as the authority had to close down the Globe Digester Unit set up at the mill for producing paper from green jute pulp due to negligence, mismanagement and lack of proper care and planning.

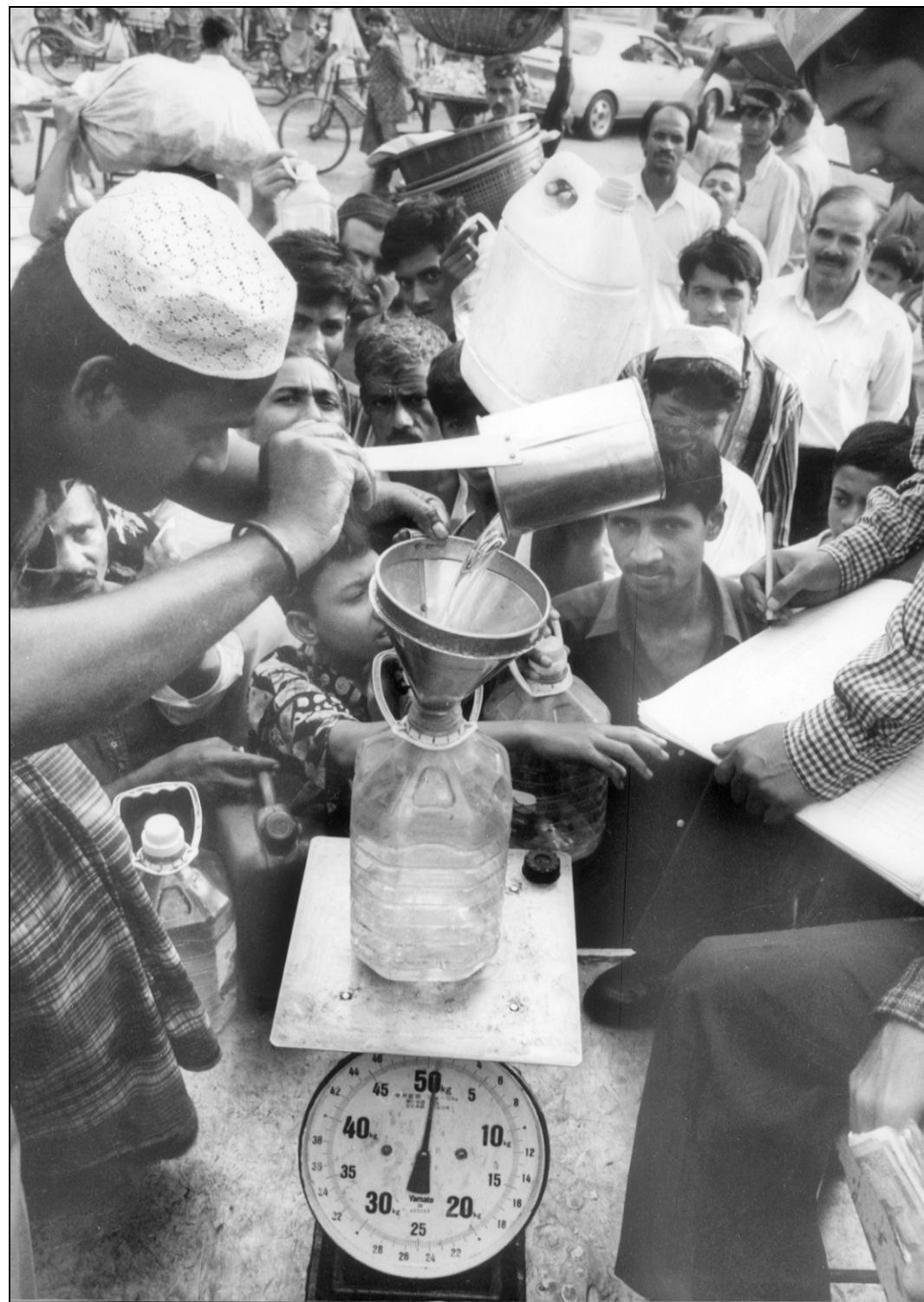
Later, the mill authority continued to use cane-fibre and de-inked used paper to make pulp for producing paper.

This state-owned enterprise, one of the 21 large mills of BCIC, went into commission with 1100 workers, employees and officials. But subsequently its number reduced to 916.

It was never a profitable concern of the state as it was incurring an average yearly loss of Tk 23 crore since its inception. Nevertheless, so far, it has contributed Tk 113.47 crore to the national exchequer.

The accumulated loss of the mill stands at over Tk 269 crore while its liabilities are over Tk 340 crore.

The mill owes about Tk 200 crore to the BCIC itself, Tk 10 crore to Sonali Bank branch at Baghail, another 10 crore to a chemical factory in Chittagong, about Tk 5 crore to the BPDB, Tk 3 crore to paper dealers and Tk 2 crore to different the sugar mills.



A group of people crowd a shop at Karwan Bazar in the city yesterday to buy soybean oil at Tk 40 a litre. Edible oil refiners on Monday agreed to sell the oil at Tk 39 per litre at the wholesale level so that retailers can sell it at Tk 40 per litre.

## Sony Ericsson launches new phone set

STAR BUSINESS REPORT

Sony Ericsson Bangladesh has launched a new mobile phone set-T100--in the country.

"The T100 is for the mass people. The model is Sony Ericsson's flagship item for the next year and Bangladesh is the first country where it is being introduced," said Engineer Anwar Hossain, country manager of Sony Ericsson Mobile Communications International AB, at a press briefing at a city hotel yesterday.

Next year around 75 per cent of the company's sales revenue would come only from this new model, the company official hoped.

The T100 is available in GrameenPhone and Aktel sales campaign. GP is offering at Tk 10,975 and Aktel at Tk 11,099 (M-M), Tk 13,799 (M Plus) and Tk 16,799 (standard), Anwar Hossain said. Besides, without connection, its price would be around Tk 8,000 initially but subsequently the price will come down to Tk 7,000.

Several GSM markets have a strong need for a high volume, low priced phone with all the core voice and messaging features, he said. The T100 is small in size and gives a glimpse of the new industrial design that is coming from Sony Ericsson, capturing the simplicity and minimalism.

The phone is presented in three contemporary colorings: icy blue, gentle gold and fresh white, Anwar Hossain added. "If a bank offers mobile banking services, a person can use his T100 to check bank balance, move money between accounts and pay bills wherever he is."

"The Sony Ericsson T100 is small, light and comfortable to carry. It is slim enough for a small pocket and using it is pure pleasure," said Iftekhar Matin, channel marketing manager.

## Mannan attends tourism seminar in Panama today

Abdul Mannan MP, chairman of Pacific Asia Travel Association (PATA) Bangladesh Chapter, has left for Panama City to preside over a session of the Fourth International Forum of Parliamentarians and Local Government Representatives, says a press release.

The session organised by World Tourism Organisation (WTO) will be held from Nov 27 to 29. The deliberation subjects in the forum are key strategies for good governance of tourism, management of tourism through partnership, reducing poverty through tourism and sustainable tourism development after the Johannesburg Summit. Selected speakers in the forum would also present case studies.

## Japan to host informal WTO meet in Feb

AFP, Tokyo

Japan will host an informal meeting of ministers from key World Trade Organization (WTO) member nations in mid-February, the foreign ministry said Tuesday.

More than 20 countries are expected to send their trade and foreign ministers to the meeting in Tokyo, the ministry said in a statement.

"Japan hopes that the meeting will lead to a positive step toward the solution of important problems by the direct involvement of ministers in the negotiations," the ministry said.

Kyodo News Agency, quoting sources, said the gathering would take place around February 15 and 16.

## Lanka seeks to become ASEAN dialogue partner

AFP, Colombo

Sri Lanka is seeking to become a dialogue partner with ASEAN, the 10-member body that includes Southeast Asia's powerful economies, Foreign Minister Tyrone Fernando said Monday.

"I have written to all foreign ministers of ASEAN nations and have submitted Sri Lanka's application for the dialogue partnership," Fernando told parliament.

He said Sri Lanka had missed out on earlier chances to take part in the forum.

"The government will make every effort to get involved in such important regional groupings," he said.

## ADB to help better Ctg port performance

STAR BUSINESS REPORT

The Asian Development Bank (ADB) is ready to provide technical support to the Chittagong Port to improve its efficiency.

The port can play an important role in the development of Bangladesh, said Prodyut Datt, transport and communication specialist (West) of ADB, at a meeting yesterday with the Federation of Bangladesh Chamber of Commerce and Industry (FBCCI).

The Bank assured of taking up

the port problems with the government and identifying the areas of co-operation.

"We've already discussed the issues of concerns regarding the port with the port authority and the government," Prodyut Datt said. He added that they would again meet the government and business communities for follow-ups.

FBCCI vice president thanked the ADB delegation for taking interest in improving the largest seaport of the country.

FBCCI Director MA Rouf

Chowdhury spoke about the port problems faced by businessmen. He emphasised the need to computerise the port authority and customs authority systems.

Former director of FBCCI Abdul Haq spoke on problems of trade union, customs hassle and high port charges.

ADB's Principal Programme Officer to Bangladesh Resident Mission (BRM) Hua Du, FBCCI Director Prof M Rashida Chowdhury and Abu Motalab were also present at the meeting.

## SEDF-Dhaka Bank MoU to help SMEs

SouthAsia Enterprise Development Facility (SEDF) and Dhaka Bank Limited (DBL) signed an MoU in the city on Monday for collaboration in providing better access to finance for small and medium enterprises (SMEs), says a press release.

The MoU was signed by Md Mokhlesur Rahman, managing director of DBL, and Anil Sinha, general manager of SEDF, on behalf of their respective organisations.

Majedur Rahman, Mohammad Abu Musa and Arham Masudul Haq, executive vice presidents of DBL, Shamsad Begum, senior vice president & principal of Dhaka Bank Training Institute, and Dr Zia U Ahmed, financial markets programme manager and senior consultant of SEDF along with other officials from both the organisations attended the signing ceremony.

The areas for collaboration include training and technical assistance on information technology, marketing, human resources development and credit management.

SEDF is a multilateral funded programme, promoted by the International Finance Corporation (IFC) and managed by the SME Department of the World Bank Group.

## Citigroup tops FXWeek's 2002 currency survey

Citigroup Inc has topped FXWeek's 2002 foreign-exchange survey for the ninth straight year as the biggest currency bank continued to dominate the rankings, the magazine said, says a press release.

UBS Warburg and Deutsche Bank AG came in second and third respectively.

HSBC Holdings moved up to fourth place from ninth and ABN Amro Holding NV remained in fifth place.

Banks were ranked in 20 categories, which assessed them by product, region, currency dealing, research and electronic trading. The survey was based on replies from 1,017 banks, company treasurers and investors.

Competition for currency business has increased in the past five years with the advent of the euro, electronic trading and mergers between banks have reduced the number of foreign-exchange transactions, according to the Bank for International Settlements, FXWeek said.

Citibank, the banking arm of world's no. 1 financial services company Citigroup, has also brought its global expertise to the local market in Bangladesh and is now offering a full service treasury solutions to its valued corporate and institutional customers.

## Govt wants to fight poverty thru' trade, investment

### Khosru tells Bangladesh-Denmark business seminar

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury yesterday said the government has taken up a policy of using trade and investment as a tool to eradicate poverty.

The minister was speaking at the inauguration of a seminar on Bangladesh-Denmark Business and Investment in the city.

"The government has initiated different steps to promote trade and industrialisation, which directly and indirectly help reduce poverty in the country," he said.

seminar was also addressed, among others, by Christian Konisfeldt, head of a visiting Danish business delegation, Mahmudur Rahman, executive chairman of Board of Investment (BOI), and Debapriya Bhattacharaya, executive director of Centre for Policy Dialogue (CPD). Danish Ambassador in Dhaka Niels Severin Munk moderated the session.

Leader of the Danish delegation said Denmark would review human rights situation before investing in the country.

Christian Konisfeldt expressing interest in investing in Bangladesh said corruption is a problem in

developing countries, which increases prices of production and ultimately overburdens end-users.

Debapriya Bhattacharaya clearing Bangladesh's stance on corruption said, "There is no scope to conceal it but Bangladeshi civil society keeps its vigil on corruption."

Referring to the corruption index of Transparency International, he said it is not an objective measure of corruption but it is a perception.

Showing reason for investment in Bangladesh, Bhattacharaya said Bangladesh has huge manpower, which is being gradually educated and can be transformed into a skilled labour force.

Mahmudur Rahman requested Danish entrepreneurs to invest in Bangladesh as a positive investment environment is prevailing in the country.

In a presentation, Rahman said Danish entrepreneurs could invest in consumer electronics, ceramics, infrastructure development, and textile sector as Bangladesh has a good reputation in these sectors.

He said Danish businessmen could also consider Bangladesh's telecom sector, which will be fully deregulated by the middle of next year.

A committee has been formed to

deregulate telecom sector including the fixed telephony, he added.

Danish Ambassador to Bangladesh said Denmark is interested to invest in Bangladesh and a 24-member trade delegation arrived on Monday to explore business opportunities in the country.

During the stay of the business delegation, the delegates will talk to local entrepreneurs about their products and services and explore possible fields of investment.

Bangladesh prospective entrepreneurs could have insight of Danish dairy industry, IT enable services, power generation, knitwear and garments, apparel design, photogramatic mapping and web development services. The delegation comprises representatives from these sectors, the envoy said.

Bangladesh fruit and food processors could use Danish technology in dairy and fruit processing industry, which is considered one of the leading technologies of the field, he added.

Bangladesh's export to Denmark was Tk 400 crore while import was 166 crore during the calendar year 2001.



Md Mokhlesur Rahman, managing director of Dhaka Bank Limited, and Anil Sinha, general manager of SouthAsia Enterprise Development Facility (SEDF), exchange documents after signing an MoU on financial access of small and medium enterprises in the city on Monday. Majedur Rahman, Mohammad Abu Musa, Arham Masudul Haq, executive vice presidents of DBL, Shamsad Begum, senior vice president and principal of Dhaka Bank Training Institute, and Dr Zia U Ahmed, financial markets programme manager and senior consultant of SEDF, are also seen in the picture.