Star Economic Report

UN predicts world economy

UNITED NATIONS, July 3: A UN Economic Survey predicted zero growth in the world economy as a whole this year with output in the Soviet Union and Eastern Europe plunging by 10 per cent alone, reports Reuter.

But the study, released on Tuesday, said production was expected to rebound in 1992 by two per cent.

The gloomy forecast, in the 240-page "World Economic Survey 1991," said no one factor caused the slump but a combination of anti-inflationary measures in industrialised countries and high debt in developing nations contributed to the decline.

The Gulf crisis also had an impact but far less than anticipated outside the East because the rise in oil prices

was short-lived, the study said. It recommended that wealthy countries stimulate their economics and raise another 150 billion dollars a year in funds.

This would help meet "their own social problems as well as the needs of international development, reconstruction in Eastern Europe and the protection of environment," it said.

The survey showed a severe drop in growth among former communist nations struggling to change their economic sys-

The worst decline was in former East Germany, followed by Bulgaria, Poland, Romania, Hungary, the Soviet Union and Czechoslovakia.

Moderate fall in share trading

Star Economic Report Trading at Dhaka bourse

witnessed a moderate fall on Wednesday. Decliners dominated trans-

actions. And the Composite Index of Dhaka Stock Exchange (DSE), which is the broad indicator of prices movements of all the listed stocks, lost 1.6050 points to 308.4951 from Tuesday's 310.1001.

Transactions involved twentyfive stocks. Of them fourteen lost, four gained and seven remained unchanged at their previous quoted prices.

In all 2,788 shares and debentures changed hands compared with Tuesday's 4,333. Traded issues valued Taka 2,00,920.00 against Tuesday's Taka 2,67,883.00.

Among the decliners Desh

Garments and the debenture of Beximco Pharma got the major slash. They lost Taka 20.00 and Taka 10.00 to Taka 75.00 and Taka 1540.00 respectively. Oxygen declined Taka 2.50 to Taka 50.00.

Aftab Automobiles and the debenture of Apex Tannery lost Taka 2.00 each to Taka 200.00 and Taka 990.00.

Green Delta Insurance, 6th ICB Mutual Fund, Eastern Cables, Kohinoor Chemical, Ashraf Textile, Quasem Textile, Tallu Spinning. Apex Tannery and Bata Shoe declined within the range between Taka 0.05 and Taka 1.05.

Karim Pipe and Bengal Food advanced Taka 3.00 each to Taka 115.00 and Taka 153.00 respectively.

United Insurance and Renwick Jajneswar gained Taka 1.06 and Taka 1.00 to

Taka 119.00 and Taka 67.00. **Quoted Prices of** Traded Stocks

July-3

Banks		1/25-250-250	/#1.07010#
L.F. L.C	100/5	190.00	unchanged
Investment	11000000000		
4th ICB M Fund	100/10	145.00	unchanged
5th ICB M Fund	100/10	128.50	unchanged
6th ICB M Fund	100/10	91.46	(-1.05)
Insurance		- 1	1000
Green Delta	100/10	121.71	(-0.29)
United	100/10	119.00	(+1.06)
Engineering -	2-12-2-27/2		25-52-5-55
Aftab Automobile	100/5	200.00	(-2.00)
Eastern Cables	100/5	83.00	(-0.25)
Karim Pipe	100/5	115.00	(+3.00)
National Tubes	100/10	107.50	unchanged
Renwick Jajnesw	ar 100/5	67.00	(+1.00)
Food & Allied	ber spendage		11600.00000
Bengal Food	100/5	153.00	(+3.00)
Rupan Oil	10/100	6.00	unchanged
Fuel & Power			575/4/11/07/4/2
Oxygen	10/50	50.00	(-2.50)
Pharma & Che			
Kohinoor Chemic Textile	al 100/5	71.45	(-0.05)
Ashraf Textile	10/50	32.00	(-0.75)
Desh Garments	100/10	75.00	(-20.00)
Quasem Textile	10/50	8.25	(-0.25)
Rahim Textile	100/5	48.00	unchanged
Salham Textile	100/10	77.00	unchanged
Talla Sprining Miscellaneous	100/10	118.50	(-0.50)
Apex Tannery	100/5	147.00	(-1.00)
Buta Shoe	10/100	37.50	(-0.50)
Debenture			200420000000000000000000000000000000000
Apex Tannery	1000/1	990.00	(-2.00)
Bezimco Pharma	1714/1	1540.00	(-10.00)
*FV= Face Value	. ML=Mark	tet Lat	20 7744593
** Changes: Plus losses.	s aigna me	ean gain	and (-) signs

VAT to help widen tax base: NBR

will help widen tax base, have been a burden on all ineliminate varying rates of sales cluding manufacturers. tax at importation stage, and excise duty on domestically produced goods and services, rationale for VAT. and maximise production, according to the officials of were sales tax at importation National Board of Revenue stage at varying rates of duty.

its Chairman Nurul Hossain stage also with similar varying Khan who is Secretary, rates under the system exist-Internal Resources Division ing before the introduction of (IRD), Ministry of Finance, VAT from July 1,1991. Under explained the salient features the VAT, the manufacturers of VAT and its likely impact on resource mobilisation and domestic economic activities on Wednesday at the NBR confer-

the long-term favourable effects of the VAT will be enjoyed by all. "The old taxation system has lost its relevance to the present context when we need to have a buoyant tax structure. Government revenues have been declining over provide a self-sustaining

The Value Added Tax (VAT) the years while "tax on taxes" traders, and ultimately, the people", he said explaining the

He pointed out that there depending on items, and then The NBR officials including excise duty at manufacturers will themselves deduct the tax paid on imported inputs and raw materials at the customs duty and thus get the refund at source while paying the VAT The NBR Chairman said, on the total output costs (or, price at manufacturers stage) and there be no double taxation on the items for which VAT would be paid, the NBR

The NBR Chairman observed that the VAT would

mechanism for greater tax compliance with a lower rate of tax on a uniform basis. This will also have a favourable impact on income tax receipts, he maintained while stating that the without higher volume of aggregate tax receipts, not necessarily higher rates of taxes, it is impossible to generate domestic resources for development financing and

He said that the NBR had reasonably prepared itself for the implementation of VAT for which the exercises began as late as in 1987.

utilisation of foreign aid.

The NBR Chairman said, VAT has a built-in mechanism for refund, and accounting for operations at every stage, from importation to processing or manufacturing. "It will have a better impact on industrialisation and encourage use of more domestic inputs for export operations," he noted. Tax evasion he added, will

easier to plug in with a greater transparency in business and related operations.

He said that the customs duty would henceforth be used to offer appropriate protection to domestic production while the revenue aspects would be taken over by the supplementary rate. It will be easier to administer VAT with least exemptions and an uniform rate. now at 15 per cent, applicable in all cases, he observed.

Elaborating the VAT, Shah Abdul Hannan, Chairman, VAT Cell and member, NBR, said that VAT as a replacement of excise duty would be applicable to 90 items out of a total number of exciseable items at 102 in 1990-91. It will also cover also the services sector and will include eight new areas which were not earlier within the fold of excise duty. The hitherto varying rates of excise duty will be eliminated by a uniform 15 per cent VAT.

He pointed out that hitherto sales tax and excise duty, now replaced by VAT, were in many cases higher in rates than the VAT. He cited the case of pharmaceutical products in particular and stated that the prices of the same now under VAT, should at least be three to four per cent less than what they were before.

Mr Akram Hossain, member, NBR, noted that life-saying drugs bio-chemic products (for use by the the homeopath doctors) agricultural inputs, family planning items and the like would remain VAT-exempted. He added that there was no new tax for hotels and restaurants and the VAT there would only replace hitherto excise duty there.

The Chairman, VAT Cell, told the newsmen that turnover tax and VAT would under no circumstances be simultaneously applicable.

Those with an annual business turnover at less than Taka two lakh will come under the fok of business turnover tax as ear lier and those with annual turnover exceeding Taka two lakh will come under VAT, he added. The agricultural items, he stated, have also been excluded from VAT. The turnover tax, not VAT, will apply to cottage industries, he pointed out.

The NBR officials noted that fertilizer. pesticide. newsprint, and rice an flour mills would be excluded from VAT, like the agricultural sector in general.

About the supplementary duty on some items in addition to VAT, they explained that about 23 luxury items would come under the supplementary duty in 1991-92. This supplementary duty is completely in accord with the international practices, they

VAT officials do not them

selves have adequate under-

operations.

bitrary actions.

Kutcha bales

Bot.* (B) 1259

Bot. (C) 1125

Bot. = Bottom

Bot. (X) 991

Pucca bales

Varieties

Bangla

White

BW SPI

standing of the system and its

Government to postpone the

implementation of VAT in its

present form and coverage. A

step-by-step process with ade-

quate preparation and training

would be the only logical

course for the Government to

follow, in keeping with its ex-

plicit commitment to create a

healthy climate for private

sector and thus operators of

trade and industry, freed from

Raw Jute

July - 3

FOB * Narayanganj/Daulatpur

Medium 1313 1420 1125

FOB

(Ready)*

Tk. per

bale*

3350

3250

3100

2700

2400

2000

3400

3350

3200

2750

2450

2100

White Tossa Meshta

1367

1206

1045

FOB

(Sight)**

\$ per

MT*

555

530

480

380

350

565

540

490

440

Varieties (Tk. per 100 Kg)

FOB = Freight on board

harassments and any other ar-

Rahman appealed to the

Cost of living up by 18 p.c.

Star Economic Report

the fiscal 1990-91 mainly due political turmoil and natural to the increase of house rent, calamity. Prices were high durfuel cost and clothes and edible oil prices, a Consumer As- Gulf crisis and the cyclone, it sociation of Bangladesh (CAB) report says.

pronounced in the first half of per cent. fiscal 1990-91.

section of businessmen "took fall in prices.

The cost of living increased the opportunity" to raise by about 18 per cent during prices of essentials during the ing the mass movement of '90 pointed out.

During the fiscal '90-91, Meanwhile, cost of essen- prices of fuel, according to the tials increased by 15 per cent report, rose by 41 per cent, during the period. Prices of clothes by 30 per cent, house rice, eggs, tea, sugar, salt and rent by 20 per cent, oil by 16 soap showed a minimum trend per cent, spices by 13 per of increase. The price pres- cent, meat by 12 per cent, rice sures were, however, more by 9 per cent and others by 7

It said only two items, sugar The CAB report said that a and green chillis recorded a

help from any agency. The

business has been picking up

but VAT has now caused some

VAT has caused adverse effects

in the markets, though the

system is quite workable

Engineer Ali Ahmed added. He

stressed that efforts should

have been made earlier un

derstand the mechanism of

VAT and its benefits. The

Chamber President also called

for large scale publicity of the

system through various media

before going for its implemen-

tation on such an extended

Chamber President suggested

for reduction of tax rate ini-

tially to make the traders used

Indian Rupee

dips further

by 11.3 pc

NEW DELHI, July 3: India

sharply reduced the value of its

Rupee against the Dollar by

hefty cut in three days,

sued by the Reserve Bank of

India (RBI) was 26.05 Rupees

to the Dollar compared to

bank, cut the Rupee's value by

9.29 per cent against the

Dollar on Monday in what was

widely seen as a move to meet

one of the conditions for a

large loan from the

International Monetary Fund

(IMF) needed to overcome a

severe foreign exchange crisis.

nomic crisis with foreign ex-

change reserves sufficient to

India, facing its worst eco-

The RBI, India's central

23.10 previously.

bankers said, reports Reuter.

11.3 per cent, the second

They said the new rate is-

In reply to a question, the

scale at its beginning.

to it gradually.

The sudden introduction of

jitters, he said.

At the 39th International Air Show at Le Bourget, the Mig-31 supersonic all-weather fighter-interceptor performed its first demonstration flight. In the stratosphere, the 46-ton machine accelerates up to 3,000 km/hr in 7-8 minutes. Designed to combat Cruise Missiles above all, it has a powerful radar and can follow ten targets simultaneously. It can hit with onboard armaments up to four air targets at once. -Novosti photo

VAT causes price spiral in Ctg

From Nurul Alam

has caused a panic in business centres and markets of the Port city, sparking pricespurts. The prices of all essenwith the common people getferings, after the devastating cyclone and tidal surge of April

sells at Taka 1320/- which sold at Taka 1160/- only two days before. Similarly price of palm oil rocketed from Tk. 1320/- per maund to, Tk. 1400/- per maund over the past two days. Dry chillies sell at Taka 2400/- per maund as against Tk 1600/- while green chillies sell at Tk. 65/- per kg instead of Tk 40/- before.

of VAT.

Exchange Rates

July - 3

Overseas Drafts (ODs)		
One Unit of Foreign Cur	rencies (FCs) fo	r Taka
PCs .	Selling	
US Dollar	58.0241	57 316
UK Pound Sterling		19.463
German Deutsche		19.680
Marj	(4)	
French Franc	5.8286	5.749
Saudt Riyal	9.6636	9.535
Dutch Guilders	17.5267	17.285
Pakistan Rupee	1.4716	1.457
(AMU*)		3.4534
Singapore Dollar	20.4603	20.188
UAE Dtrham	9.8687	9.737
Kuwait Dinar	Not availal	
Indian Rupee	(7.07)	- Control of the Cont
AMU	1.5594	1.544
S. Kroner	5.4785	5.399
*AMU-Asian Moneta	ry Union	F3274742111
SECONDARY EXCH	LANGE MARK	ET
Wage Earners Fund	Export	
Performance Ber	nefit (XPB	Fun
	Buying	
US Dollar	36.68	36.7
UK Pound	58.93	
Sterling	67970335	1.57.751.50
Saudi Riyal	9.81	9.8
UAE Dtrham	10.02	10.0
* The rates of 1	Pound Sterl	ing ar
decided every day,	based on th	e cross
rates of New York w	rocket	

Dhaka Stock Exchange Market Profile

July - 3 134 Listed Stocks 4 Gains 14 losers 116 Unchanged stocks include seven traded on the day at its previous quoted prices.

DSE All Share Price Index = 308.4951 Issued Capital=Taka 5,439,680,590 Market Capitalisation = 8,815,325,706 Turnover = Taka 2,00,920.50 (Value) 2,788 (Volume).

CHITTAGONG, July 3: The traders and businessmen are introduction of VAT (Value still unaware of the VAT sys-Added Tax) from Monday last tem that caused in a panicky situation. tials have shot up exorbitantly ting more worried as their suf- Chamber of Commerce and

29 have now mounted further. One drum of soyabean oil

Price of sugar went up to Taka 1020/- per maund from Taka 970/- earlier. Price of milk powder of 55 pound weight rose to Tk 2900/- from Tk 2750/-. Price of all other commodities also registered steep rise over the period of two days after the introduction

Most people including the

Commercials Banks, for Bank Cheques, (BCs) and

PCs .	Selling	Buying	
US Dollar	58.0241		
UK Pound Sterling	19.7370	19.4637	
German Deutsche	19.9572	19.6808	
Marj		10.0000	
French Franc	5.8286	5.7492	
Saudt Riyal	9.6636	9.5350	
Dutch Guilders	17.5267	17.2852	
Pakistan Rupee	1.4716	1.4576	
(AMU*)	400 minutes	1011000110	
Singapore Dollar	20.4603	20.1880	
UAE Dirham	9.8687	9.7374	
Kuwait Dinar	Not available		
Indian Rupee			
AMU	1.5594	1.5445	
S. Kroner	5.4785	5.3995	
*AMU-Asian Moneta	ry Union	PRESENTE:	
SECONDARY EXCH	ANGE MAR	KET	
Wage Earners Fund	Export		
Performance Ber	nefit (XPE	3) Fund	
	Buying		
US Dollar	36.68		
UK Pound	58.93	58.98	
Sterling	675 F.	12521202	
Saudi Riyal	9.81	9.86	
UAE Dtrham	10.02	10.07	
* The rates of I	Pound Ster	rling are	
decided every day.	based on t	he cross-	
rates of New York n	arket		
Source: Sonali Bank			

116 Unchanged

cover less than a month of imports, took a 1.8 billion Dollar loan from the IMF at the beginning of the year and is negotiating for up to five billion Dollar more.

The business activities have

the economy. become almost stagnant in all the commercial centres of the port city, trading circles said. President of Chittagong statement on Wednesday.

Industry (CCC&I) Engineer Ali Ahmed when contacted, said, that a panicky state prevailed in local trade and business after the introduction of VAT system. He, however, termed it as a good system to check tax evasion. The CCCI President observed the VAT hit the Chittagong markets, trade centres and industrial sectors at the very take-off stage as all the affected industries already had gone for production without waiting for any financial

tionary fuel.

The VAT has not merely being done in Bangladesh. come as a replacement of sales and excise duty on domestipointed out.

Star Economic Report Enforcement of Value we are definitely aware, for de-Added Tax (VAT) has come as velopment activities and overan additional burden on trade, all economic growth mobilisaindustry all other sectors of tion of internal resources is an essential pre-requisite. This was observed by Dhaka Therefore, we would like to Chamber of Commerce and reiterate here that our Industry (DCCI) President Chamber is not opposed in Mahbubur Rahman in a press principle to the introduction of VAT. But its implementation Expressing deep concern and enforcement need over some provisions of VAT adequate preparation, ordinance, Mahbubur Rahman extensive publicity, sufficient said, despite appeals by trade training and orientation, and and industry to postpone the phase-wise exposure. Even in implementation of VAT at least the developed countries like for sometime more, the the UK, Canada and France, it Government, we are con- took several years, if not strained to point out, has gone decades, to prepare the ahead with the new fiscal mea- ground for VAT. Nowhere in sure. This will certainly aggra- the developing countries vate price pressures in the including those in South Asia, economy at a time when addi- the extension of such a tional taxes of about Taka 700 complicated tax has been crore under the Finance Bill contemplated in one-phase 1991 have ignited the infla- operation to such a wider

VAT an additional burden

on trade, industry: DCCI

Anyone having an annual tax at the importation stage business turnover of Taka two lakh in the 24 Sectors of cally produced goods, as stated Services will come under VAT in the budget for 1991-92. For operations which means that trade, industry and all others, even small shopkeepers having this is in fact a new tax and its daily sales of about Taka 600 or coverage is extensive and so, would have to pay VAT. goods into newer areas of the And, most of them are not able economy which were till June to keep books of accounts. We 30, 1991, remained out side wonder how the VAT will then the purview of excise duty, he be enforced in the way the concerned authorities have

segment of the economy as is

phase of its implementation. Services sector will also unsparingly be subjected to this tax. For most of them like indenting, advertising, freight forwarding agents and decorators the incidence of VAT will be heavier when the effects of other taxes like deduction of income tax at source are taken into consideration. Even the activities in the fields like cold storages for potato preservation, and warehouses catering to the agricultural sector, will come within its fold though the VAT, according to VAT Ordinance, is to exclude this Rahman noted that, we find

no stronger reason for excluding the existing major sources of excise duty earnings like cigarette manufacturers, gas, jewellery, petroleum products etc. from VAT while it has been extended to other areas. We are of the view that the major areas under existing excise duty should have been brought first under VAT.

There is a wider apprehension that the VAT in its present form and operations would lead to wider abuses and other malpractices which would ultimately frustrate the very objective of this tax for stability in revenue earnings of the government. We further

lossa BT SPL White Rejection (WRS)/

Tossa Rejection (TRS) Habijabi, Cut Ropes 1700 290 1350 300 BTH 1450 230 1300 At the Paris Consortium White/Tossa 1500 1350 220 1650 250 1550 235 355 1950 345 1900 330 1800 295 SPŁ Cuttings 1000 175 Ord. Cuttings 900 170

1125 FOB ready = Narayanganj ** FOB sight = Chittagong/ Mongla Ports. Indicative Price at wihch sales may be consi dered for EPC registration. The \$ prices are exclusive of any selling commission. O. D. (Sight nontraditional/applicable to export bills). One \$

 MT = Metric Ton Imports/arrivals of Kutcha bales at Narayanganj were five to six thousand mounds while at Daulatpur at four to five

thousands mounds. (One manund is equal to 37.32417 Snippets

183 Kuwaiti oil fires capped so far

KUWAIT CITY, July 3 Kuwaiti Oil Minister Hammoud Al-Ragba said Tuesday that 183 of the 730 of fires set by re-

extinguished, reports AFP. A US expert in Kulwait said last week only 171 oil fires have been put out while 566

treating Iraqi troops have been

By the end of March 1992. the oil fires will be extinguished," said Al-Raqba in a statement released by the Kuwaiti news Agency Kuna.

Off-shore oil production in the neutral zone between Saudi Arabia and Kuwait "is reaching 130,000 barrels per day (BPD) and could reach 300,000 BPD in the next few years," the minister added.

Wall Street stocks

NEW YORK, July 3: Turmoil in Yugoslavia and fresh evidence the US economy is on the mend set the Dollar higher on Tuesday, while Wall Street stocks rose steadily ahead of the July 4th Independence Day holiday, reports Reuter. Oil closed modestly higher.

Gold rose and silver fell. For the second straight day the Dollar closed at its highest level against the German Mark in 20 months - at 1.8345-Mark close reached on

November 17, 1989. The Dollar also rose to 138.75 Japanese Yen from 138.45 on Monday.

IEA for follow up of oil talks

PARIS, July 3: The International Energy Agency (IEA) has proposed hosting a follow up to two days of oil producer-consumer talks between 23 countries which would end here later on Tuesday, reports Reuter.

It made the proposal to the current meeting, organised by the French and Venezuelan government to initiate fresh cooperation between producers and consumers after a 16year gap, Conference sources

Quincey Lumsden, LEA director of the oil market sector suggested the future meeting should be at expert level and cover all aspects of the energy industries.

US still world's biggest debtor

WASHINGTON, July 3: The United States was still the world's biggest debtor nation last year, but depending on how it's measured, the situation is either getting better or getting worse, Commerce Department figures released on Tuesday show, reports

The Department released two sets of figures —the first showed a 27.5 billion Dollar improvement in America's debtor position last year, the second, a 92.9 billion Dollar deterioration.

Reuter.

But according to both, the United States was still in the hole by more than 350 billion Dollars in 1990 because foreigners' investments here were worth more than US investments abroad.

'Australia needs economic reforms'

LOS ANGLES, July 3: Australia's opposition party leader, John Hewson, said on Tuesday a radical economic reforms were necessary to bring his country out of its current economic slump and turn it into a leader in the Asian-pacific community, reports Reuter.

Hewson, leader of the Liberal Party, told the Australian-American Chamber of Commerce here his country was in the "most difficult economic circumstances were have experienced in the last 60 years.

But radical reforms, including drastic changes in tariffs. trade protectionism, taxes and the role of labour unions could change that, he said.

"The Asian Pacific Economic Community will be the fastest growing community in the world in the next 40 years and we intend to be a leader in that community, Hewson told the group.

Oil importing states want stable market

LONDON, July 3: Oil importing developing countries have expressed their serious concern over wide fluctuation" in world oil prices and called for an urgent action to ensure price stability in the oil market, reports PTI. "Sudden and steep in-

creases in oil prices gravely affect our balance of payments position, distort our priorities and hamper economic progress," the leaders from the main oil importing countries said at a two-day ministerial seminar of world's producers and consumers of petroleum organised at the joint initiative of France and Venezuela in Paris.

The DCCI President said, designed it right at its initial understand that the field-level Japanese aid for cyclone disaster now highest

Star Economic Report

Wednesday. ravaged the coastal regions of of the Japanese government. Bangladesh April 24, 1991, Japan extended its relief and

assistance to the affected peo-

Responding to the request made by Bangladesh Government, Ito said, Japan provided approximately \$20 million for emergency grant assistance. A Disaster Relief Team consisting of two helicopters and 50 personnel was also dispatched. This is for the first time that Japan sent helicopters abroad for relief opera-

emergency commodity loan and \$20m grant assistance have been committed for rehabilitation and reconstruction in the cyclone affected areas, Ito said. As emergency grants, Japan

In addition, \$90 million

cyclone disaster in Bangladesh for relief materials and immetotalled \$130 million - highest diate repair works and half a so far given by a single county. million dollars worth of emer- Group Meeting in may-end, Ito. Minister of the Enbassy of proximately 10 million will be Japan in Bangladesh at a press provided under Food Aid briefing at a Dhaka hotel on Programme. Furthermore, about 39 tons of relief goods Soon after the devastating from Japanese NGOs were trancyclone and tidal surge which sported from Japan at the cost The first emergency relief

materials donated by the Government of Japan consisting of medicines, medical equipment, water purifier, water purification tablets, portable water tanks, generator, etc. worth of \$ 500,000 arrived at Dhaka on May 9, 1991 and they were handed over to the Government of Bangladesh and NGOs such as OISCA and CARE. Another consignment of relief materials from Japanese NGOs consisting of clothes, blankets, foodstuff, medicine, mineral water, etc. arrived at Dhaka on June 4 most of which were handed through the NGOs such as Zone (CEPZ) Ito said.

Japanese assistance for the offered cash worth \$9.5 million OISCA and the World Vision.

This was stated by Tetsuo gency relief materials. Also ap- Japanese Government pledged Cutting 90 million emergency commodity loan and \$20 million grant for rehabilitation and recon struction of cyclone damaged infrastructure. The commodity loan will be utilised for the reconstruction work of permanent tele-communication tower in Chittagong, procurement of floating crane and fenders of the Chittagong Port, procurement of Bailey Bridge/Portable Bridge, rehabilitation work of damaged installations of electric power supply at Barisal and Chittagong, procurement of fertilizer, procurement of medical equipments, instruments, and ambulances, and support other private sector's and public sector's import needs related to cyclone damages. The use of the \$20 million grant will be determined after consideration of remaining needs for reconstruction. A part of this over to the Government of grant will be utilised to repair Bangladesh and the rest was embankment along the distributed in the affected areas Chittagong Export Processing KGs.)