

# Country exports Tk 3075.44 cr readymade garments, JS told

Readymade garments worth 77.87 million US dollars (Tk 3075.44 crore) were exported in the first six months of the current fiscal year, Commerce Minister M Shamsul Islam said in parliament yesterday, reports UNB.

Replying to a question from Abul Kalam Azad (AL), the minister said during the first month of the current fiscal, the country imported fabrics worth Tk 1473.76 crore for the export-oriented garments industry.

The target for export of garments for 1994-95 will be fixed at 20 per cent above the current year's target, Islam said in response to a supplementary question.

In reply to a question from Dr A K M Asjad of Jamaat, the

minister gave the figures of the country's trade with the SAARC nations during the first six months of the current fiscal year.

According to a breakup given by the minister: Bangladesh imported goods worth Tk 89.88 crore from Bhutan against exports worth Tk 10.12 crore to that country. From India, the imports amounted to Tk 97.12 crore against exports worth Tk 2.88 crore. The imports from Pakistan stood at Tk 69.60 crore against exports worth Tk 30.40 crore. Imports from Sri Lanka totalled Tk 23.30 crore against exports worth Tk 76.70 crore. Imports from Nepal were worth Tk 11.04 crore against exports worth Tk 88.96 crore. There was no

trade with the Maldives during the period, the Minister added.

During the period, the country exported tea, molasses, glycerine, medicine, chemical fertilizer, fish, soap, leather, paper, newspaper, books, raw jute, readymade garments, handicrafts, vegetables, jute carpet, shoes, ceramics and 10 other items.

In six months, the country imported fruits, spices, textiles articles, stone, coal, woods, yarn, books, electrical goods, cotton, cement, pharmaceuticals, products, salt, plastic goods, iron and five other items from different SAARC countries.

The Trading Corporation of Bangladesh (TCB) exported

goods worth Tk 54.10 crore last year, he said while replying to another question from Sheikh Anwarul Alam (Jamaat).

The minister further informed that the country exported books, newspapers and magazine worth Tk 66,83,000 to eight countries last fiscal.

The House was also informed that the government had authorised import of alcohol and liquor worth Tk 22.65 crore in two years from 1991 to 1993.

Responding to a question from Ebadur Rahman Chowdhury (JP), the minister said in 1991-92, liquor worth Tk 10.45 crore was imported while in 1992-93 the figure for liquor import was Tk 12.20 crore.

## Majority Americans believe

### Economy on decline

NEW YORK, Feb 17: Despite signs of improvement, few Americans are optimistic about the economy this year and a majority believe the country is in a state of decline, Money magazine said in a survey released Wednesday, reports AP.

The magazine's ninth annual "Americans and Their Money" poll revealed many households are concerned about their finances, along with future job prospects, even though the economy appears on the mend.

Among the recent evidence of economic recovery: New home sales jumped nearly 10 per cent in 1993; retail sales improved in 10 of the last 11 months; industrial production rose in the past eight months; and factory orders posted five consecutive monthly gains.

Government and private forecasters predict the economy, as measured by the gross domestic product (GDP), will grow by 3.1 per cent this year and 2.8 per cent in 1995. The GDP rose a brisk 5.9 per cent in the fourth quarter of 1993. Yet 42 per cent of the

2,154 poll respondents, who were surveyed by Money in October and November, thought the economy would worsen in 1994. Only 27 per cent believed it would improve.

That's a marked turnaround from the 1992 survey in which 14 per cent predicted the economy would worsen and 56 per cent said it would improve. The economists would certainly say everything looks wonderful and people should be happy and they shouldn't worry. (And) it is a great time to buy a home... or to be in the stock market," Richard Eissenberg, Money's assistant managing editor, said in an interview.

"But the overriding concern is whether people will keep their jobs and have money to pay for the necessities let alone luxuries."

More respondents also felt the economy was still in a recession rather than a recovery — 45 per cent vs 40 per cent — while 15 per cent said the economy was at the beginning of a depression. The 1992 poll had similar results.

## Seminar on role of statistics in agriculture dev held

MYMENSINGH, Feb 17: A day-long seminar on "Role of Statistics in Agricultural Development" was held at the gallery of Agricultural Economics and Rural Sociology Faculty of Bangladesh Agricultural University (BAU) here last week, reports UNB.

Five articles, including two key-note papers were presented in the seminar, said a press release issued by the Public Relation and Publication Office of BAU.

Prof Kazi Saleh Ahmed, former Vice-Chancellor of Jahangirnagar University, and President of the Statistics Association, presided over the seminar.

Mokhesur Rahman, Secretary of the Statistics Division, and Waliul Islam, Secretary of the Shipping Ministry, also attended the seminar.

A large number of teachers, researchers, students and the government officials were present.

## Prices of share, Greenback fall in Tokyo

TOKYO, Feb 17: Share prices on the Tokyo Stock Exchange ended slightly lower Thursday amid anxiety about the high yen. The dollar ended below its opening level against the Japanese currency, reports AP.

The 225-issue Nikkei Stock Average closed down 120.72 points, or 0.63 per cent, at 18,931.39 after staying bound in a tight range all day. On Wednesday, the average rose 77.51 points to 19,052.11.

The Nikkei plunged more than 1,000 points in the first two days of the week because of a surge in the yen's value against the Greenback. But with the direction of the yen-dollar rate uncertain Thursday, many stock investors were cautious.

The Tokyo Stock Price Index of all issues listed on the first section was down 5.55 points, or 0.36 per cent, to 1,553.55. The TOPIX gained 3.76 points, or 0.24 per cent, to 1,559.10 the day before.

The dollar closed at 103.48 yen, near its low for the day and below its opening of 103.90 yen. It closed at 103.80 overnight in New York and at 103.25 yen in Tokyo Wednesday.



Defective Branch (DB) yesterday hauled a huge quantity of contraband goods worth Tk 55 lakh from an engine boat at Daria river under Uttara Police Station. Police sources said the garments were smuggled into the country from India. — Star photo



A Japanese girl enjoys boarding a Canadian-made six-wheel vehicle Argo 6x6 Vanguard yesterday during the Tokyo 4WD RV show '94. — AFP photo

## World's first commercial plant in Malaysia Natural gas to be converted into transport fuel in March

KUALA LUMPUR, Feb 17: The world's first commercial plant to convert natural gas into transport fuel will be fully operational next month in Malaysia's Sarawak state, officials of Dutch oil giant Shell, which is leading the joint venture, said yesterday, reports AFP.

The two billion ringgit (800 million US dollar) plant of Shell MDS (Malaysia) SDN BHD will produce 500,000 tonnes of the synthetic fuel per year and other specialised products such as waxes, solvents and detergent feed-stock.

Dutch-based Shell Gas 'VB' holds a 60 per cent stake in the company while diamond gas holding, a subsidiary of Japan's Mitsubishi Corporation, has a 20 per cent interest and Malaysia's state-owned oil corporation Petronas and the Sarawak state government each holds a 10 per cent share.

Shell MDS (Malaysia) Ma-

naging Director Theo Van Herwijnen was quoted in the latest issue of Shell Malaysia's newsletter as saying that the company would use a unique method — Shell Middle Distillate Synthesis (SMDS) — to convert natural gas into synthetic products.

Herwijnen said 80 per cent of the products would be exported to Japan, Australia, the United States and Europe.

Shell officials said the plant initially went on line in May 1993 but production suffered a setback when a fire in June led to its total shutdown. The plant was partially started up again in September.

"An interesting and valuable asset of the plant is its high operating flexibility as the product package composition can be varied according to market demand, without affecting total output," said an official.

Officials said the plant was part of efforts by Malaysia to capitalise on the demand and to further add value to its abundant gas resources.

Malaysia, with gas reserves of 76.7 trillion cubic feet equivalent to four times that of oil, is the world's third largest exporter of liquefied natural gas behind Indonesia and Algeria.

But the central bank said the deficit should stop growing this year thanks to budgetary consolidation measures.

Germany's public deficit rises to \$80b in '93

FRANKFURT, Feb 17: Germany's public deficit rose to 140 billion marks (80 billion dollars) in 1993, up 30 billion marks compared with the previous year, in large part due to the economic recession, the Bundesbank said in its February reports released today, reports AFP.

But the central bank said the deficit should stop growing this year thanks to budgetary consolidation measures.

Major lauds Russia's reform

MOSCOW, Feb 16: British Prime Minister John Major toured Nizhny Novgorod on Wednesday, praising the city's privatisation programme and saying economic reforms in Russia were proceeding successfully, reports AP.

The trip to Nizhny Novgorod was one of the highlights of Major's two-day visit, during which the Kremlin also announced that Queen Elizabeth II of Britain had accepted an invitation to visit Moscow this year.

A Buckingham Palace spokeswoman said the queen had made no final decision, but that appeared to be a formality. According to tradition, the queen makes overseas visits on the prime minister's advice.

Major said he would urge the queen to accept a long-standing invitation, renewed Tuesday by President Boris Yeltsin, and would recommend a Russian visit, possibly in the fall.

"The queen is very keen to visit Russia and to see Russia. She is one of the finest ambassadors the United Kingdom has ever had. I think for that point of view it is highly desirable that she should visit Russia," he said.

It would be the first visit by a reigning British monarch. In

recent years, other members of the British royal family have made private visits to the former Soviet Union.

After meeting Tuesday with Yeltsin and other Russian leaders, Major flew Wednesday to the Volga River city of Nizhny Novgorod for a firsthand look at Russia's economic reforms, including projects partly funded by Britain.

Major was accompanied by Economics Minister Alexander Shokhin, and toured the city in the company of Boris Nemtsov, the dynamic reformer who heads the regional government.

Nizhny Novgorod, called Gorky in Soviet era, is an important river port and industrial centre with one of Russia's largest car-making plants. It was closed to foreigners for years because its factories also produce military equipment, including fighter jets.

Major visited the Progress auto-transport enterprise, one of Russia's first joint-stock companies and was scheduled to tour Nizhny Novgorod's privatisation voucher exchange and a joint-stock company that runs the city's famous trade fairs.

Major lauds Russia's reform

quoted Major as saying Nizhny Novgorod appeared to be one of the regions where privatisation of state enterprises was making good progress and Russia's economic reforms were proceeding successfully.

When talks turned to Bosnia, Yeltsin issued a blunt warning, saying Russia would not let NATO usurp the role of the United Nations there.

NATO has threatened to launch air strikes against Bosnian Serbs unless they withdraw their artillery from around the Bosnian capital of Sarajevo.

Yeltsin opposes air strikes against the Serbs, who have religious and ethnic ties to Russia. Newly influential Russian ultranationalists like Vladimir Zhirinovskiy have fervently adopted the Serbs' cause.

One of Major's goals was to reassure Russia that NATO's ultimatum to the Serbs was not a matter of taking sides in Bosnia.

Commenting on these disagreements, the liberal newspaper Segodnya said Wednesday that Major's visit was held "against the background of cooling relations between Russia and Western countries," which suspect Moscow of "new-imperial" aspirations.

A separate article also revised as part of the Uruguay Round accord requires that state trading enterprises — government-operated import and export monopolies and marketing boards, or private companies that receive special or exclusive privileges from their governments to engage in trade activities — operate within GATT rules and not be allowed to engage in discriminatory distribution practices, to export items at subsidized prices or to impose quotas.

US officials say that this provision will ensure that US imports are not discriminated against in countries that maintain state trading enterprises, and should aid US exporters that compete in third markets with state trading exporters.

They say these obligations will take on even greater significance in the near future as certain countries, particularly China and states of the former Soviet Union, seek entry into the WTO.

## Minister, Swedish envoy discuss jute trade

Swedish Ambassador to Bangladesh Bjorn Stenby called on Jute Minister A S M Hanan Shah at his office yesterday Thursday, reports UNB.

They discussed matters of mutual interest with special reference to export of more jute and jute goods to Sweden, says an official source.

Stenby invited the minister to attend a trade fair at Oslo in May next and requested him to take a stall there for exhibition and sales of jute and jute goods in the fair.

## Newsprint price rises again in Jamalpur

JAMALPUR, Feb 17: Newsprint price in the greater Jamalpur district has again gone up inflicting suffering on the publishers including newspaper owners, reports UNB.

The paper is being sold at Taka 120 per ream as against Taka 80 last month, publishers alleged.

Students of the lower middle-class families were reported among the worst sufferers.

They said crown size newspaper is being sold at Taka 360 per ream as against Taka 260 last month while foolscap paper at Taka 200 as against Taka 165 during the period.

## US may charge application fee for asylum seekers

WASHINGTON, Feb 17: The Immigration and Naturalisation Service wants to use an application fee to cut down on the number of people seeking political asylum, an official said Wednesday, reports AP.

Applicants would also have to face a waiting period before getting work permits, said the official, who spoke on condition of anonymity.

The Miami Herald reported the application fee would be 130 dollars.

Slowing the flow of people claiming they are persecuted in their homelands would allow the INS to concentrate on reducing a backlog of more than 300,000 applications that cover more than 500,000 people, the official said.

The proposed regulations will be announced in a matter of days, the official said.

He added the fee and the waiting period of up to six months would also reduce the likelihood of asylum seekers abusing the system while waiting for hearings to see if they can stay in the country permanently.

Under the current system, most people seeking a safe haven in the United States receive a work permit when they arrive. With the permit and the backlog, a person without a valid reason for asylum can work for months or years before being deported.

"There have been people abusing the system for years," the official said.

If regulations containing the changes are adopted, the United States apparently would become the only nation to collect a fee from asylum seekers.

People who couldn't afford the fee would not automatically be turned away, the official said.

"There would have to be some sort of provision to consider people who don't have the fee," he said. "You can't expect everyone on a boat from Haiti to have \$130 with them."

## British inflation, unemployment rise in Jan

LONDON, Feb 17: British unemployment, inflation and retail sales all rose slightly in January with the jobs total up by 15,500 from December and inflation rising to an annual 2.5 per cent, official figures showed Wednesday, reports AFP.

At the same time the public sector borrowing requirement showed a surplus for January, against an expected deficit.

Seasonally-adjusted unemployment rose by 15,500 to 2,787,600 taking the rate to 9.9 per cent of the working population from 9.8 per cent in December.

Analysts had generally predicted a 25,000 fall in the jobless total.

Inflation rose to 2.5 per cent from 1.9 per cent in December. Excluding the cost of mortgage payments, underlying inflation rose to 2.8 per cent from 2.7.

# Developing nations face new limits on trade protection

WASHINGTON, Feb 17: Developing countries may find it more difficult to ban or restrict foreign imports under a little-known provision within international trade rules, according to a USIS release.

The Uruguay Round global trade accord, agreed to by more than 100 countries December 15 and effective July 1, 1995, revises Article 18 of the General Agreement on Tariffs and Trade (GATT), which currently allows developing countries to impose more restrictive trade barriers than the GATT normally allows.

In the past, this provision, designed to help developing countries in balance of payments difficulties, has been heavily relied upon by India, Egypt, Pakistan, Nigeria, Korea and others to maintain trade restrictions. According to US officials, trade barriers taken under the balance-of-payments waiver constitute the majority of the quantitative restrictions reported to the GATT by its

members.

Some developing countries like India have used Article 18 as a legal cover for entire protectionist trade regimes, one US official said. And, under current rules, countries hurt by these measures have no legal recourse to challenge within the GATT.

The new agreement both increases discipline and openness in the use of balance-of-payments measures and requires that such actions have the least disruptive effect on trade for the shortest period of time possible.

"It will make it harder for members to invoke or maintain special trade restrictions for balance of payments reasons," says Ann Main, an official with the US Department of Commerce. "It will make it more difficult for members to use this exemption to ban imports entirely or to protect a special industry."

More pressure will be imposed on developing countries

to end trade restrictions taken under Article 18, and access to dispute settlement mechanisms makes it easier to challenge those measures that do not appear to comply with new rules under the World Trade Organisation, the successor to the GATT, another US official said in an interview.

The official noted that countries like Peru and Argentina have already agreed not to use the balance-of-payments waiver to restrict imports and Brazil has begun removing quantitative restrictions that it had long justified on balance-of-payments grounds.

The new agreement commits countries with trade restrictions in place for balance-of-payments purposes to announce a time schedule for removing those measures.

When a country does impose a trade measure in an effort to improve its balance-of-payments situation, the new rules say it should seek to avoid the use of quantitative

restrictions, and to use instead "price-based measures" such as surcharges, import deposit requirements or other trade measures with and impact on the price of the imported goods.

If a country believes that quantitative restrictions are necessary to arrest a sharp deterioration in the external payments position, the new rules say it must explain why price-based measures are not an adequate instrument. In these cases, the country must indicate in successive consultations the progress made in reducing the use of these measures.

The accord also states that any measures may not exceed what is necessary to address the balance-of-payments situation.

It makes clear that a country should not apply more than one restrictive measure on the same product and that the measure should apply to products generally, so as to avoid

discrimination against particular countries. An exemption to this latter rule applies to essential products, defined as those meeting basic consumption needs or contributing to an improvement in the balance-of-payments situation, such as capital goods or inputs needed for production.

One US official noted that some countries, like Costa Rica and the former Czechoslovakia, have used balance-of-payments trade measures in a responsible way by using import surcharges that were applied generally and not on a specific product.

While a country cannot currently take a retaliatory action to trade restrictions taken under the balance-of-payments provision, the revised accord gives industrial countries some additional leverage to challenge these restrictions by providing a GATT member recourse to the dispute settlement provisions of the World Trade Organisation.