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Country's export from 2 EPZs rises by 5.87 pc this year

By Rafiq Hasan

The country's export from the two export processing zones has increased by 5.87 per cent this year.

According to Bangladesh Export Processing Zones Authority (BEPZA), the two export processing zones, one in Chittagong and another in Dhaka, have exported goods worth 98.54 million dollars up to February of the current fiscal year. This is 5.47 million dollars more than that of the period of last fiscal year.

In 1992-93 fiscal year, the total export from EPZ was 127.00000 million dollars. But up to February of the last fiscal year, the export figure from EPZ was 93.07 million dollars.

However, the Export Promotion Bureau (EPB) has given a confusing data about the EPZ exports. In their monthly bulletin on export, they mentioned that the export from EPZ had been decreased by 13.38 per cent this year.

According to EPB data, the export processing zones of the country exported various items worth 62.26 million dollars up to February of current fiscal year.

But up to February of last year, the export figure was 71.86 million dollars which was 9.60 dollars more.

According to EPB, export from EPZ consists only 3.55 per cent of our total export earnings.

When contacted, EPB sources told The Daily Star that they collect export statistics from daily customs lists (Ctg and Chalna) monthly statements customs airfreight unit, Dhaka, and land custom station. They alleged that BEPZA did not send their export figure despite repeated requests. Meanwhile, BEPZA denied the allegations saying that EPB never asked them for export data.

This year Chittagong Export Processing Zone, the first EPZ of the country, alone exported 97.09 million dollars according to BEPZA. CEPZ was established in 1983 by a parliamentarian act to inspire foreign investment in the country. In CEPZ, a total of 90 plots have, so far, been sanctioned and 54 industries are in production. About 5 to 6 companies are likely to go into operation by this year.

Dhaka EPZ, which is situated at Savar, exported goods worth 1.45 million dollars up to February this year. In DEPZ, a total of 23 plots have been given sanction and 8 companies went into operation in current fiscal year.

Recently, a 40-member Japanese business delegation visited Chittagong and Dhaka EPZ expressing satisfaction over the facilities given to the foreign investors in EPZ by Bangladesh government, it is learnt.

BEPZA expects that more Japanese companies will come forward to invest in Bangladesh and they will set up industries in export processing zones.

Another export processing zone in Khulna is under active consideration of the government.

China preparing price guidelines

BEIJING, June 18: The government is preparing nationwide price guidelines to curb inflation and unscrupulous price gouging, the official China Daily newspaper said Saturday, reports AP.

Many local governments have already imposed price ceilings and other controls in recent months in an effort to reduce the country's worst inflation in six years, and officials have said China's version of a market economy will have to include controlled prices for a long time to come.

The controls helped bring the inflation rate down slightly in May. Retail sales prices for the month were up 18.9 per cent from May 1993 and the consumer price index, which includes the price of services, was up 21.3 per cent, compared with a 21.7- per cent year-on-year jump in April.

Latifur Rahman (R), Chairman of Nestle Bangladesh Ltd, addressing distributors and salesmen in connection with the launching of 'Blue Cross' condensed milk in the city yesterday. F G Mahler, Managing Director and other officials are also seen in the picture.

AMF report reveals

Private spending high in key Arab oil producing states

ABU DHABI, June 18: People in key Arab oil producing countries are still spending a lot of money despite an economic downturn over the past decade due to weak crude prices, an official Arab report showed yesterday, reports AFP.

In contrast, private spending in the remaining Arab League members has sharply fallen in real prices due to rapid population growth and persistent economic problems, said the report by the Arab Monetary Fund (AMF).

The report divided the 22-member League into two groups: the first are main oil producing states Iraq, Libya, Algeria and the six-nation Gulf Cooperation Council (GCC) and the second are Egypt and the remaining members.

Although the population of the first group accounts for 31 per cent of the total Arab population, their private consumption stood at around 70 per cent of the total private spending in the region, the report said.

Private consumption, which includes spending by families on goods and services, stood at 168.2 billion dollars in 1992 in the first group while in the second group accounted for 92.4 billion dollars.

The report showed private consumption in the first group stood at 108 billion dollars in 1985 but in real prices it has fallen by 1.1 per cent annually. In the second group, it stood at 60.2 billion dollars but in real prices consumption has plunged by 20 per cent in the same period.

"Due to a decline in the real value of private consumption in the second group, coupled with positive population growth rates, the per capita share of the consumption continued to decline," the report said.

It provided no figures for 1993 but official reports have shown private consumption in Saudi Arabia, the United Arab Emirates (UAE) and Kuwait was higher due to an economic and population growth in the first two states and a post-war recovery in the third.

A breakdown showed a large gap in private spending between oil producing states and other members due to the high per capita income in those states.

While it averaged as high as 3,800 dollars a year in Saudi Arabia, 7,500 dollars in the UAE and 10,500 dollars in Libya, per capita share of consumption was as low as 550 dollars in Egypt, 250 dollars in Sudan, 74 dollars in Yemen and 700 dollars in Morocco.

The gap also existed in public consumption which includes government spending on services, goods and salaries, according to the report.

Public consumption in the first group totalled 97.3 billion dollars in 1992 while in the second group it stood at 20.3 billion dollars.

The large gap in incomes in the Arab world was one of the reasons cited by Iraqi President Saddam Hussein for his invasion of super-rich Kuwait.

But Kuwait and other Gulf oil producers have blamed their fellow league members for their economic woes, saying they were not using aid properly and their economic policies were inadequate.

GCC states — Saudi Arabia, Kuwait, Qatar, Oman, Bahrain and the UAE — have provided the bulk of the nearly 100 billion dollars in aid extended to Arab and other states between 1970 and 1992. Total cash flow into Arab nations exceeded 370 billion dollars in the same period.

The AMF report showed the Arab world's final consumption, comprising private and public consumption, totalled 378 billion dollars in 1992, nearly 78 per cent of the Gross Domestic Product of 483 billion dollars.

US House rejects move to eliminate funding for N-fusion project

WASHINGTON, June 18: The US House of Representatives has rejected an attempt to eliminate funding for a major nuclear fusion project that many researchers believe could one day provide a virtually inexhaustible energy supply, says a USIS press release.

The House, by a voice vote, defeated an amendment June 14 that would have eliminated $67 million in funding in fiscal year 1995 for the proposed Tokamak Physics Experiment(TPX) at the Princeton Plasma Physics Laboratory in New Jersey.

Funding for the $700-million tokamak project, whose construction would begin around the year 2000, is contained in the energy and water development appropriations bill, which the House passed by a vote of 393 to 29. The bill has yet to be taken up by the Senate.

Representative Dick Swett of New Hampshire, an opponent of the tokamak project, told House members that it was commercially viable and would cost $40,000 million before research was completed in 2040.

But supporters argued that fusion energy is crucial to meeting the world's future needs. They pointed out that both Japan and the European Community are spending 50 per cent more on fusion energy than the United States, and that tokamak research must be continued if the United States is to remain competitive.

Fusion, the same process that powers the sun, is a reaction in which lightweight atoms such as hydrogen are superheated and slammed together to fuse, releasing energy in the process.

A fusion reaction is the opposite of fission, a process used by current nuclear power plants that involves breaking apart very heavy atoms such as uranium to release their internal energy.

Scientists have long hoped that the fusion process, depending on an inexhaustible supply of hydrogen atoms, could eventually replace nuclear fission plants that produce large amounts of radioactive waste.

TPX would be built as a "next generation" facility to follow up on the successful experiments performed by the 12-year-old Tokamak Fusion Test Reactor at Princeton University.

Researchers reported last month that the test reactor was used to generate a record-setting nine million watts of electrical energy in a controlled fusion reaction that lasted four-tenths of a second. That level — enough to power about 3,000 homes — broke a record of 6.2 million watts set by the reactor last December.

However, no fusion reactor has yet come close to producing more power than it takes to run the machine, which is why, according to researchers, today's reactors are a long way from creating a practical source of electrical power.

A commercial fusion power plant would presumably ignite fuel in a sustained fusion reaction and produce far more electric power than it consumes.

Representative George Brown, chairman of the House Committee on Science, Space and Technology, said TPX is intended "to test a unique, compact and effect reactor design the responds to the development need for a smaller reactor."

Brown recently introduced legislation that would provide multi-year funding for the tokamak project, as well as the proposed International Thermonuclear Experimental Reactor (ITER), which is intended to be the first fusion facility to demonstrate a self-sustaining nuclear fusion reaction.

20th branch of NCCBL opens in city

The 20th branch of National Credit and Commerce Bank Limited (NCCBL) was inaugurated yesterday at 173-174 Mitford Road, says a press release.

Shah Abdul Hannan, Deputy Governor of Bangladesh Bank was present at the inaugural ceremony as the chief guest and formally opened the branch. The Chairman of the bank M Haider Chowdhury presided over the function.

Among the directors of the bank Md Abdul Awal, A B M Kamal Uddin Khan, Principal M Wazhiullah Bhuiyan, Mostafizur Rahman, Md Nurun Newaz Selim, Managing Director Fariduddin Ahmed and Senior Official of the bank were present on the occasion.

A milad mahfil was held to mark the occasion.

Nestle starts producing Blue Cross condensed milk

The Swiss food giant Nestle has started producing Blue Cross condensed milk at its factory in Bangladesh, says a press release.

To mark the occasion, Nestle held a conference of its distributors and salesmen at Sonargaon Hotel in the city on Friday.

The Managing Director of Nestle Bangladesh Ltd F G Mahler assured that Blue will adhere to the strict quality standards of Nestle world wide, while providing Bangladeshi consumers with excellent value for money.

The Chairman of the Company, Latifur Rahman, said Bangladesh Limited would be at the forefront of the highest standards in quality and service to the consumers.

The conference was also addressed by Senior Managers of Nestle Bangladesh Limited and Transcom Limited — Nestle's Joint Venture partner and sole National distributor.

Padma Textile declares 15 pc dividend

The 10th Annual General Meeting of Padma Textile Mills Ltd, a member of the BEXIMCO Group, was held yesterday at Hotel Sonargaon, says a press release.

The meeting was presided over by A S F Rahman, Chairman and Managing Director of the Company. The meeting was attended by the directors of the company, S A B R Thalakada of Asian Development Bank, C M Alam of Industrial Promotion and Development Company of Bangladesh Ltd, Salman F Rahman and M A Qasem of BEXIMCO.

A large number of shareholders attended the meeting and expressed their confidence in the management of the Company and its future prospects.

The Company's turnover and profit increased by 33 per cent and 25 per cent respectively from the previous year and in 1993 turnover was Tk 725.45 million and profit was Tk 65.27 million.

US lifts controls on tech exports to S Africa

WASHINGTON, June 18: The United States has lifted restrictions on export of sophisticated technology to South Africa in compliance with a United Nations resolution but has maintained other export controls, reports USIS.

The Department of Commerce announced June 15 it would amend its export-control regulations immediately to reflect the new US policy, which also ends controls on certain exports to the South African military and police.

Following inauguration of South Africa's new government elected in all-race elections, the UN Security Council passed a resolution May 25 rescinding its South Africa arms embargo as well as other measures encouraging voluntary restrictions on sales to the South African military and police.

The Commerce Department continues to maintain controls on exports to South Africa of goods related to non-proliferation of weapons of mass destruction, dual use vehicles built to military specifications and components for ammunition, and crime control.

The State Department has lifted the US arms embargo against South Africa, also in compliance with the UN resolution.

Spiralling food prices threaten economy

Beijing to crack down on illegal profiteering

BEIJING, June 18: China, battling potentially destabilising inflation, is imposing price controls to limit profits and bring order to the market, the official China Daily newspaper said today, reports Reuter.

"The government will provide price-range guidelines to curb inflation and crack down on illegal profiteering by businesses charging exorbitant rates for their goods or services," it said.

Local governments will be responsible for interpreting the guidelines and turning them into firm regulations, it said.

China this month warned that spiralling food prices threatened the economy and revealed that some areas had reversed reforms and gone back to issuing ration coupons.

Inflation, set off by two consecutive years of the world's fastest economic growth, is ranging at more than 23 per cent per year in cities.

The State Planning Commission said the new guidelines would curb abuses that had cropped up during China's flirtation with capitalist-style markets.

"The aim is to prevent the violation of business ethic and disorder on the market," the newspaper quoted the commission as saying.

"Excessive profits do not reflect the true relation between supply and demand."

Hong Feng, Vice Director of the commission's Department of Market and Price, told the newspaper the regulations would be issued by the State Council, China's cabinet, in the form of a decree.

He did not say when they would be issued and did not specify which goods would be covered.

"The decree will not set the prices of all commodities," the newspaper quoted him as saying.

"There is not yet enough competition to guarantee proper pricing," the China Daily said. The new rules are "designed to help create a fair market and protect consumers in the mean time."

Hong said the government will ensure that profits obtained by businesses do not exceed "a reasonable range based on the average social cost of manufactured goods or services."

He told the newspaper that profit margin "must be in line with general price standards and the balance between supply and demand in any given commodity market."

He did not specify if foreign-invested companies would be subject to the same rules."

China, responding to fears of high inflation and a weakening in central control, has in recent weeks backed of from its bold market experiment of the past two years.

In one major move, Beijing this week set new rules that will close many of the futures markets that had sprung up around the country and ban most brokerages from trading on overseas futures markets.

The official People's Daily said today that the government will keep tight control over oil prices.

"From now on the state will exercise unified control over the prices of crude and refined oils," it said.

Share prices in Tokyo continue gaining

TOKYO, June 18: Share prices continued gaining this week in Tokyo on expectations of gradual economic recovery, with the Nikkei average ending above the 21,500 point level for the first time in 28 months, reports AFP.

Traders said market participants were also encouraged by brighter prospects of a solution to the Korean nuclear standoff following talks between former US President Jimmy Carter and North Korean President Kim Il-Sung in Pyongyang.

The Nikkei stock average of 225 selected issues in the first section on the Tokyo Stock Exchange rose 108.12 points or 0.5 per cent during the week to 21,503.30 points after rising 440.99 points the previous week.

It was the first time since February 1992 that the key index finished above the 21,500 mark following a two-year slump in the market.

The broader based Tokyo Stock Price Index (TOPIX) of all issues in the section rose 4.73 points to 11705.53 points after the previous week's 21.18 point gain.

First section turnover averaged 452.14 million shares, down from 617.3 million shares. The average daily value of transactions shrank from 570.8 billion yen (5.5 billion dollars) to 425.82 billion yen.

After opening at 21,274.15 points on Monday, the key indicator fluctuated sharply on strong profit-taking moves following the previous week's moderate gain.

The 10th Annual General Meeting of Padma Textile Mills Ltd, a member of the BEXIMCO Group, was held at Hotel Sonargaon in the city yesterday. The Chairman of the Board of Directors, A S F Rahman, presided over the meeting.

Malaysian economy grows

KUALA LUMPUR, June 18: The Malaysian economy grew by a strong annual rate of 8.6 per cent in the first quarter, lending weight to predictions of growth of close to 10 per cent for the year, economists said today, reports AFP.

"With growth confirmed at 8.6 per cent for the first quarter, and stronger rates expected in the "subsequent quarters on buoyant domestic demands the double-digit forecast is well within reach," said the chief economist of a local bank.

Deputy Prime Minister Anwar Ibrahim announced Friday that the economy registered growth of 86 per cent in the first quarter.

The stronger growth was driven by firmer export growth and higher domestic demands particularly investment, he said.

Merrill Lynch, an international investment and brokerage house, in its recent Asian economic commentary on resource-rich Malaysia predicted that buoyant domestic demand could see the Malaysian economy growing close to 100 per cent this year.

The double-digit forecast was the "most bullish to date for one of Asia's fastest growing economies, economists said.

The 8.1 per cent growth was an increase of one per cent compared with the 7.1 per cent registered in the same quarter of "last year, Anwar said, pre-empting the release of the latest quarterly economic data by bank Negara, the central bank.

Bank Negara was to have released first quarter economic data Saturday, officials said.

"The robust growth" was achieved with inflation contained at the same annual rate of 4.3 per cent during the period over that of the similar period of last year, said Anwar, who is also finance minister.

"Inflation is expected to be contained at four per cent for the whole year, he said.

"Leading the growth in the first quarter is the manufacturing sector, which expanded by 13.1 per cent, the construction sector with growth of 12 per cent, the services sector 9.1 per cent and agriculture 2.2 per cent," Anwar said.

Increased investor confidence was reflected in applications for investment as well as investments approved by the government, he said.

In the first quarter, applications for investment increased by 14.3 per cent to 4.5 billion ringgit (1.8 billion US) against 2.1 billion ringgit applied for during the same quarter last year.

"Approved investment rebounded strongly with an increase of 93 per cent against a decline of 73 per cent in the same period last year," he said.

Japanese Honda top exporter of N American cars

TORRANCE (California), June 18: The Japanese automaker Honda was the top exporter of North American-made cars in the first quarter of 1994, an industry group said yesterday, reports AFP.

The American Automobile Manufacturers Association reported that American Honda exports rose 51 per cent in the January-March period from the same quarter of 1993 to 24877 cars.

The association said the vehicles made at Honda's plants in Ohio and Ontario, Canada have become top sellers in Japan and Europe.

Toyota spokesman Koichiro Noguchi said in Detroit, Michigan, that the Japanese automakers' purchases of US-made components would rise to 6.45 billion dollars from 4.15 billion dollars in the fiscal year ended March 31.

Trade between India, Myanmar to flourish

BOMBAY, June 18: Trade and economic relations between India and Myanmar are poised for a major take off, following the signing of a border trade agreement between the Indian and Myanmar governments, reports PTI.

A trade mission of the Confederation of Indian Industry (CII) which visited Myanmar from June 7 to 10 to assess the evolving market conditions there and examine the possibilities of entering into agreements for joint collaborations, observed great potential for border trade.

It felt that Myanmar had significant potential for long term trade and business opportunities, having a reasonably sized market and extremely rich natural resource base including good deposits of tin, tungsten, gold, silver, lead, copper, zinc bauxite, rubies, sapphires and diamonds.