



Country's export earnings fall short of target

By Staff Correspondent

The total export earnings of the country have fallen 366.10 million dollars short of the target fixed at 2900 million dollars during the last fiscal year ended in June.

According to the Export Promotion Bureau, the total export earnings of the country stood at 2533.90 million dollars in 1993-94 fiscal, which is 12.62 per cent less than the target.

However, in comparison with the earlier fiscal year '92-93 the export earnings have increased by 6.34 per cent with the total earnings 2382.89 million dollars.

But the volume of export did not increase, rather it decreased by 2.82 per cent.

The overall growth in export earnings was due to increase of price index, the bulletin published from the EPB has mentioned. The overall price index has increased by

9.16 per cent.

It was observed that the export target was not achieved in raw jute, jute goods, tea, agricultural products, petroleum byproducts, leather, garments, engineering goods and handicraft sectors. But the target was achieved in frozen food, knitwear, industrial products and chemical goods sectors.

However, export earnings have decreased in raw jute, petroleum products, tea, chemical goods, jute goods and engineering goods sectors.

The most drastic decline in export was in raw jute sector. Its export decreased about 347 thousand bales last fiscal year.

During the period Bangladesh exported 1008.81 thousand bales of raw jute, which is 25.58 per cent less than that of the earlier fiscal year. The export figure in that year was 1355.50 thousand bales.

The target of export earnings from this sector was fixed at 80 million dollars. But actual earnings stood at only 57.02 million dollars, which is 23.29 per cent less than the earnings of the previous year. In that year, the export amount was 74.33 million dollars.

Export of jute goods from the country also decreased last fiscal year.

The total export of jute goods stood at 502.92 thousand tons. In previous year the figure was 503.22 thousand tons. So, the export earnings from this sector could not achieve its target fixed at 300 million dollars. The export earnings were 283.79 million dollars, which is 5.40 per cent less than the target.

In garments sector the export earnings have fallen 21.72 per cent short of the target. Bangladesh earned 1291.65 million dollars by exporting

various items of garments. The target was fixed at 1650 million dollars. However, this amount is 4.13 per cent higher than the earnings of the previous year. In 1992-93 fiscal the export earnings from the garments sector were 1240 million dollars.

Although, the United States is still the largest buyer for Bangladeshi goods, but export to that country has decreased drastically. The USA has imported various items of goods worth 734.01 million dollars last year, which is 29.01 per cent of the total export earnings. The export earnings from the USA in previous year was 822.51 million dollars.

Among the main exported items to the United States are frozen shrimp worth 68.52 million dollars, jute yarn 8.65 million dollars, and garments 545.42 million dollars.

BISF earns Tk 6.6cr profit in '93-'94

Bangladesh Insulator and Sanitaryware Factory (BISF) has earned the highest-ever profit of Tk 6.6 crore in the 1993-94 fiscal, reports UNB.

A BCIC press release yesterday said that the factory deposited Tk 7.23 crore as duty and taxes to the national exchequer, the highest-ever contribution since its inception in 1981.

During the fiscal, BISF produced 2422 tonnes of sanitaryware, 977 insulator and 1186 tonnes of tiles worth Tk 20.10 crore, the highest ever production since its commissioning.

The factory sold 2440 tonnes of sanitaryware, 1011 insulator and 933 tonnes of tiles worth Tk 25.51 crore.

Using mostly indigenous raw materials and adopting better know-how, BISF has started exporting sanitaryware to foreign countries after meeting home demand. During the fiscal 1993-94, the factory exported various types of sanitaryware to Russia.

Foreign firms keen to set up cellular mobile phone service

The government plans to allow domestic and foreign private companies to invest in the country's telecommunication sector for better service to the subscribers at reduced rates.

Official sources said several foreign companies had already expressed interest to establish cellular mobile telephone service at a "cheaper price," initially in major cities and later countrywide.

"We have received indications that one can get a cellular telephone at Tk 20-25 thousand, almost equal to the charge of a digital phone connection," a senior official told UNB on condition of anonymity.

Policy makers discussed the matter at a recent meeting and felt that introduction of this improved telephone service would help reduce the tariff of analog and digital phones.

The cellular telephone came to Bangladesh through a private company, United Traders, after it signed an agreement with Bangladesh Telegraph and Telephone Board (BTB) in 1989. The 20-year accord, which gave the company an 'exclusive right' to monopoly business for five years, ended on July 25, 1994.

The sources complained that as there was no guidelines for installation or call charges in the agreement signed under the influence of the highest authority, the company charged an exorbitant rate of Tk 1.20 lakh for a cellular phone. Later, the charge was reduced to Tk 70,000.

The authorities questioned such a drastic fall in the installation charge. The charge for a single call, at Tk 20, was also considered 'unique' as both callers and the called have to pay Tk 10 each.

The company is now reportedly collecting Tk 80-90 lakh from about 1,000 subscribers.

The sources said that after the changeover of 1990, the government had cancelled the agreement with United Traders, renamed as Bangladesh Telecom Limited (BTL), as it went into joint venture with a

Singapore-based company, Hutchison, without going through the required formalities. But its operating licence was not cancelled.

In 1993, upon a petition on the ground that "we're bringing foreign investment and it's a natural right to have partners," the High Court gave the verdict in favour of BTL but spelt out that its "monopoly business" would end on July 25, 1994 according to the agreement.

Recently, the government has invited tenders for setting up cellular mobile telephone service, paging service and radio trunking and reverine

ANA, Air Canada to discuss business tie-up

TOKYO, Aug 12: Japan's second largest airline, All Nippon Airways Co Ltd (ANA), and Air Canada announced yesterday an agreement to discuss a wide-ranging business tie-up, ANA said in a statement, reports AFP.

The two signed a letter of intent "to expand the current commercial agreement into a comprehensive, strategic alliance in various marketing, sales, and operational services," the statement said.

The carriers will enhance their business relationship to take full advantage of the growing market opportunities for passengers and freight carried between the Asia-Pacific region and Canada utilising the carriers' respective services," it said.

The carriers envisage cooperation in such areas as coordination of schedule and operations to facilitate connections between them, joint advertising and sales promotion initiatives, enhanced interlining of passengers and freight, and development and promotion of joint tour packages.

Also to be considered for cooperation are mutual participation in frequent flyer programmes, enhancement of computer reservations systems, the sharing of facilities and passenger handling in jointly served cities, and catering services.

telecommunication service in the country's major cities and areas.

The tender submission period has been fixed August 7-21 while the bid opening date is September 17.

Several foreign companies have already submitted their bid documents, the sources said.

They said the government had decided to open the telecom sector to private investment as "competition helps consumers."

A study by the International Finance Corporation found that the tariff had come down and the quality of service gone up after competition was allowed in Malaysia, Mexico and Argentina.

"It is a monopoly which increases inefficiency and costs," said another study conducted by the World Bank.

Open competition also stimulates economic activities in the country. Studies done by International

Telecommunication Union (ITU) indicate that every new telephone line created adds 3,700 US dollar to the GDP.

The cabinet last month endorsed an amendment to the BTB Ordinance, 1979 to open the telecommunication sector to private investment for the development of the highly mismanaged sector.

Bangladesh has now some 2.5 lakh telephone connections and 1.5 lakh applications are pending. The government plans to install eight lakh connections by the year 2000.

A French company is currently working on a French-aided project for installing 30,000 telephones in Chittagong, and another project for 1.5 lakh connections in Dhaka, funded entirely by the government. A Japanese company has been engaged in installing another 18,500 phones in Dhaka.

In 1995-96, the government has a plan to install about two lakh telephones -- 1.30 lakh from own resources and 67,000 with Japanese assistance. But by then the demand will be up by 2.5 lakh.

ADB to provide Pakistan \$200m for KESC

KARACHI, Aug 12: The Asian Development Bank (ADB) has agreed to provide 200 million dollars to Pakistan to develop the Karachi Electric Supply Corp. (KESC) transmission network, officials said yesterday, reports AFP.

KESC Chairman Tanzeem Hussain Naqvi told reporters that Japan's Exim Bank and the European Community fund had also agreed to lend 75 million dollars and 45 million dollars respectively, to the corporation.

The ADB has so far provided 520 million dollars to KESC in five previous power sector loans and the sixth loan is to be disbursed to the corporation by the end of September.

Naqvi said the loan would be repayable within 30 years with a grace period of five years at 6.68 per cent interest.

2nd Myanmar trade fair in January

YANGON, Aug 12: The second Myanmar trade fair — Myanmar trade fair 95 — will be held at the Myanmar department store in Yangon from January 15 to 22, 1995, according to an official report yesterday, reports Xinhua.

The Myanmar trade fair 95 is to be held with the objectives of promoting foreign trade and investment in Myanmar, gaining market access for local products.

Both local and foreign exhibitors are allowed to participate in the trade fair, the official report said.

The first Myanmar trade fair held here last April was participated by 20 state economic organisations, 8 Myanmar-foreign joint venture corporations, 36 cooperative societies and 71 local private entrepreneurs.

Jakarta to host next OPEC meet in November

JAKARTA, Aug 12: Indonesia will host the 97th conference of the Organisation of Petroleum Exporting Countries (OPEC) in November, probably on the Resort Island of Bali, an energy ministry spokesman said yesterday, reports Reuters.

"The meeting will be held in Indonesia and we are trying to have it in Bali but no final decision has been made on the venue or the dates since it's long way off," he told Reuters.

It would be the second time the conference has been held in Indonesia, Asia's sole OPEC member, since 1980.

Industry sources have said the meeting might be held in the second half of November, starting possibly on November 16.

The official Antara news agency quoted Mines and Energy Minister Ida Bagus Sudjana as saying oil prices were expected to be stable until the last quarter of this year.

"The steady oil price can be expected to be maintained at least until the end of this year in view of the winter in the northern hemisphere," he said.

Sudjana said it was in view of this that OPEC decided not to change its current ceiling of 24.52 million barrels per day.

He said the forecast was also based on the positive economic outlook in industrialised countries.



The Ambassador of Indonesia to Bangladesh Hadi Wayarabi Al-Hadar called on Jute Minister A S M Hannan Shah at latter's office in the city on Thursday. — PID photo

Economy key issue in Swedish Conservatives' poll campaign

STOCKHOLM, Aug 12: The Swedish Moderate (Conservative) Party Wednesday presented an election platform based on putting the economy back on its feet by creating up to 500,000 jobs, and a consistent savings plan, reports AFP.

The creation of jobs, re-establishing stability in Sweden's public finances, and a consistent savings policy that result in low rates and a stable currency value dare several of the measures required to rebuild the Swedish economy, the party said.

Sweden's legislative elections will be held September 18. The conservatives head the ruling four-party centre-right coalition.

"The budget deficit must be reduced, but not by raising taxes. Taxes are not too low — it's the public expenditures that are too high," party chairman and Prime Minister Carl Bildt said.

For the first time, the conservative manifesto did not promise to lower taxes, but did say that taxes must not be raised.

Instead, the party is focusing on savings.

Bildt underlined that no area should be exempt from savings, indicating that pensions, press subsidies, party subsidies, housing allocations, early retirement pensions, health insurance, family allowances and maintenance advances will all be affected.

Bildt did not specify how much would need to be saved in addition to the 100 billion kronor (13 billion US dollars) already outlined in Finance Minister Anne Wibble's current savings plan.

Several weeks ago he had stipulated that an additional 30 to 50 billion kronor (3.9 to 6.5 billion US dollars) was required.

"We can't really know yet. We can only figure out (how much is required) after the parliamentary elections and the referendum on European Union membership, which can lead to much lower rates," he said.

Sweden is expected to vote on EU membership November 13.

Employment is also a key to jump-starting the Swedish economy, according to the party.

Sweden needs around 500,000 new jobs in the industrial sector, the election manifesto stated.

"We have to invest in the new information technology, where Sweden can be on the cutting edge," Bildt said, and demanded increasing competence and awareness of such a need in schools.

Small and medium-sized business are considered crucial for the needed jobs. To accomplish that, taxation policy must be aimed at taking advantage of the service sector's possibilities, according to the conservatives.

There is the service tax. May be one can lower that tax on certain types of services," Bildt said.

The party also reiterated its belief in the privatisation of several of Sweden's biggest companies, such as the state-owned Nordbanken, telephone operator Telia, energy company Vattenfall and the TV2 television station.

Iron, steel output reach record high in Shanghai

SHANGHAI, Aug 12: Shanghai turned out a record of 6.51 million tons of steel and 5.85 million tons of steel product in the first six months of this year, reports Xinhua.

The city's statistics show that its sales volume amounted to 24 billion yuan, up 18 per cent over the same period of last year, and its profits and taxes delivered to the state totalled 7.4 billion yuan, up 70 per cent.

Municipal official in charge of industry said that the output of steel has risen at an annual speed of 17 per cent, and that of steel products of 30 per cent during the past few years.

In addition, the industry is paying attention to product quality and varieties.

He noted that the completion phase of the first construction phase of the Shanghai Baoshan Iron and Steel Complex, a highly modernised plant, has helped upgrade Shanghai's steel making technology.

Gold sales in Beijing still booming

BEIJING, Aug 12: Chinese consumers are still snatching up gold products even though the price has nearly doubled since the government began bringing domestic gold prices closer to international standards, an official report said Friday, according to AP.

The price has increased from 54.96 yuan (6.3 dollars) per gram (176.40 dollars per ounce) to 96.96 yuan (11.10 dollars) per gram (310.8 dollars per ounce) since last September, when the new policy was introduced.

But in the first half of the year, the output of gold products increased by 26 per cent when compared with the same period last year, the China Daily reported.

The report did not give sales figures for the period, but said the annual domestic sales of decorative gold products have exceeded 10 billion yuan (1.16 billion dollars) in recent years.

Chinese traditionally have favoured gold over other metals for jewellery and decoration.

Israel trying to persuade Europe, US to buy Palestinian goods

TEL AVIV, Aug 12: Israel is trying to persuade the US and Europe to open their markets to Palestinian products, Industry and Trade Minister Micha Harish said, reports Reuters.

Harish told 120 Palestinian businessmen from the West Bank about Israeli efforts to encourage the growth of their economy at a seminar in Tel Aviv.

"We are in negotiations with the American administration and the European Community to create conditions which are favourable for Palestinian exports, and to allow them to use that for the growth of the Palestinian economy," he said.

Harish said Israel and the Palestinians were optimistic that the Middle-East could be transformed into a powerful trading force.

Israel and the Palestine Liberation Organisation signed an economic agreement in Paris on April 29, six days before the start of Palestinian self-rule in Jericho and the Gaza Strip.

An Israel-PLO Economic Committee has been negotiating joint ventures in which Palestinian businesses could use Israeli ports, share marketing schemes and sell products in Israel.

Israel will need to protect Palestinian products in its market, Harish said, especially as the Israeli economy is larger than those of Egypt, Jordan and Syria combined.

"I realise there are fears of the Israeli economy overtaking the Palestinian economy, and therefore, we have to develop a

basis in which they feel equal and they are equal in this development," Harish said.

George Nasser, who owns a trading and manufacturing company in the West Bank town of Bethlehem, said Palestinian businesses are optimistic but are far from able to compete in world markets.

Mannan urges cabin crew

Put in best efforts to uphold Biman's image

The State Minister for Civil Aviation and Tourism Abdul Mannan has called upon the Biman cabin crew to put in their best efforts for upholding the image of the national airline, says a press release.

He was addressing the certificate-awarding ceremony of 30th Basic Flight Service Course and Advanced Passenger Fares and Ticketing Course as chief guest at Bangladesh Airlines Training Centre (BATC) on Thursday.

The minister also awarded certificates to seven officers of Royal Nepal Airlines trained at the Biman's training centre.

Mannan assured Royal Nepal Airlines of continued support in developing their

personnel. Biman has conducted 17 courses and trained 129 personnel of Royal Nepal Airlines, Druk Air and Baron Air of India over the past year.

The minister repeatedly emphasised development of the human aspect of service in order to be truly competitive.

Presided over by the Principal of BATC Ruhun Nabi, the function was addressed, among others, by the Secretary, Civil Aviation and Tourism Nooruddin Almasood and Biman's Managing Director Ahbab Ahmad.

The Secretary, Civil Aviation and Tourism in his speech said that it was a great opportunity to improve and project a better image of the country abroad.



Emergency workers look through the wreckage of a passenger train on Thursday that collided head-on with another one at a provincial intersection, 386 kilometres south of Seoul. At least three people were killed and 150 others injured in the crash. — AFP photo