

Country's export earnings increase by 29.64 pc in 4 months

By Rafiq Hasan

The export earnings of the country has increased by 29.64 per cent during the first four months of the current fiscal year compared to the corresponding period of 1993-94.

According to the Export Promotion Bureau (EPB) figure, during the July-October period the country has exported goods worth 1191.03 million US dollars, which is 272.32 million dollars more than the export earnings of the period July-October 93.

The monthly report of the EPB on export also said that the export earnings during the period, also crossed the target by 15.26 per cent fixed at 1033.33 million dollars.

The price index of the overall export earnings has increased by 5.91 per cent and export in volume increased by 23.73 per cent in the month of October alone the country earned 280.64 million dollars by exporting various items.

After examining the export earnings of the major commodities, the monthly report said, during the period, the export target was not achieved in raw jute, agricultural goods, knitwear, engineering goods, handicrafts and other primary goods sector while the export target was achieved in frozen food, tea, petroleum by-product, chemical products, leather, leather products, garments and other industrial products sector.

However, compared to the last year, the export earning has declined in raw jute, tea, handicrafts, agricultural goods and other primary goods and it increased in frozen food, petroleum by-products, leather, jute goods knitwear, garments, chemical products and other industrial products.

The export earnings have increased most 51.55 per cent in the leather sector. During the period, the country has exported 62.34 million square feet of leather and earned 74.85 million dollars which is 12.27 per cent more than the target fixed at 66.67 million dollars. In the previous year, the earning figure was 49.39 million dollars.

The export earning has increased 50.40 per cent in the frozen food sector. During the period, the country earned 145.95 million dollars by exporting 36.46 million pounds of frozen food. Among these the amount of shrimp export is 27.52 million pounds worth 124.38 million dollars. In the previous year, the earning from this sector was 97.04 million dollars by exporting 26.80 million pounds of frozen food.

In the tea sector the export earnings declined by 41.47 per cent compared to the period of the last year. During the period the export earnings from tea stood at 10.64 million dollars. During the same period in previous year the figure was 18.18 million dollars. The main cause of the decline was attributed in the report for the severe price fall in the world market. Current price of per kilogram tea is 1.41 dollars while it was 1.23 dollars last year, which is 12.77 per cent lower.

According to the report, the export earnings from garments sector has increased by 21.88 per cent during the period, the country has exported 623.57 million dollar worth of garments to the different countries of the world. The figure is 13.38 per cent more than the target fixed at 550.00 million dollars for the period. In the last year, the country had earned 511.63 million dol-

lars from this sector. The share of this sector in the total export earnings of the country now stood at 53.23 per cent.

The export earning declined most 37.59 per cent in the raw jute sector. During the period, the earning was 16.47 million dollars against the targeted figure 20 million dollars. During the same period in the last year, the export earning from this sector was 26.39 million dollars. The volume of

the export of this year is 281.17 thousand bales.

Among the countries where our goods were exported during the period, the United States remained in the top. Bangladesh has earned 398.57 million dollars by exporting goods to the USA which is 33.46 per cent of our total export.

Frozen food, jute yarn, garments, knitwear are the major exporting items to the USA from our country.



An apparel exhibition was held at the Rahman Chamber, Motijheel in the city on Friday organised by Bibi Russell. — Star photo

Bangladesh, NZ agree to expand trade

The visiting New Zealand State Minister for Foreign Affairs and Trade Robin Gray called on Commerce Minister M Shamsul Islam at his secretariat office in the city yesterday, reports UNB.

During the discussion Gray showed his country's keen interest in importing Bangladeshi garment and other products and in this regard both sides agreed to work out details in near future.

Matters relating to investment in Bangladesh also came up in the discussion.

The two sides also agreed to expand trade between the two countries particularly in private sector.

Commerce Minister Shamsul Islam briefed the New Zealand State Minister about the liberal trade and investment policy of the Bangladesh government.

Commerce Secretary AH Mofazzal Karim was present on the occasion.

Dev of equipment landing facilities at ZIA discussed

The 35th parliamentary standing committee meeting of the Ministry of Civil Aviation and Tourism was held at Jatiya Sangsad Bhaban here yesterday with State Minister for Civil Aviation and Tourism Major (Retd) Abdul Mannan in the chair, reports BSS.

The meeting held discussion on setting up of radar at Zia International Airport and recruitment role of Biman Bangladesh Airlines. The meeting stressed the need for the development of equipment landing facilities at ZIA. In this context, the minister directed the Civil Aviation Authority to take measures to develop the equipment landing facilities. The meeting also stressed the need for recruiting the technically qualified and experienced manpower in Biman if needed.

The meeting was attended, among others, by the members of the committee Ataur Rahman Khan MP, Alam Khan MP, Saiful Azam MP and Begum Rahima Khandaker MP.

Standard Chartered Equitor Group officials due today

Paul Barker, General Manager, and G T Goh, Head of Group Custody Operations of Standard Chartered Equitor Group are arriving in Dhaka today for a one-day visit to the bank's Custody Operations in Bangladesh, says a press release.

Barker and Goh during their stay in Bangladesh will visit the Securities and Exchange Commission (SEC), Bangladesh Bank and the Dhaka Stock Exchange (DSE).

Two-day apparel fair begins today

By Staff Correspondent

A two-day apparel fair begins today at 82, Kakrail near Willis Little Flower School on the occasion of Eid-ul-Fitr. "Shuchi Shaly" the marketing centre of the apparels made by Singer machine workers has arranged the fair.

Singer Bangladesh said in a statement yesterday that different kinds of childrenwears, garments panjabi, sharee, textiles including the grameen check would be put on display at the fair.

The fair will remain open from 10 am to 5 pm everyday for visitors.

PDB officials urged to ensure optimum use of installed capacity

Energy and Mineral Resources Minister Dr Khandaker Mosharraf Hossain yesterday urged the officials and employees of Power Development Board (PDB) to ensure optimum utilisation of installed electricity capacity in a planned manner to meet the demand of the country, reports BSS.

The minister was presiding over a high level revenue meeting of PDB here.

Finance Secretary Nasimuddin Ahmed, Energy and Mineral Resources Secretary M Faizur Razaque,

Chairman of PDB Kazi Golam Rahman were, among others, present on the occasion.

The minister laid emphasis on rational use of electricity to minimise consumption gap between peak hour and off peak hour use of electricity. In this context, he urged the consumers to maintain load management practice to avert load shedding in the country. He also asked the PDB officials to further improve their efficiency to make this public utility service economically viable.

Dr. Mosharraf was informed

that PDB revenue collection stands at 782 crore taka during the last seven months of the current fiscal year which is 15.26 per cent higher than the corresponding period of last fiscal year.

He was further informed that the average system loss of PDB of the last seven months have reduced to 22.99 per cent which was 23.88 per cent on an average during the last fiscal year.

The meeting had a discussion on generation, rehabilitation and future programme of electricity of the country.



A discussion meeting on semi-intensive shrimp culture and disease control was held in Bangladesh Bank conference room yesterday. Deputy Governor A B M Mahbul Amin Khan acted as moderator of the discussion meeting. Senior commercial and central bankers including Deputy Governor Shah Abdul Hannan and executive directors of the bank attended the discussion meeting.

New York Times reports Iraq selling oil secretly

NEW YORK, Feb 18: Iraq has been selling oil secretly over the past year in violation of existing United Nations sanctions, bringing in as much as 800 million dollars to its beleaguered economy, the New York Times said Thursday, reports AFP.

The oil exports are carried out with the tacit support of Turkey, Iran, Jordan and other countries in the region who believe that the UN sanctions, imposed after Iraq invaded Kuwait in 1990 should be lifted, senior oil industry executives and traders told the daily.

The secret network, managed by senior government officials related to Iraqi President Saddam Hussein, moves as many as 200,000 barrels of oil a day by truck through Iraq's northern Kurdish region into Turkey or Iran.

It is sold well below the current market price for mid-

dle eastern oil of 14 dollars a barrel to a growing network of oil traders motivated by the big discounts, the sources said.

"They are selling their oil at eight to 10 dollars per barrel ... which explains why many of us are willing to take risks to move that off, one oil trader based in London, told the daily.

The executives estimated Iraq's revenues last year from such oil exports at between 700 million and 800 million dollars, less than six per cent of what it would earn if it were exporting 2.5 million barrels a day, as did before the Gulf War.

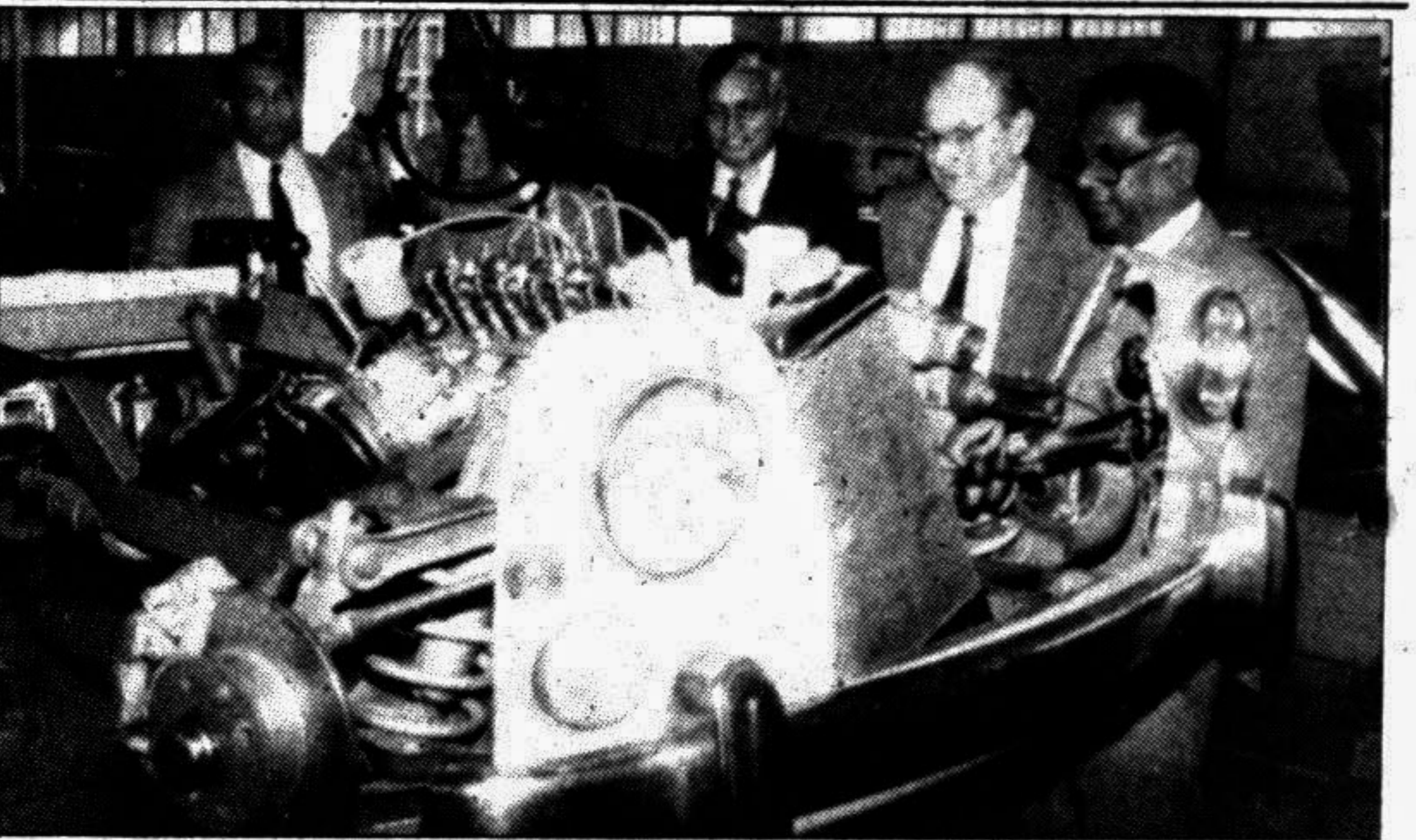
Still, the executives said, the income is significant for a country that has little other source of revenue. Among those running the oil smuggling network, which shows signs of expanding further, were Saddam's son, Uday, and brother-in-law, Industry Minister Hussein Kamil, the sources said.

SIA to replace existing fleet by Learjet aircraft

Singapore Airlines, which operates a fleet of four specially-configure Learjet 31 aircraft for pilot training, has placed an order with the Learjet Corp of Wichita for two Learjet 31, and four Learjet 45 aircraft. The total value of the contract is 56 million US dollars including the cost of spares, says a press release.

The two Learjet 31 Aircraft, scheduled for delivery in December 1995, will replace two of the existing Learjets, as the latter have been heavily utilised since their introduction in late 1991. The four Learjet 45 aircraft will replace the Learjet 31 fleet in the last quarter of 1997.

The Learjet 45, which has yet to fly, will be equipped with several advanced features and a superior avionics system to the Learjet 31.



James N Purcell Jr, Director General of the International Organisation of Migration, visited the Islamic Institute of Technology (former ICTVTR) on Thursday. Prof Dr A M Patwari, Director General of IIT is also seen in the picture.

Retail price of chemical fertilizers comes down

The retail price of chemical fertilizers has come down in most of the areas of the country, as a result of some emergency measures taken by the government recently, reports BSS.

This was informed in an inter-ministerial meeting held at the Bangladesh Secretariat yesterday on the price, distribution and supply of chemical fertilizers.

Agriculture and water resources minister M Majid-ul-Haq presided over the meeting.

Industries Minister A M Jahiruddin Khan, Industries Secretary A H M Abdul Hai, high officials of the concerned ministries, Chairman, Bangladesh Fertilizer Association, Abdus Samad, Vice-Chairman, Kafil Uddin Ahmed and Director, Salah Uddin Ahmed also attended the meeting.

The government has reduced the price of urea by Taka one thousand per ton. The government has also taken a number of steps including fixing up maximum retail prices and supplying adequate quantity of fertilizers through the Deputy Commissioners at district level besides the fertilizer dealers.

The meeting was informed that fertilizers were being sold at higher prices in some areas of the country. The meeting decided to take necessary steps for reducing the price of fertilizer in those particular areas. In this regards, the meeting sought cooperation of Bangladesh Fertilizer Association.

Japanese satellite targets Indian skies

BOMBAY, Feb 18: A Japanese satellite may pick up business following the launch failure of the Apstar 2 satellite from broadcast, targeting the large South Asian market, satellite experts said on Friday.

"After the Apstar 2 crash, this satellite should emerge as a good platform for broadcasters aiming for the South Asian television market," Tadashi Wakasa, Chairman of Lios Planning, told Reuters.

His Tokyo-based company has leased eight channels on JC-SAT3, the next satellite to be launched by Japan Communications Satellite Company (JCS) on August 17, targeted at Indian skies.

It is now busy selling the channels to potential broadcasters in South Asia.

Devaluation: IMF's Advice and Our Position—Part 1

By Nitai C Nag

Devaluation or debasement of currency as a matter of public policy was in practice even in Athens in the 4th century BC. In the Roman Empire, Aes Grave was repeatedly devalued to finance the Punic Wars.

Throughout the duration of the Gold Standard (1880-1914) devaluation would mean a debasement of a currency since the value of a currency was then determined by its gold content. The inter war period between 1914 and 1945 saw no effective international coordination in the determination of exchange rate

value currencies. This period was marked by high volatility of exchange rates.

The part of IMF

Devaluation became most meaningful under the Gold Exchange System which guided the world monetary system between 1947 and 1971. This system is also known as the IMF System after the IMF where it was devised in 1947. Under this system, the US dollar was pegged to gold; an ounce of gold was equivalent to 35 dollar. Other countries were required to peg respective currencies to US dollar. Exchangeability of other currencies into US dollar would, therefore, indirectly mean their exchangeability into gold.

Under the IMF system, countries were allowed to de-

value currencies only to meet fundamental disequilibrium of balance of payments. Large and persistent balance of payment deficits and surpluses would roughly indicate fundamental disequilibrium. A country willing to devalue its currency by more than 10 per cent had to obtain IMF's permission on priority. The principal aim of this role of the IMF was to support the growth of free international trade.

In 1971 when the United States failed to continue with the fixed exchange rate due to heavy demand for gold against dollar, the IMF system collapsed and all the major currencies of the world began to float against each other. The IMF thus lost its main job of overseeing fixed exchange rate, incidentally as the IMF began to search for new job it

found one almost readily. Throughout the 1970's the world had been coping with the aftermath of the Oil Shock and the floating exchange rate regime. Non-oil third world countries miserably failed to meet their import obligations.

And as many of these countries showed signs of being close to defaulting debt service, the IMF thought in its indispensable duty to make sure that the international creditors do not lose their capital. Accordingly poor countries began to be bailed out by the IMF subject to the condition that they would not default debt servicing. Their balance of payments were to be so restructured as to show adequate surplus for debt servicing. The IMF thus manifestly abandoned its founding objective of support-

ing growth of free international trade.

Meanwhile, devaluation, lost most of its meaning with more and more countries adherence to floating exchange rate. The poor developing countries, however, continued to do with fixed exchange, system for years after 1971. Many of them began to practise the so-called adjustable peg system under which both market forces and government intervention fix a currency's exchange rate. Devaluation now makes sense only in the latter category of count.

According to the IMF, a poor country can earn more foreign exchange to settle external obligation including debt servicing only by exporting more. Poor countries facing foreign exchange constraints should, therefore, ad-

here to export promotion strategy in international trade. It is, however, all right for the IMF if a country has to cut imports of even essentials to service external debt punctually. And exports can be promoted by strictly checking any appreciation of the exchange rate. Exchange rate appreciates due to inflation. Inflation makes imports relatively cheaper to the domestic buyers and exports relatively expensive to the foreigners at given exchange rate. As a result, the volume of imports increase and that of the exports decline which lead to excess demand for foreign currency. People then want to pay higher amount of domestic currency per unit of foreign currency. This is an indication of appreciation of the prevailing exchange rate.

Directorate General Defence Purchase Ministry of Defence New Airport Road, Tejgaon, Dhaka-1215 Tender Notice

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার মুদ্রণ, লেখসামগ্রী, ফরম ও প্রকাশনা অধিদপ্তর তেজগাঁও, ঢাকা-১২০৮ মাইক্রোবাস ক্রয়ের দরপত্র বিজ্ঞপ্তি

আবদুল হাই আহমদ সহকারী নিয়ন্ত্রক (প্রশাস-২) ফোনঃ ৬০১৫২৪