

Country's export earnings exceed target in six months

By Rafiq Hasan

The country's export earnings from some major sectors have exceeded the target during the first half of the current fiscal year.

According to the latest figure of the Export Promotion Bureau (EPB), the export earnings from frozen food crossed the target by 66.57 per cent, tea 17.93, raw jute 2.17, jute goods 15.17, knitwear 7.19 and garments 14.63 per cent.

During the first six months of the 1994-95 fiscal year up to December, the total export earnings stood at 1790.79 million dollars. It is 503.60 million dollars more than the earnings during the same period of the last fiscal year.

However, in some sectors, the export earnings have declined during the period compared to the last fiscal year.

Among the losers, raw jute, tea, handicrafts, agri-cultural products and other primary goods sectors are the main.

The largest export earnings were in knitwear sector. Its earnings rose by 92.80 per cent in the same period of the previous year. The country earned 160.78 million US dollars from this sector during the July-December period of last year. During this period, the earnings were

83.39 million dollars.

The second largest growth was in frozen food sector where the export earnings rose by 66.57 per cent during the period than the earnings of the last year. The figure also crossed the target by 66.57 per cent.

The country earned 199.89 million dollars by exporting 52.36 million pounds of frozen foods against the targeted 120 million dollars. During the same period of 93-94 fiscal year, the earnings from this sector were 124.65 million dollars by exporting 35.33 million pounds of frozen foods.

This year, the earnings from frozen shrimp alone were 166.28 million dollars against 37.62 million pounds of shrimps.

The leather sector, which is one of the major foreign currency earners of the country, has experienced 43.57 per cent rise during the period.

The earnings from this sector stood at 109.63 million dollars up to December of the current fiscal year against 89.86 million square feet of crushed leather. In the same period of the previous year, the earnings were 76.36 million dollars. The targeted figure

was 100 million dollars for the period.

The readymade garments sector, the largest foreign currency earner of the country, has gained 36.57 per cent rise during the period. The export earnings from this sector stood at 945.72 million dollars against the targeted 825 million dollars for the period. This sector now bears 52.81 per cent share of the total export earnings of the country. During the same period in the previous year, the figure was 692.48 million dollars.

The target was fixed at 157.50 million dollars from jute goods sector for the first six months of the current fiscal year while the actual amount stood at 181.40 million dollars, 15.17 per cent more than the target.

Although, the export earnings from the tea sector crossed the target but — it declined 28.09 per cent than the previous year. The country fetched 17.69 million dollars by exporting 14.38 million kilogram of tea during the period.

The export target for the period was fixed at 15 million dollars. The main cause for the fall was attributed to the international price, which declined

to 1.23 dollar per kilogram from 1.41 dollars last year.

The export earnings has declined most 9.99 per cent in raw jute sector. During the period, the country earned 30.65 million dollars against 522.86 thousand bales of raw jute. In the previous year, the earnings during the same period was 34.05 million dollars. The amount was 640.03 thousand bales.

The US is still the largest consumer country of our commodities. During the period, Bangladesh has exported various kinds of goods worth 595.48 million dollars to US which is 33.25 per cent of our total export earnings.

The major commodities which have been exported to US are: frozen foods 64.28 million dollars, knitwear 39.42 million dollars, jute yarn 5.96 million dollars and readymade garments 442.28 million dollars.

During the period, 38.66 per cent of frozen food, 24.52 per cent of knitwear, and 46.77 per cent of readymade garments were exported to US. Other major countries where our goods are exported are: The Netherlands, Iran, Japan, Singapore, India, China, and Pakistan.

Oxfam carrying out drought rehabilitation programme

Oxfam Bangladesh is carrying out a drought rehabilitation programme in three northern districts of the country with assistance from Britain's Overseas Development Administration (ODA), says UNB.

The programme worth Tk 56.7 lakh has been carried out in Nilphamari, Kurigram and Gaibandha districts through the Aid Management Office of the British High Commission in Dhaka.

Under the programme, Oxfam will provide 6,000 people, of whom 60 per cent are women, with employment through a cash for work programme.

Besides, 1,000 families will receive interest-free loans for income generation mainly through small trading while 800 landless share-croppers will be given treadle pumps and support for other inputs under crop recovery programme.

In February this year, ODA provided funds worth Tk 88.37 lakh to Save the Children Fund (UK) for emergency relief in Dewanganj and Fulchhari thanas of Jamalpur and Gaibandha districts respectively.

In November last year, ODA also provided Tk 6.4 crore to assist the Rangpur-Dinajpur Rural Services (RDRS) in a drought relief programme, said a press release.

SIAEC opens SGD 130m hangar

The SIA Engineering Company's (SIAEC) new 130 million Singapore dollars (SGD) hangar, which was officially opened on Friday at Changi airport, is expected to enhance significantly Singapore's position as an aerospace centre and boost SIAEC's status as a leading provider of aircraft maintenance services, says a press release.

The opening of the hangar and its eight-storey annex by the Minister for Defence and Labour, Dr Lee Boon Yang, completed a two-and-a-half year project. The new facility has given SIAEC the capacity to accommodate two more B747 aircraft, bringing to five the total number of B747 aircraft which can be housed at any one time in the two hangars owned by the Singapore Airlines (SIA) Group.

The new hangar also features the latest aircraft maintenance and servicing technology, such as a computerised teleplatform, a central static converter and air compressors.

Speaking at the opening ceremony, SIAEC Chairman J Y Pillay said the company was among the largest of providers of repair, maintenance and overhaul services in the aviation industry in Asia. "The hangar represents the largest investment of the company since its incorporation in 1992," he added.

The hangar began operations in mid-1994, prior to the official opening, with servicing of SIA aircraft.

Cooperative movement yet to achieve desired goal: Salam

The LGRD and Cooperatives Minister Abdus Salam Talukder said here yesterday that a cooperative movement led by honest and sincere persons could help achieve socio-economic development for the poor people in the country, reports BSS.

Speaking at a function on the occasion of distribution of prizes among the best cooperators and best cooperative societies of the Dhaka Division the minister said the cooperative movement was yet to achieve its desired goal although it had started 100 years ago.

Lack of honest leadership and proper management, and legal complexities had been hindering the cooperative movement in the country.

Presided over by Azizul Huq Bhuiyan, Registrar of Cooperative Societies, the function was also addressed among others by Deputy Minister for LGRD and Cooperatives, Mohammad Abdul Hye, Whip of the Jatiya Sangsad, Ashraf Hossain, Chairman of Bangladesh National Cooperatives Union, Salahuddin Ahmed MP, Chairperson of National Women Cooperative Society, K J Hamida Khanam MP and prize winners Abdul Qader and Farida Akhtar.

A total of 34 cooperative societies and 34 best cooperators were given prizes at the function.

Barrister Talukder said only an effective cooperative movement could bring a revolutionary change in the country's socio-economic sector.

He urged the cooperators to carry forward the cooperative movement through honest and sincere efforts to reach the desired goal of achieving socio-economic progress.

The minister said despite some failures, there had been considerable progress in the cooperative movement in the country.

Speaking on the occasion Deputy Minister Abdul Hye said the government had undertaken extensive programmes for the development of cooperative activities.

He urged the cooperators to play their due role in implementing those programmes aimed at ameliorating the condition of the poor people.



P Landell-Mills and other officials of World Bank Resident Mission in the city, met the members of the Metropolitan Chamber of Commerce and Industry, Dhaka, at the chamber office yesterday. M Anis Ud Dowla, President, MCC&I, led the members.

Finance Minister says in Washington

Bangladesh can meet 45 pc of ADP from own resources

WASHINGTON, Mar 27: Finance Minister M Saifur Rahman said here that the present government has improved the economy to a position that enables the country to meet 45 per cent of the annual development plan (ADP) this year from its own resources, which was 40 per cent last year, reports BSS.

Addressing the officers and staff of the Bangladesh mission at the embassy residence on the occasion of the Independence and National Day observance here yesterday, the minister called upon his countrymen home and abroad to make positive contributions in their respective fields in order to make the country self-reliant.

Earlier Rahman hoisted the national flag at a simple ceremony while Bangladesh Ambassador to the USA Humayun Kabir, stood beside him.

The Finance Minister paid glowing tributes to the valiant

martyrs of the War of Liberation whose sacrifices contributed to the emergence of Bangladesh as an independent and sovereign state. He said, building of the country on solid economic foundation could only make the hard-earned independence meaningful. "This is only possible through economic development and progress in all spheres of national life," he added.

Pharmaceutical conference begins Friday

A two-day South Asian Pharmaceutical conference will begin in the capital on March 31, reports BSS.

The conference, to be participated by over 300 pharmacists and professionals from within and outside the SAARC countries, will concentrate to find out appropriate ways to ensure better professional services.

Later, prayers were offered for the peace of the departed souls of the martyrs and the wisdom of the leaders to lead Bangladesh towards the realisation of the ideals and the goals of the struggle. The Independence and National Day was observed with due dignity and solemnity by the officers and the staff of the Bangladesh Embassy here.

BB auction

Four bids for a total amount of Taka 30 crore were received at the 55th auction of the 91-day Bangladesh Bank Bill held yesterday.

According to a BB press release, all the four bids were accepted.

China still faces inflation problem

BEIJING, Mar 27: China still faces an uphill battle to curb inflation despite the fourth straight drop in the retail price index in February to 19.7 per cent year on year, the Xinhua news agency said today, reports Reuters.

Although the retail price index has dropped below 20 per cent for the first time since last June, the index is still very high and the momentum of growth in some regions remains strong. Xinhua quoted an official of the State Planning Commission as saying.

Statistics show the retail price indices of Tianjin, Beijing and Shanghai, China's three major cities, dropped below 15 per cent in February. Tianjin's retail price index rose by 11.5 per cent compared with the year-ago period, while in Beijing the index rose 12.8 per cent and by 13.6 per cent in Shanghai.

In central Anhui province, in southern Guangdong and other southern provinces, retail price indices dropped below the national average of 19.7 per cent, the statistics showed.

But the retail price indices for 16 other provinces still hovered above the national average, with southwestern Guizhou the highest at 25.8 per cent.

Dhaka, Delhi may cooperate in power sector

Energy Minister Dr Khondker Mosharrar Hossain said yesterday that Bangladesh and India would explore the possibility of cooperation in the field of electricity.

The minister was talking to BSS at his secretariat office on return from recently concluded week-long South Asia summit on "Natural gas potentials," sponsored by Asian Development Bank (ADB).

Referring to the outcome of the summit, Dr Mosharrar said, "We had discussions on overall

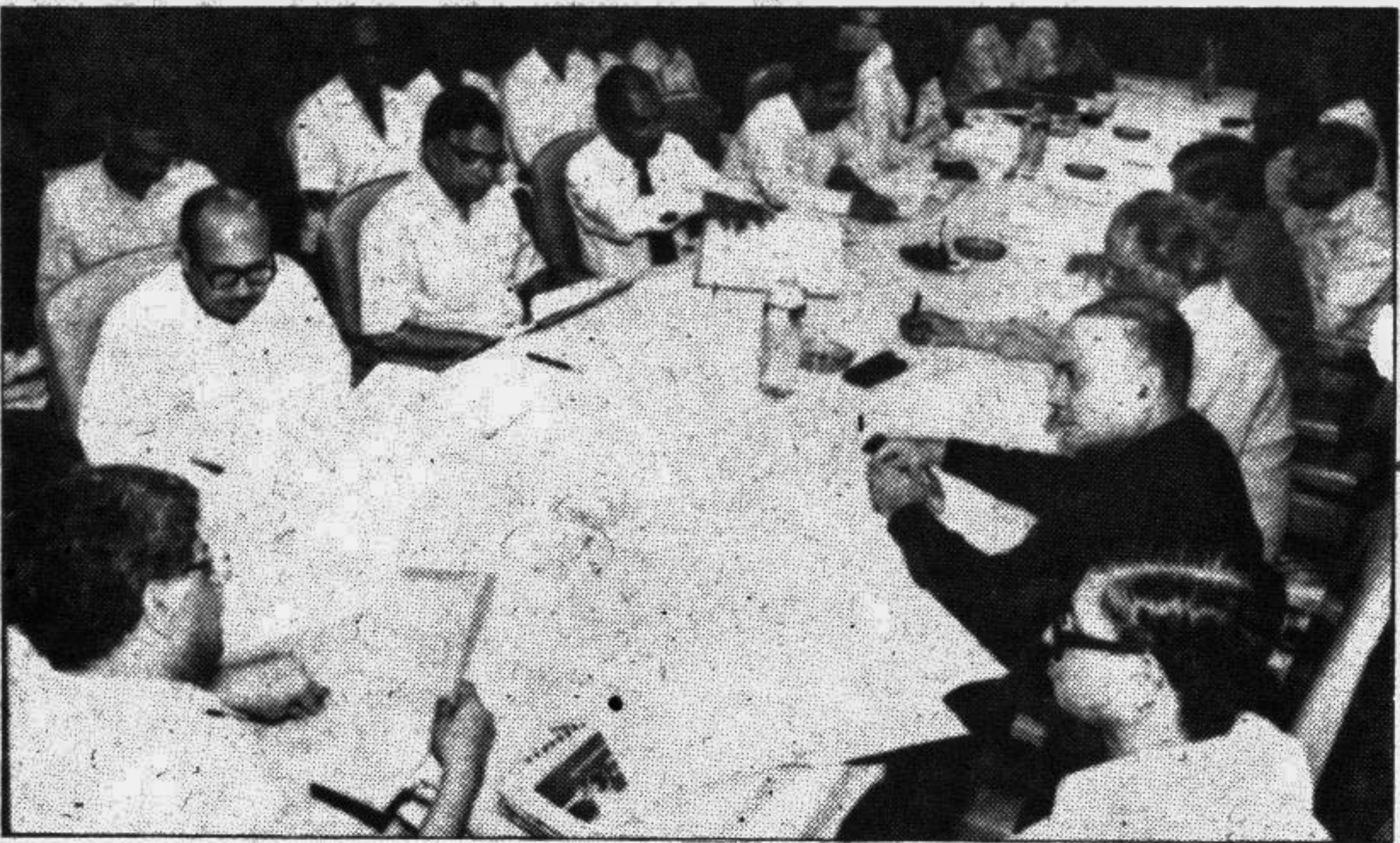
regional cooperation for rational utilisation of energy sources." He said there were exchange of ideas and thoughts on exploration of energy and cooperation.

Dr Mosharrar described his meeting with Indian Minister for Petroleum and Natural Gas Capt Satish Sharma as very useful. Besides, he had meetings with Indian Minister for Conventional and Natural Resources S Krishna Kumar and Minister for Power N K P Salve.

On way to Dhaka Dr

Mosharrar seized the opportunity for a meeting with West Bengal Chief Minister Jyoti Basu. During the 45-minute meeting with Basu the minister conveyed thanks on behalf of the government of Bangladesh for the transit permit for import of Indian foodgrains through West Bengal.

The West Bengal Chief Minister, Dr Mosharrar said, had words of praises for Bangladesh's progress in different sectors despite political problems.



Dr A T M Shamsul Huda, Secretary, Banking Division, Finance Ministry, seen presiding over the 24th meeting of the Review Committee for Sick Industries in the board room of Bangladesh Krishi Bank on Saturday.

Growth trend in rural electrification in Bangladesh

By Mahfuzur Rahman and Khandaker Mainuddin

Energy is consumed in the production of goods and services and other useful works. It is therefore an indicator of the level of economic activities needed to satisfy human needs and wants.

Consumption of electricity, one of the most convenient forms of energy for versatile uses, is widely acknowledged as an indicator of socio-economic development and technological efficiency.

The traditional rural society of Bangladesh comprising thousands of villages have long been deprived of electricity although the importance of rural development has frequently been emphasised. With the emergence of Bangladesh as an independent country, strong commitment to rural electrification has found expression in the development plans.

Rural electrification now is viewed as an important component of the overall rural infrastructure including the communication system.

The launching of the rural electrification programme in Bangladesh dates back to the year 1980 following a comprehensive feasibility study. An important characteristic feature of the programme is people's participation under the principle of consumers' cooperative. The beneficiary consumers of a rural electric cooperative known as PBS (Palli Bidyut Samity) are themselves the owners of their PBS. The consumers exercise their rights in formulating the policies and plans of the PBS and bear responsibility of its operational sustainability. For each PBS a decentralised and autonomous power distribution system is built under area coverage rural electrification scheme.

Objectives of RE Programme

RE programme is aimed at achieving both general and specific objectives relating to socio-economic development of the country. The general objectives are to stimulate rural economic activity, generate employment opportunities for the rural workforce and foster rural development.

The specific objectives of RE programme may be summarised as follows:

- Increased use of electricity for irrigation to boost agri-

- cultural productivity;
- Increased use of electricity for rural small and cottage industry creating employment opportunities;
- Increased use of electricity by the rural households for improved living standard;
- Increased use of electricity by the various social and community institutions for socio-cultural development; and
- Balanced development of the regions and reduction in disparity between rural and urban areas.

Progress of Rural Electrification

RE programme since its beginning has witnessed remarkable progress over the past one and a half decade. Area coverage programme has gradually been extended covering 68 per cent of the country's rural area under the institutional framework of 53 PBSs.

By June 1994, 22 per cent of the country's villages were brought under the distribution network of rural electrification. More than 60,000 km of distribution lines and auxiliary facilities have been built under the programme. The total number of beneficiary consumers stood at 930,601 as of June 1994.

A breakup of the consumers belonging to a different categories is as follows:

	No. of consumers	Percentage
Residential	752,504	80.86
Commercial	118,205	12.70
Irrigational	35,749	3.84
Industrial	19,145	2.06
Others	4,998	0.54
Total	930,601	100

With rapid expansion of the rural electrification network, new consumers connected to the system are also growing fast. Annual addition of new consumers now exceed 1.5 lakh

compared to 0.5 lakh a decade ago.

Trend of Growth

To have a comprehensive view of growth in rural electrification, it is important to look at the various components of the programme including project area coverage, infrastructure building, new connections, energy consumption and revenue generation.

While the overall growth of rural electrification is determined by all such components, the growth performance, to a great extent, is reflected through two pivotal areas: consumer connections and consumption. The constant annual growth rates of connections and energy consumption for different categories for the period 1986-87 through 1993-94 are as follows:

	Constant annual growth rates (%)	
	Consumers	Consumption
Residential	20.27	21.84
Commercial	16.24	12.0
Irrigational	23.62	22.27
Industrial	19.53	14.48
Total	19.73	17.83

The period of the initial stage of rural electrification has not been included in computation of growth which is likely to be inflated because of low base figures.

In can be seen that the overall growth rates under the RE system are 19.73 per cent for consumers and 17.83 per cent for consumption of electricity. Growth rate has been highest for irrigation consumers followed by domestic consumers. There has been a 23.62 per cent constant growth of irrigational consumers. The growth rates of domestic, industrial and commercial consumers are 20.27, 19.53 and 14.48 per cent respectively. With regard to electricity consumption, the constant annual growth rates are 22.27 per

cent for irrigation, 21.84 per cent for domestic and 14.48 per cent for industrial sectors.

While consumption growth has surpassed consumer growth for the domestic sector, the scenario is just the opposite for the other sectors. Consumption growth has lagged behind consumer growth by 1.35 per cent for irrigation, 4.24 per cent for commercial and 5.05 per cent for industrial sectors. The above growth trend implies that average electricity consumption per domestic consumer has increased but average consumption per consumer has declined for the other sectors. The increased use of electricity by the domestic users can be attributed to the addition to the stock of household appliances.

This trend of rising living condition has also been revealed by several cross sectional studies. The fall in the consumption level per industrial unit is the result of a higher percentage of small scale industries that have emerged in the rural areas over the years. Energy efficiency measures introduced by the larger industries might also have contributed to the fall in average consumption in this sector. Average consumption per irrigational unit has shown only a small decline compared with that of the industrial unit.

The growth rates of consumers and energy consumption, though appear to be impressive, are below the potential levels. It has been observed that the facilities created through rural electrification are not being fully utilised. The utilisation of facilities again vary widely among different regions of the country. The poorer section cannot avail themselves of the facilities due to financial constraint. A significant fraction of the poor consumers cannot sustain their connections causing inefficiency to the system. It is therefore important that complementary development programmes on poverty alleviation and income generation are also undertaken specially in the backward regions for the sake of a viable and growth oriented rural electrification programme.