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NEWS BRIEFS

**2 killed, 4 hurt
in road accident**

FENI, Apr 26: Two people were killed and four others injured when a passenger bus collided with a microbus on the Dhaka-Chittagong highway at Koska in Sadar thana today. Police said the accident occurred at noon when the Chittagong-bound microbus hit the passenger bus coming from opposite direction, reports UNB.

**CHT truce extended
till June 30**

The government and Chittagong Hill Tracts Janasanghati Samity extended the period of truce upto June 30 in the three hill districts, an official announcement said in the city last night. The deadline of the truce earlier was upto April 30, reports BSS.

**44 firearms seized,
14 arrested**

Police recovered 44 firearms from different parts of the country yesterday. The seized arms included eight revolvers, three pistols, 23 pipe guns, one barrel gun, five cut-rifles, two shutter guns, 126 ammunition and huge quantity of explosives, reports BSS.

**BOI chairman
returns home**

Executive Chairman of the Board of Investment (BOI) Dr Toufiq-e-Elahi Chowdhury who met with a road accident in Tokyo last month returned home today, reports UNB.

BOI officials said Chowdhury's collar-bone and several ribs fractured and left hand was damaged in the accident near Narita Airport on his way back home after attending a seminar sponsored by Asian Productivity Organisation in the Japanese capital.

**Call to mop up
illegal arms**

PARIDPUR, Apr 26: Inspector General of Police (IGP) M Azizul Haq today directed the police personnel to make their all out efforts to mop up illegal arms for holding the next elections in a free and fair manner, reports UNB.

"Police personnel would be rewarded for their good jobs but stern action would be taken for lapses on their part," the IGP said while addressing the regional conference of police.

Police Super of Paridpur, Madaripur, Sharikatpur, Rajbari and Gopalganj districts attended the conference.

Liquidity crisis reaches new height Call money rate soars to 24pc

By Inam Ahmed and RM Titumir

The liquidity crisis in the country's banking system reached a new height when call money rate soared to a record 24 per cent on Thursday, which the bankers had feared two weeks ago, according to banking circle.

The commercial banks scrambled in the money market for liquidity as demands for funds rapidly increased for the coming Eid and pre-election expenses in addition to the previous pressure of settling the pending import bills, bankers said.

Leading banks like Sonali,

Janata and Agrani were also desperate to borrow funds along with almost all foreign and private banks except UCBL, Pubali, and Eastern Bank which were net lenders to the market on Thursday, they pointed out.

Banks had also stopped quoting forward exchange rate because of the soaring take rate since forward rate is fixed on the basis of interest rate differential between taka and foreign exchange.

Sensing the liquidity crunch in the market, a meeting in the banking division of

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the finance ministry with Finance Adviser Dr Wahiduddin Mahmud in the chat recently, resolved that banks which are facing liquidity crisis may ask for re-discount facility from the central bank with specific information regarding its liquidity position.

The central bank will consider such approaches under the present situation, banking sources said.

But the central bank remained a silent spectator on Thursday and did not come up to ease the situation as its

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AL finalises nomination procedure

By Staff Correspondent

Awami League's nomination forms will be on sale at Tk. 500 at the party central office and nomination seekers will have to submit the forms with a deposit of Tk. 500 each.

AL will start distributing the forms soon after the announcement of the election schedule by the Election Commission.

This was decided at an emergency meeting of the Awami League Central Working Committee (ALCWC) last night at Awami Foundation Office in the city with acting party President Abdus Samad Azad in the chair.

The list of AL nominees for the coming parliamentary polls would be finalised after completion of interviews of the nomination seekers by a party parliamentary board. The process is likely to start soon after AL chief Sheikh Hasina returns home on May 1 after performing Hajj, party sources said.

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Rush of home-bound people for Eid at Sadarghat terminal yesterday.

— Star photo

UNCTAD forecast on garments export

Dhaka may gain from UR accord, but lose markets eventually

Bangladesh's garment sector is likely to gain from the Uruguay Round trade agreement in the medium term, but may ultimately lose market shares to relatively developed economies, reports UNB.

The United Nations Conference on Trade and Development (UNCTAD) says Bangladesh and some other least developed countries may see expanded export opportunities due to a set of factors included in the trade agreement.

These LDCs are likely to be benefited by phasing out of the multifibre arrangement (MFA) and associated tariff reduction, the provision for increased growth rates of MFA quotas and improvement in application of the flexibility provisions.

But an intensified competition in export markets may lead to a loss of market share by some LDCs to more developed countries (DCs) with stronger industrial bases like China, India, Indonesia and Pakistan, says UNCTAD in its Least Developed Countries Report 1996.

Current market share of some LDCs who are not the

members of World Trade Organisation — Cambodia, the Lao People's Democratic Republic and Nepal — may be threatened with the market expansion of WTO-member LDCs.

Competition for textiles and garment-related foreign investment and technology, the UNCTAD says, may also increase for some LDCs that lack of infrastructure and institutional preconditions critical for attracting FDI inflow.

Under the Uruguay Round of multilateral trade negotiations, which was successfully concluded with the signing of the final act in April 1994, the trade of textiles and cloths has been integrated within the GATT framework of rules.

The multifibre arrangement (MFA), which deals with the trade of textiles and cloths, is set to phase out over the next 10 years starting from 1995 with progressive dismantling of the quota system.

This is to be accompanied by increased growth rates in quotas and the gradual integration of products with recourse to a transitional safeguard for those products under restraint but not yet integrated into GATT.

It observes that the markets for their primary commodities

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The UNCTAD report says, textiles and garments are of substantial export interest as they have provided the impetus to industrialization in some LDCs, though their domestic value added is low because of a high import-content.

The sector is particularly important to Bangladesh, the Lao Republic, Lesotho and Nepal that face MFA and MFA-type restrictions in the Canadian and US markets and, in case of Bangladesh, in the European market as well.

While pointing out the potential damages arising from the current trends towards increased global integration and liberalization within the context of the Uruguay Round (UR) agreement, the UNCTAD says some aspects of the global economic developments are not favourable for the LDCs.

These threaten to accentuate LDCs marginalization from the mainstream of the world economy and their industries and exposed to stronger competition to which they lack the resources to respond effectively," says the report.

It observes that the markets for their primary commodities

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The 34th death anniversary of Sher-e-Bangla A K Fazlul Haq will be observed in the country today, reports UNB.

To mark the day, various socio-cultural organisations have drawn up elaborate programmes including placing of wreaths, Quran khawan and milad mahfil at the mazar of the late leader.

President Abdur Rahman Biswas and Chief Adviser Mohammad Habibur Rahman, in separate messages, paid rich tributes to Sher-e-Bangla.

The President, in his message, said

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