

EPB report on six-month performance

Export earnings fall short of target by 11.70pc

By Monjur Mahmud

The country's exports fetched 2.56 billion US dollar in the first six months of the current fiscal year, falling 11.70 per cent short of target and 1.5 per cent lower than the corresponding period of the 1997-98 fiscal.

In terms of taka, export earnings in the first half of 1998-99 fiscal was Tk 12.23 billion, which is 10.29 per cent less than the target and a 5.59 per cent rise over the corresponding period of the previous fiscal, according to an export statement prepared by the Export Promotion Bureau (EPB).

Except for tea, export target of major earning sectors, which include readymade garments (RMG), knitwear, frozen food, leather, raw jute and jute goods, agricultural products, petroleum by-products, chemical products, engineering products, electronics and handicrafts,

could not be achieved during July to December of the current fiscal.

After facing a serious setback due to the prolonged flood during August-November period of 1998-99 fiscal, the country's export earnings showed a significant increase in December, 1998.

Exports fetched \$522 million in December, which is 39 million dollar higher than the average monthly target of \$483 million.

Export by the RMG sector earned \$1487.68 million during July to December of the 1998-99 fiscal, which is 4.94 per cent less than the target. The target of this sector for the first half of the current fiscal was \$1565 million.

Knitwear worth \$454.05 million was exported against the target of \$565 million during

the period, which is 19.64 per cent lower than earnings target and 9.17 per cent higher than the corresponding period of 1997-98.

Frozen food worth \$154.32 million was exported in the first six months of 1998-99 fiscal year against the target of \$160 million. Earnings from this sector is 3.55 per cent less than the target and 19.59 per cent lower than the corresponding period of last fiscal.

The country earned \$945.28 million dollar by exporting different products to the US during July to December of the current fiscal, which accounts for 36.91 per cent of its total export earnings.

Earnings from jute goods was \$139.5 million dollar against the target of \$150 million in the first half of the current fiscal, which fell short by seven per cent of the target. Ex-

port earnings from this very sector stood at \$145.52 million dollar during the corresponding period of the previous fiscal.

Raw jute worth \$29.59 million was exported during the period against the target of \$60 million.

Finished and crust leather exports fetched \$75.53 million dollar, which is 24.47 per cent less than this year's target and 15.23 per cent less than the corresponding period of the last fiscal.

Tea worth \$25.36 million was exported in the first half of the current fiscal against the target of \$25 million dollar, 1.44 per cent higher than the target of the current fiscal but 18.48 per cent less than last fiscal's corresponding period.

\$26.75 million dollar was exported during the period.



TOKYO: Money dealers trade under the price board which quotes 122.00 yen against US dollar at the Tokyo Foreign Exchange market Monday. The Japanese yen fell against the US dollar in Tokyo following the weekend's G7 meeting which tacitly endorsed a weaker Japanese currency. — AFP photo

Japanese steel exports to US plunge 25pc

TOKYO, Feb 22: Japanese steel exports to the United States plunged more than 25 per cent in January compared to the same month a year earlier, the government said Monday, says AP.

Japan's steel exports have become a major trade conflict between the two countries since the US steel industry accused Japanese companies of dumping low-priced steel in the United States.

The Finance Ministry said Monday that Japanese steel fell 25.4 per cent in volume terms, and declined 28.7 per cent in value.

In 1998, exports to the US market more than doubled in terms of volume, increasing 160 per cent to 7.02 million metric tons. Wide strip hot-rolled coil exports to the United States rose 288 per cent to 2.25 million metric tons, Japanese producers said.

Last week, major US steel-makers and the United Steelworkers Union filed import complaints accusing Japan and seven other nations of selling cut-to-length steel in the US market at less than production costs and home market prices.

Earlier this month, the US government said it had evidence that Japan and Brazil had illegally dumped hot-rolled steel in the US market.

Yeltsin signs '99 budget to help end crisis

MOSCOW, Feb 22: President Boris Yeltsin on Monday signed into law Russia's austere 1999 budget, a document designed to help the country out of its worst economic crisis since the 1991 Soviet collapse, reports AP.

The budget was approved by both houses of parliament earlier this month with minimal opposition. Reflecting Russia's economic plight, the budget authorizes government spending of just 575 billion roubles (\$25 billion) and revenues of only 474 billion roubles (\$21 billion), tiny sums given Russia's huge size.

The government hopes the tight budget will keep inflation under control and will also persuade the International Monetary Fund and other foreign lenders to resume assistance that was halted after the economic crisis hit in August.

However, the IMF has expressed doubts about the government's forecasts.

'India's oil reserves to dry up in 13 years'

NEW DELHI, Feb 22: India's oil reserves will dry up in 13 years, government document warned here yesterday, reports AFP.

It said the country would run out of its reserves by 2012 even if only 30 per cent of its demand is met through domestic production.

The ninth plan (1997-2002) document released over the weekend said India's dependence on oil imports would rise by 10 percentage points to 70 per cent by the last year of the plan period.

Oil imports would also soar by 40 per cent to 488 billion rupees (11 billion dollars) during the same period.

Domestic oil production is currently stuck at around 35 million tonnes a year, whereas demand is 77 million tonnes and growing at seven per cent a year.

India has not had a major oil find in more than a decade and imported 31.8 million

tonnes of crude — or half the country's requirements — in the fiscal year ending March 31.

In a bid to boost production, the government decided to open the petroleum sector last year to

Talks on IJO strengthening held

Pakistan High Commissioner to Bangladesh Karam Elahi called on the State Minister for Jute A K M Faezul Huq in Dhaka in the city yesterday, reports UNB.

The High Commissioner stayed with the State Minister for sometime and discussed the ways and means to strengthening the activities of International Jute Organisation (IJO). They also discussed matters relating to mutual interest and bilateral relations.

private sector investment in exploration, production, refining and marketing.

New Delhi says the sector will be completely deregulated by 2002. The document, a blueprint for economic growth prepared every five years, said "acceleration of exploration efforts especially in deep offshore areas as also in the frontier area needed special attention."

It said the government should provide "fiscal and financial incentives" to private companies to attract investment for exploration.

Exploratory activity should be given infrastructure status to attract necessary investments from both public and private sector companies," the document said.

India has so far invited eight rounds of bids for block exploration since 1980, as well as one round offering small and medium oil fields for development as joint venture operations with Indian companies.

Computer at BGMEA office

In a bid to keep proper accounts and bring transparency in readymade garments export, BGMEA yesterday introduced a computer system replacing the manual one, reports UNB.

Bangladesh Garment Manufacturers and Exporters Association president Mostafa Golam Qudus and American Chamber of Commerce (AmCham) President Forest E Cook jointly inaugurated the system at BGMEA office in Dhaka.

The system is the outcome of a memorandum of understanding between BGMEA and AmCham under which both the sides worked for proper management of existing quota or GSP system in exporting readymade garments in the USA, Canada and European Union.

Under the MOU, a computer network, a software for monitoring quota/GSP and Management Information System unit for BGMEA has already been completed while process is underway to bring the whole system under online.

On the occasion, BGMEA President Abdul Qudus said with introduction of the system it would be possible to bring a total transparency and all kind of mismanagement in monitoring of export quota.

Besides, members of the BGMEA would be able to inform instantly about the quota/GSP with the system and it would also increase the confidence of international buyers.

ADB to lend Nepal \$25m

KATHMANDU, Feb 22: The Asian Development Bank (ADB) will provide 25 million dollars in loan assistance to Nepal, state-run radio reported yesterday, says AFP.

Twenty million dollars would be to extend credit to poor rural residents and five million dollars for engineering and design of a project to supply potable water for the Nepalese capital which is facing an acute shortage.

ICMAB Dhaka Br. Council office bearers

Md Jasim Uddin Akond, FCMA, has been elected Chairman of Dhaka Branch Council of ICMAB for the year 1999 at a meeting of its council held in the city on Saturday, says a press release.

The meeting also elected Ah-sanul Bari, ACMA, Md Mamunur Rashid, ACMA and Mohammad Golam Kibria, ACMA Vice-Chairman, Secretary and Treasurer respectively for the same year.

The new Chairman Md Jasim Uddin Akond, FCMA, is serving in Bangladesh Steel and Engineering Corporation.

Bumper output Potato cheaper in Pabna

PABNA, Feb 22: The price of potato has come down sharply in the district following its bumper production this year, reports UNB.

Agriculture Extension Department sources said, some 4,200 mts of potato were produced in Sadar, 1,560 mts in Ashgharia, 5,160 mts in Ishwardi, 4,800 mts in Chatmabor, 2,760 mts in Bhanganra, 960 mts in Faridpur, 1,320 mts in Bera, 3,840 mts in Sathiya and 1,800 mts in Suzanagar thanas.

Meanwhile, the traders are not coming forward to purchase and store the potato at the cold storage this season as their hundreds of tons of potato were damaged last year due to frequent power failure and load shedding.

G7 gets focused on Third World debt relief

BONN, Feb 22: The Group of Seven wealthy nations are refocusing their efforts on reducing Third World debt, giving themselves until June to find common ground and concrete proposals to help the world's poorest countries, says AFP.

Finance ministers from Britain, Canada, France, Germany, Italy, Japan, and the United States meeting in Bonn on Saturday said they hoped to reach agreement on improved debt relief in time at a June summit of G7 heads of state in Cologne.

They said they hoped to make "maximum progress" in the coming year.

A total of 41 countries have been identified as heavily indebted poor countries (HIPC), under a 1996 initiative undertaken by the International Monetary Fund (IMF) and the World Bank.

According to a rough estimate by French Finance Minister Dominique Strauss-Kahn, the HIPC countries' public debt totals some 11 billion dollars, representing the manageable

figure of about 0.6 per thousand of the gross domestic product of developed countries.

The G7 commitment comes as the public puts pressure on governments to reduce the debt burden of the world's poorest countries.

Sports stars such as boxing legend Muhammad Ali, artists such as Bono, singer of Irish rockers U2, as well as Christian and secular groups have all joined together under a British organisation, Jubilee 2000, to campaign for a one-off cancellation of all unpayable third world debts to mark the new millennium.

This is the first large effort by the public since the live aid and band aid concerts of the 1980s to support famine relief in Africa.

For now, the G7 has only sketched an outline of a possible accord, noting that the HIPC initiative "provides the appropriate framework to address the debt problems of these countries," but acknowledging that the HIPC needs improving.

The finance ministers

stressed however that the world's richest countries, who have loaned the most, should not be forced to pay out a second time, thus entirely supporting the cost of debt reduction themselves.

German Chancellor Gerhard Schroeder, the host of Saturday's meeting and the upcoming Cologne one, has insisted on seeing results by the summit in June. He wants to see as many countries as possible make adjustments and see the burden of debt reduced rapidly and globally.

He has suggested that in "exceptional cases", when the approved mechanisms are insufficient, the Paris Club of creditor nations should consider entirely scrapping credits and loans.

On Saturday, Strauss-Kahn unveiled a French initiative to cancel debt interest payments for a generation, meaning 30 years, in all of the HIPCs. France also hopes to secure some relief for countries that fall outside the HIPC bracket.

Smoke-free cigarette likely in 3 years

BRISBANE, Australia, Feb 22: A smokeless and cancer-free cigarette could be on the market within three years, its Australian developer said Monday, reports AP.

Vaportronics managing director Robert Voges, an anti-smoker who came up with the idea for the device, said it could have major benefits for Australia's economy as well as the health of smokers and those around them.

The new cigarette would enable smokers to inhale nicotine without having to light up, eliminating the carcinogenic element of traditional cigarettes, Voges said.

Nicotine itself is not a carcinogen, Voges said. Nicotine is the addictive element. The cancers are caused by the tar and all the other byproducts of the burning process.

"Essentially... this could eliminate one of the largest known causes of preventable deaths in our society," Voges said the product had been under development with

Australian scientists since 1993.

The new cigarette uses an inhaler device based on bubble-jet micro droplet technology, similar to that used in bubble-jet printers.

"It's exactly the same shape and size as a cigarette but it's made out of a hardened plastic or a ceramic," Voges said.

"Users... get exactly the same physiological effect as they would do with an ordinary cigarette."

He said it had the potential to free up millions of dollars in governments' health budgets spent on smokers' health problems.

It means smokers will be able to smoke in places where smoking is currently banned such as on planes, in restaurants and at the office," he said.

Voges said Vaportronics, a private company, planned to licence the technology to tobacco and/or pharmaceutical companies, from which the company would receive royalties.

S'pore, Australia hail strong US presence in region

SINGAPORE, Feb 22: Top Singapore and Australian officials Monday said they welcomed a strong US presence in the region, where an economic crisis has brought growing social and political turmoil, says AP.

Australian Foreign Minister Alexander Downer, Deputy Prime Minister and Trade Minister Tim Fischer and Defence Minister John Moore met with Singapore's Foreign Minister S Jayakumar in the second Singapore-Australia Joint Ministerial Committee meeting.

"Both Australia and Singapore strongly support the continued US presence in the region, especially given the current difficult times," Jayakumar said during the opening ceremony.

He added that the economic crisis has also increased the importance of good relations between his country and Australia.

Brazilian president calls for lifting trade barriers

RIO DE JANEIRO, Feb 22: Brazil's President Fernando Henrique Cardoso called on Sunday for industrial countries to lift barriers obstructing access to their markets of agricultural products from Latin American countries, says AP.

Otherwise, Cardoso said, talks to intensify multilateral trade will become useless.

"The developing nations' goodwill to lower their own tariffs for industrial products cannot be taken for granted indefinitely while barriers to products they want to export are kept high," Cardoso said in an opening address to business leaders from the European Union (EU) and Latin America.

The first Business Forum of executives from the EU and Mercosur, the Latin American trade bloc made up of Argentina, Paraguay, Uruguay and Brazil, will run through Tuesday to discuss free trade

agreements and ways to increase commerce.

Presidents Julio Maria Sanguinetti of Uruguay and Paraguay's President Raul Cubas came to Rio on Sunday to attend the forum's opening session. Argentina's president Carlos Menem was reportedly sick and had to stay home.

The European bloc is Mercosur's second trade partner after the United States. It sends to EU countries 25 per cent of its exports, a business that in 1997 represented \$19.2 billion. The same year, Mercosur imported a total of \$ 25.7 billion from the EU.

It proved, Cardoso said, that some European Union countries "are the greatest beneficiaries" of the free trade policies applied by Mercosur.

But the benefits have not been reciprocated, he said, criticizing what he called "protec-

tionism and subsidies" to favour the agricultural sector of industrial nations.

European leaders stressed the growing investments from the EU to Mercosur. EU investments in the South American bloc have been specially strong in the telecommunications area.

Cardoso told the meeting that despite the financial turbulence affecting his country, he was confident about the future of Brazil.

"The vulnerability of our economy is being overcome. With sacrifice, but with clear goals," he said.

On January 13, Brazil was forced to devalue the real and to allow it to float. Since then, the currency has plunged 35 per cent of its value.

His words were meant to reassure Brazil's partners which send it more than one third of

their exports. They are afraid that the devaluation of the real will give Brazil, by far the biggest economy in the bloc, a lead the other nations will be unable to match.

In a joint communique, the four countries stated that it was still too early to bring draw conclusions on the impact of the Brazilian devaluation for trade within the bloc.

Brazilian business leaders said they will work to increase exports beyond the trade bloc. Miguel Jorge, vice-president of corporate affairs at Volkswagen (Brazil), told The Associated Press at the conference that the German automaker giant will look for markets in Asia, Mexico and eventually the United States.

The company plans to make 500,000 cars in its Brazilian plants, plus another 100,000 in its Argentine assembly lines.

Asian Stocks Roundup

Markets end generally mixed

HONG KONG, Feb 22: Asian stock markets closed generally mixed Monday, with prices rising in Tokyo and Taipei but falling in Hong Kong and Seoul, reports AP.

Tokyo's benchmark 225-share Nikkei Stock Average rose 158.63 points, or 1.13 per cent, to close at 14,256.67. On Friday, the average fell 48.75 points, or 0.34 per cent.

Shares rose as the Japanese yen's retreat against the dollar prompted investors to buy export-oriented electronics and auto issues, including Toyota, Honda and Canon.

Meanwhile, the dollar climbed above 122 yen for the first time in 11 weeks after a weekend meeting of G-7 finance ministers and central bankers in Germany concluded without reference to the weaker yen.

Investors saw this as tacit acceptance of the currency's depreciation, and quickly bought up dollars, analysts said.

The dollar was quoted at 121.98 yen in late trading, up 1.92 yen from late Friday in Tokyo and also above its New

York level of 121.15 yen late Friday.

Share prices in Taipei surged for a second straight session, with the key index rising 4.0 per cent following a cut in bank reserve requirement ratios. The market's Weighted Stock Price Index rose 241.30 points to 6,313.63.

The decision by Taiwan's central bank on Friday to cut the average reserve requirement ratio on deposits to 6.41 per cent from 7.65 per cent whipped up a buying frenzy in banking stocks, the biggest beneficiaries of the ratio cut, dealers said.

Prices on the Hong Kong Stock Exchange closed slightly lower in thin trading.

The Hang Seng Index, the Hong Kong market's key indicator of blue chips, fell 24.78 points, or 0.3 per cent, closing at 9,229.34 On Friday, the index had slumped 148.27 points.

Elsewhere:

WELLINGTON: New Zealand share prices closed sharply higher, with brokers saying most local and international investor attention was focused

on Telecom Corp. of New Zealand Ltd. The MZSE-40 Capital Index rose 26.45 points, or 1.2 per cent.

MANILA: Philippine shares closed mixed, with buying on selected blue-chip stocks keeping the market's main index aloft. The Philippine Stock Exchange Index of 30 selected companies rose 13.06 points, or 0.7 per cent, to 1,939.69.

SYDNEY: Australian share prices closed moderately lower. The benchmark All Ordinaries Index closed at 2916.3, down 8.0 points, or 0.27 per cent.

KUALA LUMPUR: Malaysian share prices closed lower. The benchmark Composite Index edged down 2.68 points, or 0.47 per cent, to 562.62.

SINGAPORE: Share prices closed mixed, with the main rising on the back of follow-through buying from Friday. The Straits Times Index rose 1.9 per cent, or 25.87 points, to 1,400.18.

BANGKOK: Thai share prices closed slightly lower in light trading. The SET index fell 3.34 points, or 1 per cent, to 333.23.