

## Exports clock negative growth after 15 years

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After long 15 years, the country's exports recorded a negative growth in the just concluded fiscal year.

Exports fetched around US\$5960 million in the 2001-02 financial year, down by over \$500 million or around eight per cent than previous fiscal's \$6467.30 million.

Earlier, exports clocked a negative growth in the 1985-86 financial year. After the blow, exports had double digit-growth in most of the years, according to Export Promotion Bureau (EPB) statistics.

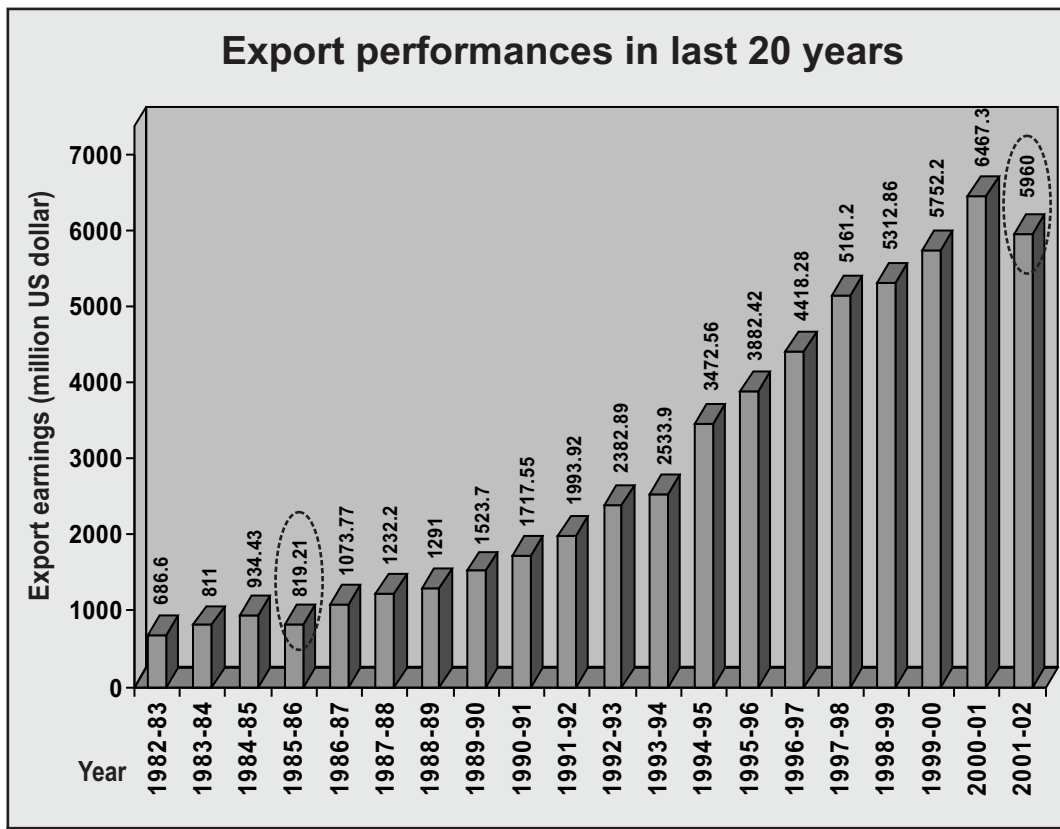
In the 1985-86 financial year, the exports amounted to US\$819.21 million, down by \$115.22 million from the previous (1984-85) fiscal's \$934.43 million.

This is for the fifth time after the independence the country's exports have encountered a negative growth, EPB statistics reveals.

"Global trade went up by 12 per cent in 2001 while it was only one per cent in 2000 which affected many countries and they faced negative growths because of the global phenomenon," said Professor Mustafizur Rahman, research director of Centre for Policy Dialogue (CPD).

To ward off any future debacle in export he identified product and market diversification as one of the major challenges for the country. "Apart from backward and forward linkage development, we need to improve infrastructure facilities and trade supportive institutions to face lead-time challenge."

As Canada, Norway, Japan and European Union have offered free access, an opportunity has been created for Bangladesh, which is in



the best position among the least developed countries to realise potentiality of market access, he noted.

"If Bangladesh can successfully combine its cheap labour with modern technology, its product would be competitive and there are ample scopes for the country to face the present challenges," Rahman observed.

The country's exports fetched

\$6467.30 million in the FY01. According to the primary estimate of the EPB, export earning in June would be around \$550 million, totaling \$5960 million for the FY02.

After the independence, exports marked negative growth in the 1975-76 financial year for the first time followed by two consecutive 1980-81 and 1981-82 fiscal years.

In the 1975-76 fiscal, export earning was only \$38.47 million,

lowest in the country's history. The earning was \$344.21 million less than 1974-75 fiscal's \$382.68 million.

In the 1980-81 financial year, the earning amounted to \$709.85 million, down by only \$16.44 million from the previous (1979-80) fiscal's \$726.29 million. In the 1981-82 financial year, the export fetched \$625.89 million, down by \$83.96 million than 1980-81 fiscal's.

## Pakistan to sign first free trade pact with Sri Lanka

AFP, Islamabad

Pakistan is set to enter into its first ever free trade agreement when President Pervez Musharraf visits Sri Lanka later this month, commerce minister Razak Dawood said here Saturday.

Dawood who travelled to Sri Lanka last week for talks on the trade pact said they expected to sign an agreement when Musharraf visits Colombo on July 31 and hoped the deal will boost bilateral trade by up to 100 million dollars.

The current two-way annual trade between the two countries was estimated at 130 million dollars with the trade balance in favour of Pakistan, the minister told reporters here.

"It will be our effort that the agreement with Sri Lanka is signed during the visit of our President to Sri Lanka on July 31," Dawood said.

Diplomatic sources here said both countries were expected to enter into a "framework agreement" during the Musharraf visit while the final pact was set to be sealed by September.

Sri Lanka's Foreign Minister Tyrone Fernando is due to visit here Monday and will be followed by Commerce Minister Ravi Karunanayake who is expected to visit Pakistan's commercial capital of Karachi as well as Islamabad.

Dawood said Pakistan's FTA with Sri Lanka would be its first free trade agreement and underlined its usefulness to improve bilateral trade.

Pakistan was hoping to import more tea, coconut oil and agricultural produce from Sri Lanka while Pakistan could help the Indian Ocean island republic in the field of light machinery and in engineering technology.



PHOTO: DBBL  
Mohammad Sahabuddin Ahmed, chairman of Dutch Bangla Bank Limited, and Arno P J de Vette, investment officer of Asia Department of Netherlands Development Finance Company (FMO), jointly inaugurate and bank's Mirpur Branch in the city on Monday. Loes Broekhof, an investment officer of FMO, is also seen in the picture.

## Vajpayee for faster reforms to reach 8pc growth

AFP, New Delhi

Prime Minister Atal Behari Vajpayee called Saturday for faster economic reforms and better policy implementation for India to achieve a target of eight per cent growth within five years. Chairing a meeting of his economic advisory council here, Vajpayee said he had "no doubt" that India could achieve eight percent growth, but listed a set of "challenges" that the country needed to overcome to boost the economy.

"If you were to ask me: 'What is your first priority?', I would say it is to improve implementation capabilities across the board in the government," Vajpayee said.

"Our policies and programmes are only as good as their implementation ... we are aware that a lot more needs to be done," the premier said.

## DBBL opens branch at Mirpur

Dutch-Bangla Bank Limited has opened a branch at Darus Salam Road at Mirpur in the city.

The branch was jointly inaugurated by the Chairman of the bank Mohammad Sahabuddin Ahmed and Arno P J de Vette, investment officer of Asia Department of Netherlands Development Finance Company (FMO), on Monday, says a press release.

More than 150 accounts were opened on the inaugural day of the branch.

Among others, Loes Broekhof, investment officer of FMO, Attache Alexander A Nemov and Assistant Attache Nikolay Kalashnikov of Russian Embassy were present on the occasion.

Directors of the bank Abedur Rashid Khan and Nizamuddin Mahmood Selim and President and Managing Director C M Koyes Sami were also present.

## CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank.

Selling		Currency	Buying		
TT/OD	BC	TT Clean	OD Sight Doc	OD Transfer	
58.5500	58.5800	USD	57.4000	57.2314	57.1629
58.8667	58.9536	EUR	56.2134	55.0300	55.9534
91.8108	91.8528	GBP	88.4760	88.2095	88.1549
33.6027	33.6272	AUD	31.4142	31.3217	31.2416
0.5043	0.5045	JPY	0.4870	0.4868	0.4858
39.7976	39.8221	CHF	38.4177	38.3231	38.2386
6.3479	6.3530	SEK	6.1093	6.0917	6.0757
38.3844	38.4089	CAD	37.2133	37.1196	37.0364
7.5143	7.5156	HKD	7.3541	7.3364	7.3190
33.686	33.7070	SGD	32.7347	32.6909	32.5762
16.0710	16.0886	AED	15.4925	15.4706	15.4521
15.7373	15.7557	SAR	15.1905	15.1538	15.1356

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.75	60.15	96.15	41.075	7.4046	0.48485	0.5598

The local interbank foreign exchange market was subdued on Saturday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call was steady and the call rate ranged between 2.75 and 3.0 per cent for the day.

International market was closed on Saturday.

At the closing of New York on Friday, euro traded at 0.9914/18 against dollar, pound sterling at 1.5532/38 and yen traded at 116.79/85 against US dollar.

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