

Export fetches record \$905m in July

Knitwear up, woven down

MONJUR MAHMUD

Exports fetched a record US\$ 905 million in July, the first month of the current financial year.

"This is for the first time that we have crossed \$900 million mark in export earning in a single month," said an official of the Export Promotion Bureau (EPB).

According to the EPB statistics, export income was \$870 million in June 2005 and \$868 million in July 2004, which were the highest earning figures previously.

Knitwear contributed most in pushing up the earning in July this year, fetching \$345 million and

marking a 23.31 percent rise over the last fiscal's same month.

"Exports of knitwear products in some major markets have increased substantially after phasing out of quota from January this year," said an exporter.

"The present trend will continue in the coming months as we have strong backward linkage support," he felt.

However, woven products are facing stiff competition in the international market, recording a 9.74 percent negative growth in July 2005. Woven garment exports amounted to \$362.79 million in July, which was \$410.96 million in the same month of the last year.

"Woven export to the EU countries has been falling down gradually since the quota phase-out," Annisul Huq, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told newsmen recently.

Knitwear apart, export earning from frozen food, jute goods, chemical products, footwear, ceramic tableware, agricultural products, petroleum by-products and handicrafts recorded growth in July 2005.

On the other hand, earnings in some major sectors including raw jute, electronics, engineering products, tea, leather, home textile and

bicycle recorded negative growth during this period.

Frozen food exports amounted to \$48.68 million in July 2005, showing a 17.87 percent growth over the last fiscal year's same month.

Jute goods export fetched \$25.72 million in the first month of the current fiscal, recording a 2.67 percent growth than the same month of the last fiscal.

Chemical products worth \$19 million were exported in July 2005, marking a 3.87 percent rise than the last fiscal's same month.

Raffle draw of Ruchi chips contest held

STAR BUSINESS REPORT

Square Consumer Products Limited (SCPL), which produces Ruchi brand chips, yesterday held the raffle draw of its consumer promotion contest.

The Prothom Alo Editor Matiur Rahman, the Shamokal Editor Golam Sarwar, renowned cartoonist Rafiqun Nabi and Managing Director of SCPL Anjan Choudhury were present at the raffle draw at Jatiya Press Club in Dhaka.

In the consumer promotion offer titled 'Ruchi Chips Khai, Malaysia Jai' (Eat Ruchi chips and visit Malaysia), children were asked to answer a few questions between July and August this year.

Some 111 participants were announced winners through the raffle draw. Shirin Akter from Chittagong won the first prize, Dhaka-Kuala Lumpur-Dhaka four-member family tour. Ten others bagged cricket equipment as second prizes. 100 others received gift boxes.

The prizes will be handed over to the winners in Dhaka on September 16.

Indian IT cities compete for attention, investment

ANN/THE STATESMAN

In an attempt to hit back at critics who've raised a hue and cry over the state's deal with the Salim Group, Chief Minister Buddhadeb Bhattacharjee hinted Wednesday that West Bengal's inability to allow IT firms to come up on agricultural land around Kolkata placed it at a disadvantage compared to Andhra Pradesh.

IT growth in Hyderabad, he said, wasn't stifled by such conditions as that city is surrounded by infertile land.

"We don't have as much vacant land in Kolkata to set up IT industries like Hyderabad. And agricultural land around Kolkata cannot be given for setting up industries," he said.

The chief minister was speaking at the inaugural programme of the national e-governance convention at a city hotel.

"We are late starters in the field of information technology. But currently West Bengal has notched an IT growth rate of 73 percent, much higher than the national average of 35 percent."

"Major IT farms are coming here for setting up industries," said Bhattacharjee.

"We have bifurcated sector-V of Salt Lake from Biddhannagar Municipality and it would be developed as an industrial township. Same initiatives are being taken in Rajarhat."

China to expand yuan's trading band

AFP, Beijing

A senior Chinese central bank official said Friday that expanding the currency's narrow trading band should be expected although no hint was given as to when it may occur.

"With the greater change of the adjustment measure, the scope (of trading) should expand," Ma Delun, assistant governor of the People's Bank of China, said at business forum here.

"The direction of the renminbi (yuan) exchange rate reform is to maintain an effective flexible exchange rate regime along with a socialist market economic system," he said.

The yuan is now linked to a trade-weighted basket of major currencies after a 2.1 percent revaluation of the yuan to 8.11 per dollar in July.

The currency can fluctuate against the dollar by 0.3 percent above or below its previous close, and can move 1.5 percent against other currencies in the basket, including the euro and the yen.

Pakistan's forex reserves dip

REUTERS, Karachi

Pakistan's foreign exchange reserves fell by \$196 million to \$12.044 billion in the week ending on September 3, the central bank said yesterday.

Reserves held by the State Bank of Pakistan dipped to \$9.362 billion from \$9.526 billion a week earlier, while those held by commercial banks fell to \$2.682 billion from \$2.714 billion, the central bank said in a statement.

Remittances from UAE rise 18pc

BDNEWS, Dubai

Remittances from the UAE to Bangladesh surged 18.41 percent in the last fiscal year to Dh 1.62 billion (US\$ 442.24 million), Dh 1.37 billion up from the previous year, according to Bangladesh Bank and banks in the United Arab Emirates.

Some 300,000 Bangladeshis are employed in the UAE's construction companies, garment-making and tailoring shops, auto workshops, groceries, and fruit and vegetable farms, putting them in the Dh 450 to Dh 1,000 monthly income group.

More than 8,000 Bangladeshis own small and medium businesses.

In addition, about 5,000 professionals are employed in large corporations, government offices and multinationals.

The UAE is Bangladesh's second-largest source of foreign remittances

in the Middle East and third in the world after Saudi Arabia and the United States.

In the financial year 2004-05, Saudi Arabia led Bangladesh's remittance sources with \$ 1.51 billion, while non-resident Bangladeshis (NRBs) from the US sent \$ 557.31 million.

Saudi-based NRBs, estimated at more than 1.5 million, on an average remit Dh 3,666 annually or Dh 305 monthly, lower than the per capita remittances by Bangladeshis from the UAE.

These are parts of the \$ 3.84 billion (Dh 14 billion) in foreign remittances received by Bangladesh, out of which \$ 2.69 billion (Dh 9.8 billion) was repatriated from the Middle East, mostly from the six Gulf states that are home to more than two million Bangladeshis.

Remittances by expatriates are one of Bangladesh's most important

sources of foreign currency after garment exports and they have become vital in keeping foreign currency reserves at a comfortable level when exports decline.

However, a majority of the remittances is being channelled through hundi, an illegal way to remit money, depriving the country of foreign currency.

Remittances by expatriate labourers in the UAE reached \$ 4 billion in 2004, representing 5.3 percent of the UAE's GDP. The highest was 7.2 in 1996.

Remittances by expatriate labourers in the GCC countries were estimated at \$ 27 billion in 2004, a recent report released by the Abu Dhabi Chamber of Commerce and Industry said.

India okays purchase of 43 Airbus planes

PALLAB BHATTACHARYA, New Delhi

India has cleared a long-delayed purchase of 43 planes from European aircraft major Airbus Industrie for state-owned Indian Airlines in a \$2.2 billion deal.

Prime Minister Manmohan Singh made the announcement of the deal at a joint news conference with his British counterpart Tony Blair who was here to attend an India-European Union summit at the president of European Council.

Blair said the purchase of the aircraft from Airbus Industrie was a welcome sign of growing trade ties between India and European Union.

The Indian Airlines Board had agreed on the acquisition of 20 Airbus A-319s, 19 A-321s and four A-320s more than two years ago but it was only on Tuesday last that a ministerial committee led by Finance Minister P Chidambaram gave the final clearance after a last round of price negotiations with Airbus Industrie.

The last round of negotiations resulted in a saving of \$75 million and brought a slew of assurances from Airbus as well as CFM, the engine supplier selected for Indian Airlines fleet.

Apec members pledge to fight high oil prices

AFP, Jeju, South Korea

Finance ministers from Pacific rim nations wrapped up a two-day meeting here Friday with a pledge to share responsibility to fight high oil prices and other impending risks to the global and regional economies.

Surging oil prices had cast a shadow over the 21-member Asia-Pacific Economic Cooperation (Apec) finance ministers' two-day meeting here.

The Apec finance ministers also said in a joint statement that members should shoulder their individual burdens to help address global imbalances.

These efforts include fiscal consolidation to increase savings in

the United States, further structural reform in Japan and more flexibility in the exchange rate systems of developing countries.

"We note that global economic growth has moderated over 2005, but is still likely to remain robust, despite high oil prices. Though growth in Apec regions is expected to ease in 2005, we observe that member economies are experiencing faster growth than the global economy," the statement said.

On the risk of sustained high energy prices to growth in the Apec economies, the members called for "adequate investment in oil production and refining capacity as well as technology transfer for energy conservation."

They also urged the continuation of efforts to reduce "demand-distorting subsidies" and called for the dialogue between the oil producing and consuming countries to be strengthened, the statement said.

Apec's 21 members consume more than half of global oil output and include four of the world's five biggest oil importers -- the United States, Japan, China and South Korea.

The Apec members also "welcomed" the recent moves by China and Malaysia towards more flexible exchange rate systems.

China last month adopted a more flexible system based on a basket of foreign currencies. US officials said they expected Beijing to move toward greater flexibility.

Time running out for WTO: US

AFP, Washington

The US government said Thursday it is now or never for the World Trade Organisation to reinvent itself as its flagging drive to tear down trade barriers and lift millions out of grind-

ing poverty.

US Trade Representative Rob Portman said there was little time left for WTO members to unblock talks on agriculture and other sensitive areas before a crucial ministerial gathering in Hong Kong in December.

"We are at the point where we can no longer procrastinate and hope for the best in Hong Kong," he told reporters, restating US demands for the European Union to concede ground on farm subsidies.

"Agriculture is the key to unblocking the blockages in the Doha round," Portman said.

The Hong Kong conference is meant to set the seal on four years of talks launched in Doha, Qatar,

that aim to deliver a treaty by 2006 that breaks down barriers to commerce and uses trade to boost developing countries.

However, the talks among the 148 WTO members have foundered, notably on issues such as agriculture, and have already missed one deadline for completion despite repeated attempts to revive them.

Portman said the Doha agenda for free trade was important not just to rich powers like the United States and Europe.

He cited World Bank studies that suggest that if trade obstructions faced by developing countries were lifted, "300 to 500 million people would be lifted out of poverty."

Dhaka civil society to pursue LDC concerns with developed states

The National Advisory Committee (NAC) of the Pre-Hong Kong Global Civil Society Forum held its second meeting at CPD on Thursday, says a press release.

The NAC consists of 26 organisations including leading chambers, exporters' associations, trade unions, development NGOs, gender and environmental groups. The Centre for Policy Dialogue (CPD) is organising the international civil society conclave. The Forum will be held in Dhaka on 3-5 October 2005 in connection with the forthcoming WTO ministerial meeting in Hong Kong in December 2005.

The Forum is to promote and advance the interests of Least Developed Countries (LDCs) in the ongoing negotiations under the Doha Round. The Forum will create an opportunity for the stakeholder groups to review the official work plan for the HK ministerial. The Forum will also scrutinise the proposals submitted by WTO member countries for negotiation.

Action Aid International, Consumers International, Enda Tiers Monde, EU-LDC Network, Oxfam International, South Asia Watch on Trade, Economics and Environment (SAWTEE), International Centre for Trade and Sustainable Development (ICTSD), and Southern and Eastern African Trade Information and Negotiations Institute (SEATINI) are co-organisers of the Forum.

NAC Chair and President of International Chamber of Commerce (ICC), Bangladesh Mahbubur Rahman presided the meeting. CPD Executive Director Debapriya Bhattacharya briefed on the progress of the planned activities. The meeting decided that civil society will vigorously pursue the LDC concerns with the developed countries as regards the on-going WTO negotiations.

It was agreed that a meeting with the diplomatic missions of developed countries in Bangladesh will be arranged to achieve this target. The civil society is particularly willing to inform various concerns of the LDCs regarding the current WTO negotiations on market access for agricultural, non-agricultural products and services, TRIPS, Trade Facilitation and WTO Rules. They will also focus on development issues which include Implementation Issues, Special and Differential Treatment (S&D), Finance and Debt, and Trade Related Technical Assistance.

Among others, the meeting was attended by Mahfuzullah, secretary general, CFSD; Selima Ahmed, president, BWCCI; Nurul Islam, BILS; Manzur Ahmed, director, FBCCI. The meeting was also attended by representatives from MCC, DCCI, BAPA, WEAB, Supra, Incidin, Action Aid International, Oxfam International, Nari Uddog Kendra, BELA.



PHOTO: STAR

The Daily Prothom Alo Editor Matiur Rahman, the Daily Shamokal Editor Golam Sarwar, eminent cartoonist Rafiqun Nabi and Managing Director of Square Consumer Products Ltd Anjan Choudhury pose for photographs during a raffle draw of a consumer promotion contest titled 'Ruchi Chips Khai, Malaysia Jai' yesterday in Dhaka.