

# EU unveils new plans to reform farm subsidies

AFP, Brussels

The European Commission Wednesday unveiled revised plans to reform subsidies to EU farmers, aiming to reconcile fierce disputes over funding the hugely expensive system.

The EU executive said farmers had to become more business-like, but denied it was abandoning them to market forces.

"Dear farmers, we are not going to abandon you. Nobody is going to abandon you," Agriculture Commissioner Franz Fischler told a news conference.

Rows over reforming the Common Agricultural Policy (CAP) have also become more heated as the 15-member bloc prepares to expand next year to take in 10 mostly rural states.

Europe's reluctance to phase out massive subsidies for farmers has also sparked international criticism that the CAP gives Europe's agricultural produce an unfair advantage on world markets.

"This reform proposal is intended to provide farmers in both existing and future member states with the long-term stability they need," Fischler said.

"It is high time that our policy tools should be reformed so as to best serve the interests not only of farmers, but also of consumers and taxpayers," he said.

The CAP swallows up nearly half the EU's current annual budget of 95 billion euros (101.7 billion dollars), and has long been a subject of bitter dispute.

Farmers' champions, such as France, have complained the reform plan would harm EU agriculture, while other countries and groups have protested that the proposals are nowhere near radical enough.

The new plan suggests that the link between farm subsidies and production levels should be severed, with funds progressively transferred to bonuses for farmers for developing their land.

The commission's revised proposals notably include a cut in

subsidies for milk production and an increase in milk quotas for the planned 25 EU member states by one percent annually in 2007 and 2008.

Fischler however proposed delaying to 2007, from 2004, plans to progressively reduce direct aid to farmers.

But the core element of the reform remains the controversial idea of "decoupling" the link between the level of direct aid to farmers and their production, and the introduction of a single payment independent of production levels.

Aides say Fischler hopes that the new CAP reform can be agreed by the end of the current Greek EU presidency in June, in order to be implemented next year.

The EU executive was forced to review its initial proposals for CAP reform, presented last July, after EU leaders struck an accord in October aimed at resolving long-running rows.

French President Jacques Chirac, whose country is by far the

biggest beneficiary of EU farm aid, reached the deal with Chancellor Gerhard Schroeder of Germany, the main EU paymaster.

British Prime Minister Tony Blair was reportedly incensed by the Franco-German deal, which effectively put off real CAP reform for several years.

The October deal did however agree to put an overall ceiling on farm aid from 2006, allaying fears of an explosion in the CAP budget after the EU's enlargement next year to countries including heavily agricultural heavyweight Poland.

Fischler said the new proposals would go some way to calming criticism from Europe's international partners that CAP subsidies run counter to World Trade Organization (WTO) rules.

"The Commission proposal would strengthen our negotiating hand immeasurably in the Doha Round" of world trade talks, launched in the Qatari capital in November 2001 and due to last three years.

# EU eases testing of Thai shrimp import

REUTERS, Bangkok

The European Union has eased testing requirements for imported Thai shrimps, saying Bangkok has brought under control a problem of contamination with cancer-causing antibiotics.

The EU said it would remove Thailand, the world's top exporter of frozen shrimps, from a list of problem countries and revert to the normal random testing of 10 per cent of its shrimp imports. It had been testing all Thai shrimps.

"The improved testing methods and other methods introduced recently by the Thai authorities have proved effective," Klauspeter Schmallenbach, the European Commission ambassador to Thailand, said in a statement late on Wednesday. He was speaking after the European Commission Scientific and Veterinary Committee voted to lift 100 per cent testing.

Thai shrimp exports plunged almost 30 per cent in the first half of

2002 immediately after the EU imposed tougher testing. This followed routine checks last February on Thai fisheries products, which tested positive for residues of nitrofurans, a banned group of cancer-causing antibiotics used by some Thai shrimp farmers to ward off disease.

Exports fell to 88,000 tonnes in the first half of 2002 from 120,000 in the same period in 2001.

The EU also said it hoped to soon lift its 100 per cent testing of Thai poultry, which was imposed last year after random checks also showed the presence of banned chemicals.

"From the outset, the Thai government has shown its resolve in tackling contamination... I am confident this trend will continue in the future so that 100 per cent testing remains a thing of the past," Schmallenbach said.

# CURRENCY

Following is yesterday's foreign exchange rate statement by Standard Chartered Bank

Selling Currency	Buying	TT Clean	OD Sight Doc	OD Transfer
59.2500	59.3000	USD	58.3500	58.1090
64.2152	64.2693	EUR	61.8102	61.5548
96.5775	96.6590	GBP	93.6809	93.2940
35.3663	35.3962	AUD	33.6329	33.4940
0.5041	0.5045	JPY	0.4883	0.4863
43.6979	43.7348	CHF	42.4240	42.2994
6.8767	6.8825	SEK	6.7543	6.7264
38.9598	38.9926	CAD	37.8945	37.7380
7.6043	7.6108	HKD	7.4740	7.4431
34.3080	34.3370	SGD	33.4960	33.3576
16.2632	16.2769	AED	15.7579	15.6928
15.9261	15.9396	SAR	15.4373	15.3736

Exchange rates of some currencies against US dollar

Currency	Rate
Indian Rupee	47.80
Pak Rupee	100.00
Lankan Rupee	120.00
Thai Baht	30.00
Norwegian Kroner	6.46
NZ dollar	0.60
Malaysian Ringgit	2.34

# Safe-haven gold ends near 6-year high on Iraq

REUTERS, New York

Gold closed at near six-year highs Wednesday as heightened fears of a war in Iraq sent investors scrambling for a safe-haven for their money.

February gold 0 GC: on the New York Mercantile Exchange's COMEX division ended at \$359.90 an ounce, up \$2.40 from Tuesday, in trade between \$357.80 and a contract peak of \$360.40, its highest since February 1997.

Nervousness in precious metals markets also sent platinum, used in the jewelry and autocatalyst industries, to its highest in 17 years in London and to a 20-month peak in New York.

Speculative funds and small investors piled into gold as war drums beat louder this week, traders said, while the US dollar and equities slumped and oil prices stayed choppy on supply fears about Iraq and strike-bound Venezuela.



PHOTO: AMEX

American Express Bank recently organised annual dealers' conference and workshop on foreign exchange products and risk management in Phuket, Thailand. Conducted by Sheikh Md Maroof, director and head of Financial Market Services and Treasury of American Express Bank, the conference was also attended by A Z M Masunur Rahman, senior director and head of Financial Institute Group, and A Hossain, chief dealer of Financial Market Services and Treasury of Amex. Picture shows participants and officials at the conference.

# STOCK

# SHIPPING

Chittagong port  
Berthing position and performance of vessels as on 23.01.2003.

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/1	Pathein	Rice	Myan	Total	17/1	28/1	735
J/2	Amanat Shah	Sugar (P)	Mumb	CLA	4/01	24/1	1530
J/3	Oceanic Pescadores	Gi	Yang	Everett	20/1	-	3497
J/5	Magda	Clink	Ind	Olm	18/1	28/1	600
J/6	Banglar Urmii	Sugar	Mumb	Mutual	15/1	30/1	705
J/8	Banglar Maya	Gi	Yang	Royal	14/01	28/1	406
J/10	Dai Hong Dan	Wt(P)/Rice	Vish	Uniship	13/1	26/1	1371
J/11	Asimont	Cont	P.Kel	Seaborne	19/1	24/1	174/X
J/12	Ana	Cont	P. Kel	PSSL	21/1	25/1	248/143
J/13	Banglar Shikha	Cont	Sing	BSC	21/1	25/1	383/450

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Beteigeuze	23/1	Zhen	ASA	R.Phos(BC)C	TSP
Qc Dignity	23/1	P. Kel	QCSL	Cont	Sing
Xpress Singapore	23/1	P. Kel	RSL	Cont	Sing
Kota Singa	23/1	Sing	PII(BD)	Cont	Sing
Banga Borak	23/1	-	Bdship	Cont	Sing
New Sea Star	23/1	P. Kel	QCSL	Cont	Sing
Plamer	24/1	Kant	Litmond	Clink	Sing
Aft Section Maxita	23/1	Sing	OTBL	For Demolition	
Britoil-8	23/1	Sing	OTBL	For Demolition	DVI AS Maxita
Lucky Marine	24/1	Hazi	RSA	GI	Sing
Plamer	24/1	Kant	Litmond	Clink	Sing
Banga Barta	24/1	-	Baridih	Cont	Col/Hald
Kota Naga	24/1	Sing	PII(BD)	Cont	Sing
Xpress Resolve	24/1	-	Bdship	GI	Sing
Boonerik Naree	24/1	P.Said	USL	GI	Sing
Banga Biraj	25/1	-	Bdship	Cont	Sing
Banga Bijoy	24/1	-	Baridih	Cont	Col
Banga Birol	25/1	-	Bdship	Cont	Sing
Qc Lark	25/1	P.Kel	QCSL	Cont	P.Kel
Santa Barbara	25/1	Kant	Uniship	Clink	Sing
Corali	25/1	-	Prog	GI	Sing
Machita	25/1	Indo	OTBL	For Demolition	
Amagi	25/1	Indo	OTBL	For Demolition	
Zimachi	25/1	Indo	OTBL	For Demolition	
Tug Titan-4	26/1	Bela	OTBL	Towing	
Merapi	26/1	Bela	OTBL	For Demolition	
Tug Britoil-3	26/1	Eata	OTBL	IOWING	UNIQUE
UNIQUE	26/1	EATA	OTBL	FOR DEMOLITION	
Orient Vision	26/1	-	PSSL	Cont	Yang
Eagle Strength	26/1	-	NOL	Cont	Sing
Banga Borti	27/1	-	Bdship	Cont	Sing
Elsa Oldendorff	28/1	-	Ancient	Wheat (G)	Sing
Xpress Manaslu	29/1	P. Kel	RSL	Cont	Sing

Outside Port Limit:

Vessel	Agent	Port	Remarks
Dea Captain	-	-	Arafeen R/A(15/12)
Orda	G.Oil	-	Unique 21/1
Banglar Shourabh	C.Oil	K. Dia	BSC R/A

Vessels awaiting employment/instruction:

Taraman Bibi	Agent	Port	Remarks
-	-	Mutual	R/A

Movement of vessels for 24/01/2003 & 25/01/2003

J/2	Amanat Shah	CCT/1	New Sea Star
CCT/1	B. Lanka	CCT/2	B. Borak
CCT/2	B. Lanka	CCT/2	B. Borak
CCT/3	Asimont	J/3	Lucky Marine
DOJ	B. Shourab	DOJ	B. Jyoti
			Gaz Master

J/123	Ana	J/13	K. Singa

The above are shipping position and performance of vessels at Chittagong Port as per