

## WTO's fresh bid to narrow farm trade differences

REUTERS, Geneva

World Trade Organisation (WTO) states launched a fresh bid Monday to narrow wide differences over proposals for farm trade reform while activists accused the current blueprint of being damaging to third world farmers.

Farm goods exporting and importing countries have both attacked a plan, drafted by WTO chief mediator Stuart Harbinson to meet an end-March deadline for a preliminary accord.

Some exporters say that the 26-page plan, with its call for an end to export subsidies and cuts in import tariffs, does not move fast enough towards real free trade in farm goods.

But others, including members of the European Union, which is a major agricultural importer and exporter, say it goes too far and cannot be the basis for a deal seen as key to the success of the overall Doha Round of free trade negotiations.

Trade sources quoted Norway, often an EU ally on farm issues, as telling the opening session of the WTO agriculture committee on Monday that it was "surprised and disappointed" at the text which, it said, went further than anybody had expected.

"It would have in place high levels of protection," the sources quoted a US official as telling the closed-door talks, which are due to last until Friday.

Harbinson, WTO chief of staff and chairman of the agricultural committee, first prevented his plan just before trade ministers from some 20 countries met mid-month in Tokyo in an effort to seek common ground on farming and other issues.

Under the terms of the Doha Round, launched in Qatar's capital in November 2001, member states

must agree the broad outlines of a farm pact, including how much to cut tariffs and farm support programmes, by the end of March.

This week's meeting of trade diplomats is one of the last chances to resolve differences before Harbinson presents a second draft late next month in time for a final round of talks beginning on March 24.

The EU has charged that Harbinson's earlier plan failed to propose adequate limits on money spent on export credits and food aid -- the EU accuses the United States of using these mechanisms to dump surplus domestic production on the world market.

EU officials have said that Harbinson's draft, while leaving loopholes that would continue to favour US exports, sought to phase out the European bloc's export subsidies too quickly.

While leading WTO states argued about the pace of change, activists accused Harbinson of ignoring the needs of poor farmers.

Over 50 non-government organisations, many from developing countries, issued a statement calling for the proposals to be rejected because they failed to tackle poorer countries' needs for food security and rural development.

"The current draft is a threat to rural livelihoods in Africa," said Thomas Barasa of the Kenyan non-government organisation Resource Oriented Development Initiatives.

The activists attacked the call for cuts in import tariffs in developing countries and said the plan did not do enough to counter "export dumping" by richer farm producing states, which they said was driving poorer developing country farmers out of business.

According to a recent report by the US-based Institute for Agriculture and Trade Policy (IATP), US wheat exports in 2001 were sold at an average 44 per cent below the cost of production, while the figure for cotton was 57 per cent.

## EU to put pressure on US in \$4b trade row

REUTERS, Brussels

The European Commission will revive pressure on the United States this week in a long-running trade row by presenting its final plans for sanctions worth \$4.0 billion, Commission officials said Monday.

The EU won the right to sanctions when the World Trade Organisation (WTO) ruled against US export tax breaks, and the new Commission proposal will come just before European Trade Commissioner Pascal Lamy visits the United States for talks.

The Commission, which negotiates trade for the 15 EU states, presented a first list in September of a myriad of goods to be hit by punitive tariffs worth \$12 billion -- from parts for nuclear reactors to bubble gum and television sets.

It has now pared down this after listening to industry and member states' reactions.

"It will be this week," said a Commission official, when asked when the new list would be handed to EU states for consideration. He said Wednesday or Friday were likely.

## CURRENCY

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

Selling	Currency	TT Clean	DD Sight Doc	DD Transfer
58.8500	58.9000	USD	57.9000	57.7299
63.9935	64.0479	EUR	62.0109	61.8288
94.1365	94.2164	GBP	91.1983	90.9304
36.2281	36.2588	AUD	34.4563	34.3551
0.5040	0.5045	JPY	0.4877	0.4856
43.6573	43.6944	CHF	42.3400	42.2157
6.9678	6.9737	SEK	6.8351	6.8150
39.6858	39.7195	CAD	38.5512	38.4379
7.5533	7.5597	HKD	7.4167	7.3949
34.0350	34.0640	SGD	33.1881	33.0906
16.1525	16.1662	AED	15.6377	15.5731
15.8178	15.8312	SAR	15.3179	15.2546

Exchange rates of some currencies against US dollar

Indian Rupee	Pak rupee	Lankan rupee	Thai Baht	Norwegian Krone	NZ dollar	Malaysian Ringgit
47.75	58.026	95.85	42.795	7.0349	0.5656	3.807

**Local Interbank FX Trading:**  
The local interbank foreign exchange was active on Tuesday. US dollar remained mostly steady against the taka. The public banks were mostly the sellers in the market. The dollar is likely to strengthen gradually with the increase of import related demand.

**Local Money Market:**  
Demand for call money was active on Monday. Call money rate eased slightly with the improvement of liquidity due to regular repo bid. At the close, call money rate ranged between 9.00 and 12.00 per cent compared with 10.00 - 12.00 per cent previously.

**International Market:**  
The yen rose to its highest level against the dollar in almost six months on Tuesday after Japan's Finance Minister Shiohawa cast doubt on Tokyo's willingness to step in to stem the

Japanese currency's rise. The dollar also slipped against the euro after Germany's leading Ifo business sentiment indicator showed unexpected gain in February to 88.9 from 87.4 in January. Concern over war in Iraq was also very much in focus after the United States and Britain on Monday circulated a draft UN resolution that declared Baghdad had failed to take advantage of its final opportunity to disarm peacefully. France and Germany came out strongly against the draft and most other members of the UN Security Council any swift move to war at this stage. US consumer confidence index date is due at 1500 GMT today which is expected to fall sharply.

At 1645 hours on Tuesday, euro was at 1.0793/98, GBP at 1.5814/18 and yen at 117.16/22 against the dollar.

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## Germany denies bank bailout plan, sees no crisis

REUTERS, Frankfurt/Berlin

Top German finance officials Monday poured cold water on speculation that the government was planning to bail out the country's banking system and said German banks were not in a crisis.

The German Finance Ministry denied the existence of emergency plans as reported by local media while the Bundesbank said German banks, Europe's earnings laggards, could solve their problems without resorting to government assistance.

In a report released at the same time, the European Central Bank declared that Europe's banking system was stable on the whole but warned that further economic weakness could cost the banks dearly in the form of rising costs for failed loans.

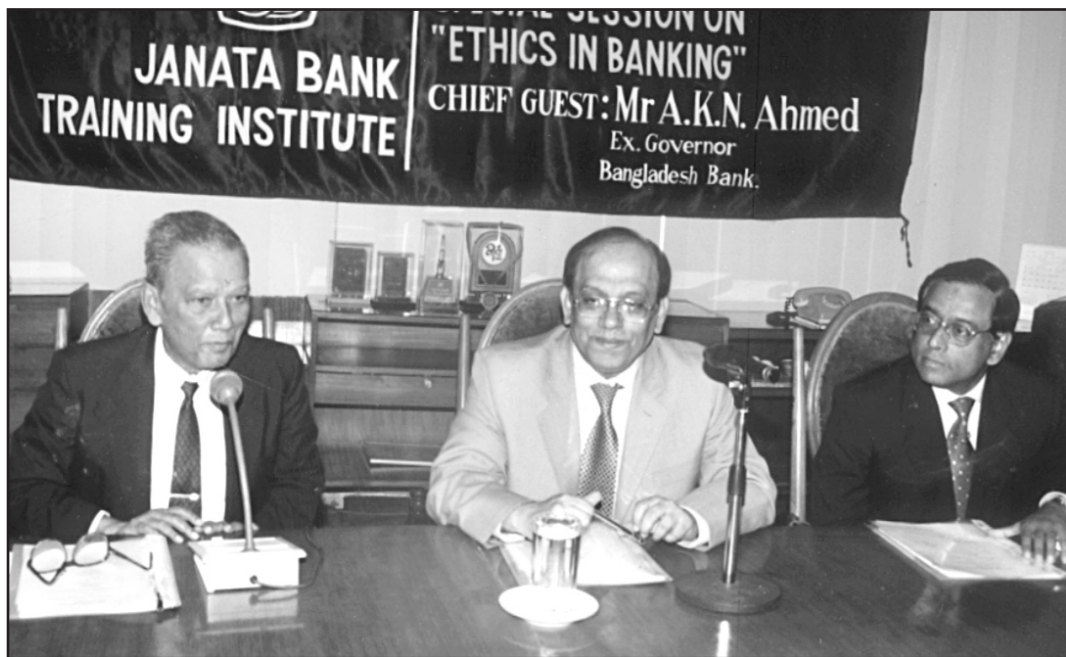


PHOTO: JANATA BANK

Murshid Kuli Khan, managing director of Janata Bank, delivers the inaugural speech at a discussion on 'Ethics in Banking' organised under the bank's Executive Development Programme in Dhaka on Monday. A K N Ahmed, ex-governor of Bangladesh Bank, and Deputy Managing Director of the bank M Ziaul Haq were also present.

## SHIPPING

### Chittagong port

Berthing position and performance of vessels as on 25/2/2003.

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/1	Inwa	Gl	Yang	MTA	18/2	27/2	970
J/2	Banglar Doot	(Y Ma/Rice) Wheat	K Dia	Litmond	R/A	2/3	1342
J/3	Ocean Pride	Gl	Yang	PSAL	11/2	2/3	739
J/4	Prospects	Sugar	Col	Mutual	7/2	27/2	831
J/5	Taraman Bibi	WT(P)/SLP	Viza	Unship	13/2	1/3	1562
J/6	Al Muziuba	Gl(S Ash)	Purb	CLA	21/2	28/2	602
J/7	Lesozza Volsk	Gl	Bank	Seacom	23/2	1/3	-
J/8	Banglar Kallol	Gl	Okha	BSC	18/2	26/2	1676
J/9	Jon Jin	Sugar	Tuti	Litmond	5/2	2/3	1280
J/10	Alexis	Gl	Dunk	Litmond	R/A	2/3	2031
J/11	New Sea Star	Cont	P Kel	QCSL	22/2	26/2	217/237
J/12	Kota Berjaya	Cont	Sing	Pil (Bd)	22/2	26/2	256/285
J/13	Banga Borat	Cont	-	Bdship	22/2	25/2	137/X
CCT/1	Mardios	Cont	P.kel	RSL	21/2	25/2	212/365

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
QC Dignity	25/2	P Kel	QCSL	Cont	Sing
Banga Bodor	26/2	Sing	Bdship	Cont	Sing
Ocean Reyana	25/2	Sing	Everett	Gl	-
Handy Rainbow	26/2	Tanj	BSL	Clink	-
St Irene	26/2	Sing	Pil (Bd)	Cont	Sing
Asia Crusader	26/2	Sing	USL	Gl	-
Pathain	26/2	-	Total	Rice	-
Ocean Premier	26/2	Subic	Rkship	For Demolition	-
Kota Singa	27/2	Sing	Pil (BD)	Cont	Sing
QC Lark	27/2	P Kel	QCSL	Cont	Sing
Banglar Moni	27/2	Sing	BSC	Cont	Sing
Zimachi	27/2	Indo	OTBL	For Demolition	-
Dredger HD-5	27/2	Sing	OTBL	For Demolition	-
Tug Britoil-8	27/2	Sing	OTBL	Towing	-
May	27/2	Indo	OTBL	For Demolition	-
Kota Cahaya	28/2	Sing	Pil (Bd)	Cont	Sing
Xpress Manaslu	28/2	P Kel	RSL	Cont	Sing
Jaami	28/2	CBO	Everbest	Cont	Col
Feng Shun Shan	28/2	-	Bdship	Gl	-
Yong Jiang	28/2	-	Bdship	Gl	-
Orient Freedom	1/3/2003	-	PSSL	Cont	Sing
Andhika Pushpita	1/3	-	Oil	Urea	-

### Tanker due

Novena	25/2	Babb	BSL	LB Oil
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### Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Miclyn Moon	--	--	Sakhi	R/A
Smit Luzon	--	Sing	Sakhi	2/2
Smit Boreno	P Cargo	Sing	Sakhi	2/2
Sea Panther	--	Sing	Sakhi	4/2
Barge: S-657	P Cargo	Kol	Sakhi	21/2
Dea Captain	--	--	Arafeen	R/A

### Vessels at outer anchorage

Vessels ready	Cargo	L Port call	Local agent	Date of arrival
Banga Biraj	Cont	P Kel	Bdship	23/2
Banglar Mamata	Gl	Yang	Royal	24/2
White Toba	Gl	Chen	Everett	24/2
Katerina-K	Rice	Kaki	Able	24/2
Banglar Shourabh	C Oil	K Dia	BSC	R/A
Banglar Jyoti	C Oil	K Dia	BSC	R/A

The above are shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by HRC Family, Dhaka.

## STOCK