

## ACP nations hammer out joint stance for Cancun summit

AFP, Brussels

The 79-nation African, Caribbean and Pacific (ACP) group forged a joint position on Friday to take to a September summit on world trade, urging the world's richest countries not to ride roughshod over their interests.

After two days of talks among ACP trade ministers in Brussels, the grouping appointed Botswana's Trade and Industry Minister Jacob Nkate to represent it at the World Trade Organisation (WTO) meeting in Cancun, Mexico on September 10-14.

In a 14-page declaration, the ACP -- which includes some of the world's poorest nations -- called for the world's richest trading powers to slash tariffs and export subsidies while ensuring proper market access to its goods, mainly agricultural commodities and textiles.

Expressing concern at the WTO's failure so far to agree on how to handle talks on liberalizing farm trade, the declaration said: "Agriculture is of critical importance to the economic development of ACP states and holds the potential to lift millions of people out of poverty."

"Progress in the agricultural

negotiations is essential for the successful conclusion of the Doha Work Programme."

The latest round of global free-trade talks has made little progress since being launched in 2001 in the Qatari capital Doha, notably because of discord between the European Union and United States.

Following a WTO ministerial meeting in Montreal this week, the EU's executive Commission predicted "some days and weeks of hard, hard work before Cancun".

Of particular concern to the ACP nations are barriers in the rich world to their economic mainstays, such as

cotton, and industrial tariffs that the World Bank says keeps the world's poorest countries over-reliant on volatile commodities.

Raw sugar exports from ACP countries enjoy preferable access to the EU, but that regime has now been challenged at the WTO by Australia, Brazil and Thailand.

The trade ministers' declaration warned that if upheld by WTO arbitrators, the complaint "would result in serious adverse effects on the livelihood of many farmers and serious political, economic and social problems in the ACP states concerned".

## Spain to host Iraq donors' meeting in autumn

REUTERS, Madrid

Spain will host a meeting of potential donors to raise funds for the rebuilding of Iraq in the autumn, Deputy Prime Minister Mariano Rajoy said Friday.

"We are helping to promote a donors' meeting to contribute to the financing of reconstruction in Iraq," Rajoy told a news conference. "I can announce to you that the meeting will take place in Spain."

Rajoy said an exact date for the conference had not yet been fixed, but that a preparatory meeting would take place in September to build on an initial gathering in New York in June.

The US-led war which toppled former Iraqi President Saddam Hussein in April has battered Iraq's economy and Iraqis complain that since the end of the war the US led authority has not done enough to restore security or basic services.

US officials have called on world donors to provide money as well as debt relief to Iraq as reconstruction costs dwarf potential income from the world's second-largest oil reserves.

Spanish Prime Minister Jose Maria Aznar was one of US President George W Bush's staunchest allies during the war.



Reynaldo Ferio, consultant of South Asia Enterprise Development Facility (SEDF), makes a presentation on funding of small and medium enterprises (SMEs) before officials of Jamuna Bank Limited in Dhaka on Monday. SA Chowdhury, managing director of the bank, is also seen in the picture.



Tofazzal Hossain, chairman of the Islami Insurance Bangladesh Limited, presides over the 3rd annual general meeting of the company in Dhaka on Tuesday. Md Ismail Nawab, vice-chairman, and ABM Nurul Haq, managing director, among others, attended the meeting.

## 'WTO pact must equalise US, EU agriculture spending'

REUTERS, Washington

A leading US senator warned the Bush administration Friday against giving too much ground in talks with the European Union on reducing farm subsidies.

Senate Finance Committee Chairman Charles Grassley, an Iowa Republican, said Congress would reject any deal that does not level the playing field with the European Union.

Current trade rules allow the European Union to spend more than \$60 billion annually on trade-distorting farm subsidies, compared to a limit for the United States of \$19.1 billion.

Grassley and other farm state senators introduced a resolution on Friday urging the Bush administration to take a tough stand on farm trade issues heading into a World Trade Organization meeting next month in Cancun, Mexico.

The resolution "sends a clear signal to our negotiators that a strong agreement that works for US agriculture is key to gaining congressional support for the Doha round negotiations," Grassley said.

The current round of WTO talks was launched in Doha, Qatar.



Mahbulul Alam Tara, chairman of National Credit and Commerce Bank Ltd, speaks as chief guest at the half-yearly conference of the branch managers of the bank in Dhaka yesterday. M Aminuzzaman, managing director, Mir Zahir Hossain, MA Quasem, Nurun Newaz, and Ainul Kabir, directors of the bank, are also seen in the picture.



Anis A Khan, chief executive officer of Industrial Development Leasing Company of Bangladesh Limited (IDLC), Yong Bok Jo and Syed Ehsan Quadir, deputy managing directors, and participants of a two-day workshop on off-site strategy pose for a photograph at BRAC CDM centre in Rajendrapur on Friday.

## US jobless rate dips

AFP, Washington

The US unemployment rate fell to 6.2 per cent in July but businesses swung a heavy jobs axe, extending the jobs agony even amid soaring economic optimism, data showed Friday.

Employers unexpectedly cut 44,000 jobs in July, demolishing forecasts of a modest increase in employment and bringing six months of uninterrupted losses to 486,000, the Labor Department said.

The unemployment rate managed to creep down from 6.4 per cent in June, but only because the total labor force -- those in a job or actively looking for one -- contracted by 556,000 people.

"Bottom line: the economic train has left the station without its workers," said BMO Financial Group economist Sal Guatieri.

Factory workers took the brunt of the blow, with manufacturing jobs slumping by 71,000 as many car factories shut down for the summer to re-equip assembly lines for new car models.

"It is a big disappointment," Guatieri said.

"The manufacturing sector is devastated. It's still shedding jobs at a rapid pace, reflecting several factors: overall weakness in the economy, an overvalued US dollar and probably some restructuring, with jobs shifting to lower-cost overseas nations."

## CURRENCY

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

Selling	BC	Currency	TT Clean	Buying	OD Transfer
58.7500	58.8000	USD	57.8200	57.6502	57.5812
67.1924	67.2496	EUR	64.2785	64.0897	64.0130
95.5040	95.5853	GBP	92.2576	91.9866	91.8765
39.0981	39.1341	AUD	36.9759	36.8673	36.8232
0.4932	0.4937	JPY	0.4766	0.4752	0.4747
43.3579	43.3948	CHF	41.9898	41.8665	41.8164
7.1429	7.1489	SEK	6.7389	6.7191	6.7111
42.1540	42.1899	CAD	40.9287	40.8085	40.7597
7.5424	7.5488	HKD	7.4043	7.3825	7.3737
33.5388	33.5674	SGD	32.6722	32.5762	32.5372
16.1259	16.1397	AED	15.6152	15.5693	15.5507
15.7917	15.8052	SAR	15.2959	15.2510	15.2327

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringit
46.165	57.695	97.105	42.025	7.2553	0.5841	3.80

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