

China should free up services, fight piracy: WTO

AFP, Geneva

China should do more to liberalize its services industry, crack down on piracy and adopt a more flexible exchange rate policy, according to a World Trade Organisation report obtained on Friday by AFP.

In its first review of Beijing's trade policy since China joined the global body at the end of 2001, the WTO said economic openness had enabled the Asian giant to increase its per capita Gross Domestic Product nine fold since 1978 and reduce by one third the number of people living on less than one dollar a day.

"There is no reason to believe that the goal of doubling GDP per capita by 2010 cannot be achieved,"

it said.

The report said reforms were given added steam when China joined the WTO, whose trading nation members, currently 149, set the rules of global commerce and have their policies periodically put in the spotlight.

"Notwithstanding these remarkable achievements, a number of challenges remain," said the report, which is due to be published officially in April.

It pointed to income inequalities between urban and rural China and between coastal and inland regions.

It said that continued restructuring of the economy, especially of farming and state enterprises, was expected to result in the need to create over 100 million jobs over the

next decade.

"This may require a reappraisal of current policy of giving priority to attracting investment in export-oriented, capital-intensive manufacturing, with a view to placing greater emphasis on removing impediments to the expansion of the services sector, which tends to be less capital-intensive," said the report.

Chinese authorities also facing the challenge of raising the quality of the labour force, the WTO review said.

The report said that when China joined the WTO it had taken on commitments to free up the services sector that were "relatively extensive" for a developing nation.

According to government figures the services industry accounted for 40.7 percent of Gross Domestic Product in 2004 and almost 25 percent of employment in 2002.

"Liberalization of key services has been slower than for other sectors of the economy," said the report.

"Banking, insurance, telecommunications, and transport services are characterized by significant state ownership and little private, especially foreign, presence."

"Our investments in property and equipment, including information technology infrastructure and land and buildings, will likely be significantly greater in 2006 compared to 2005," the Mountain View, California company said.

Google's capital expenditures grew to 838.2 million dollars in 2005 from 319 million in 2004.

"We expect that our revenue growth rate will decline over time and anticipate that there will be downward pressure on our operating margin" due to increasing competition and increased expenditures, the world's most popular search engine company said.

Google capital spending spike to slow '06 growth

AFP, New York

US Internet search giant Google said Thursday it expects to spend "significantly" more this year to continue to innovate and resist competition from the likes of Microsoft and Yahoo.

Revenue growth will continue to decline amid increasing competition, and the larger revenue base will also mean a slower rate of growth, Google said in its annual form filed late Thursday with the Securities and Exchange Commission.

"Our investments in property and equipment, including information technology infrastructure and land and buildings, will likely be significantly greater in 2006 compared to 2005," the Mountain View, California company said.

Google's capital expenditures grew to 838.2 million dollars in 2005 from 319 million in 2004.

"We expect that our revenue growth rate will decline over time and anticipate that there will be downward pressure on our operating margin" due to increasing competition and increased expenditures, the world's most popular search engine company said.

"If we do not continue to innovate and provide products and services that are useful to users, we may not remain competitive, and our revenues and operating results could suffer," it said.



PHOTO: ASIAN PAINTS

Arghya Chakravarty, chief executive officer of Asian Paints (Bangladesh) Ltd, inaugurates a 'ColourWorld' outlet of the company at Amir Complex in Uttara, Dhaka recently. Among others, senior officials of the company are seen.



PHOTO: READYCASH

A co-ordination meeting of 'Sonali Bank ReadyCash Programme-2006' was held recently in Dhaka. Shawkat Ali Khan, deputy general manager of Sonali Bank, chaired the meeting, which was also attended by other senior officials of the bank.

Pakistan looking all options to meet energy needs

APP, Islamabad

Prime Minister Shaukat Aziz on Friday said Pakistan has been looking at all options to meet its energy needs for its growing economy and fulfil the domestic requirement.

Addressing a press conference here at Prime Minister House, he said, Pakistan is working on three different options to get gas for its energy needs.

The prime minister said negotiations are going on with various countries for gas pipelines including Turkmenistan-Afghanistan-Pakistan-India and Iran-Pakistan-India gas pipeline projects.

He said recently Pakistan's delegation was in Turkmenistan to discuss the project and added that after complete discussion, Pakistan would take final decision on these gas pipelines which will be in its interest.

Presently, the prime minister said, Pakistan is fulfilling its 50 percent requirements from its domestic production of natural gas.

He said Oil and Gas Development Corporation (OGDC) has been asked to expedite its exploration work.

Answering a question about contact with Afghanistan, the prime minister said Pakistan has been in constant link with Afghanistan and trade relations between the two countries are increasing.

He said trade between Pakistan and Afghanistan during the current fiscal year would be over 1.5 billion dollars.

The prime minister said strong, stable and progressed Afghanistan was good for Pakistan and the region.

He said Pakistan has been taking keen interest in the development and reconstruction of

Afghanistan.

Answering a question about the price of sugar in the open market, the prime minister said government had decided to open more outlets at Utility Stores to provide sugar at 27.50 per kg.

He, however, said due to effective measures taken by the government and provision of adequate quantity of sugar through Utility Stores, the prices of the sugar are stable in the market.

The prime minister said due to less sugarcane crop this year, the country has been facing shortage of sugar. He said the price of sugar was still less as compared to the international market.

Int'l cellphone info confce to be held in Vietnam

VNA, Hanoi

Over 200 local and foreign experts and managers are expected to attend the third International Conference on Mobile Information -- Mobiles Vietnam 2006 -- in Ho Chi Minh City on May 10-11, announced the Ministry of Post and Telematics.

The conference, which will be jointly held by the Vietnam Post and Telecommunications Corporation (VNPT) and Singapore's IBC Asia Company, will offer opportunities for participants to share information and seek partners to expand their business.



PHOTO: DEKKO FOODS

M Shahadat Hossain Kiron, managing director of Dekko Group, and Kalpan Hossain, executive director, give away crests among distributors at the distributors' conference of Dekko Foods Ltd held recently in Dhaka. M Shahid Hossain, Dekko Group director, among others, was present at the function.



PHOTO: INTRACO CNG

Officials of Intraco CNG Ltd, among others, are seen at the launching ceremony of the company's 'CNG conversion service for diesel driven vehicles & motorcycle' on Friday in Dhaka.

Marubeni to buy Indonesian coal mines for \$3.2b

AFP, Tokyo

Japan's Marubeni Corp. and its local partners are in the final stages of negotiations to acquire two coal-mining firms in Indonesia from PT Bumi Resources Tbk for about 3.2 billion dollars, a report said Saturday.

The consortium, led by Indonesian firm Renaissance Capital, plans to buy PT Arutmin Indonesia and PT Kaltim Prima Coal

(KPC), the Nihon Keizai Shimbun reported, quoting trading house Marubeni's president Nobuo Katsumata.

The report followed the Indonesian coal miner's announcement Friday that it had sold stakes in two of its units for 3.2 billion dollars to Borneo Lumbung Energi, a unit of Renaissance Capital.

It is the first time Marubeni has been linked to the acquisition.

With the planned purchase,

Marubeni is aiming to export coal to China and Japan where demand is increasing, the report said. It also plans to build a coal-fired power plant in Indonesia.

Marubeni officials were not immediately available for comment.

Bumi Resources sold a 95 percent stake in KPC and a 100 percent stake in Arutmin in an agreement signed Thursday.

Malaysia looks for 200,000 Vietnamese workers annually

VNA, Hanoi

Malaysia appreciates Vietnamese overseas workers and looks for around 200,000 of them annually, said Malaysian Minister of Human Resources Fong Chan Onn.

Working with Vietnamese Minister of Labour, War Invalids and Social Affairs Nguyen Thi Hang in Hanoi Friday, the Malaysian Minister also pledged to resolve Vietnam's complaints on raised brokerage fees and charges for CE (Certificate of Eligibility), a certificate honoured by Malaysian training centers and Vietnamese businesses. He said that the increase does not conform with his country's law.

At the working session, the Vietnamese and Malaysian ministers also discussed some technical matters relating to bilateral cooperation in labour issues.

According to the Department for Overseas Labour Management, Vietnam has since 2002 sent a total of 113,000 workers to Malaysia to work in the manufacturing industry, electronics assembly, textile and garment, service and agricultural sectors.

US industrial output gains, consumer moods lukewarm

REUTERS, New York

US industrial output grew in February but mainly because of a weather-related boost in utility demand, while consumer sentiment held steady in March.

Cold weather in February boosted overall output at U.S. industrial outlets 0.7 percent, the Federal Reserve said on Friday, in line with forecasts and up from a downwardly revised 0.3 percent decline in January.

Friday's figures came on the heels of economic data earlier in the week showing strong consumer spending and expansion in factory output, as well as a slowing housing market and subdued inflation.

"It is unclear if things are slowing down or speeding up given all the volatility we've had in weather and oil prices," said Kurt Karl, head of economic research at Swiss Re in New York.

Many economists have been looking for solid economic growth in the first half of 2006 with some slowing in the latter part of the year.

While industrial output did exhibit signs of strength in February, analysts said the gains were mostly due to ramped-up production at utilities.

"The swing is mostly explained by utility production, which was down sharply in January and has to do with the weather patterns," said Lea Tyler, economist at Oxford Economics USA.

This year saw the warmest January in more than a century, while February was seasonably cold in many parts of the country, prompting unusual volatility in economic data ranging from retail sales to manufacturing.

Utility production rebounded 7.9 percent as weather moved closer to seasonal norms after January's balmy temperatures.