

South American leaders agree to push for trade group

AFP, Cordoba

Leaders of South America's biggest trade grouping backed proposals Friday to establish a continent-wide free trade pact in a summit also attended by Cuban President Fidel Castro.

The leaders of Mercosur members Brazil, Argentina, Uruguay, Paraguay and Venezuela reiterated their commitment to unify with the four-state Andean Community and other countries into the continent-wide South American Community free trade group.

The group also endorsed Venezuela's effort to join the United Nations Security Council as a non-permanent member.

Venezuela was attending the meeting for the first time as a full member after quitting the Andean Community, which groups Ecuador, Bolivia, Colombia and Peru.

of Mercosur's associate members, Michelle Bachelet of Chile and Evo Morales of Bolivia. Mexican Foreign Minister Ernesto Derbez was at the event as an observer.

In their declaration the five endorsed the European Union-modeled South American Community announced in December 2004 at the South American summit. The group would join together Mercosur, the Andean Community and Chile, Guyana and Surinam.

With its new member, Mercosur now has a total population of more than 250 million people, a gross regional product of over one trillion dollars and regional trade surpassing 300 billion dollars.

Venezuela's joining brought in the region's biggest oil producer and exporter and only member of oil cartel OPEC.

The summit in Cordoba, Argentina, was marked by the

presence of Castro, who turns 80 next month, as a guest of Argentina President Nestor Kirchner.

"Nobody knew I was coming, not even me," Castro, whose trips are usually kept secret, said in a speech to his fellow South American leaders.

Castro, a thorn in Washington's side for decades, said he was "very happy at turning 80, something that I never had hoped for, much less when we had a neighbor, by chance the most powerful force worldwide, trying to eliminate me every day."

"This must be the only meeting in which they did not try to attack me," he said.

Castro signed a Complementary Economic Accord with the group which will benefit the island state in its trade with Mercosur countries.

Summit host Kirchner warned his audience in his opening speech that the trade bloc's integration must be about more than just economic

growth.

"We are not interested only in economic integration. We are not interested in a region of the world where integration is full of poverty, exclusion and unemployment," Kirchner said, referring to the sharp differences between strong economies such as Argentina, Venezuela and Brazil, and smaller economies such as Paraguay and Uruguay.

There are also disagreements among member states: Argentina, for example, is trying to stop Uruguay from building two potentially polluting pulp mills on the Uruguay river that serves as a border between the countries.

Argentina, Brazil, Paraguay and Uruguay formed Mercosur in 1991 with the aim of creating a South American common market. Chile and Bolivia became associate members in 1996.

China world's third largest food aid donor: WFP

XINHUA, Rome

In the same year it stopped receiving food aid from the World Food Programme (WFP), China emerged as the globe's third largest food aid donor in 2005, according to the organisation's latest annual FoodAid Monitor.

Global food aid grew by 10 percent to 8.2 million metric tons in 2005, a slight uptick in an overall declining trend, according to the International Food Aid Information System (INTERFAIS) database, which is hosted by the WFP to track all donations of food aid.

Donations from China totaled 577,000 metric tons and the country accounted for more than half of the rise in overall food aid donations in 2005, with a 260-percent increase on the previous year.

Canada increased its donations by 42 percent to 275,000 tons. Other relatively new donors, such as the Czech Republic, Greece and Poland, doubled or even tripled their support from 2004 to 2005, the WFP said.

The United States remained the world's most generous food aid donor, providing 4 million tons, or 49 percent of all donations. Overall donations from the European Union totaled 1.5 million tons, with the European Commission, Austria, Denmark, the Netherlands and Sweden significantly increasing their support.

For the first time on record, more than half of all food aid was sent to sub-Saharan Africa, which received 4.6 million tons. Ethiopia again topped the list of countries receiving food aid, with 1.1 million tons, or 13 percent of all food aid delivered in 2005. Other major recipients in Africa included Sudan, Uganda, Eritrea and Kenya.

SIA orders 29 Airbus aircraft

XINHUA, Singapore

Singapore Airlines (SIA) has ordered 20 A350 planes and another nine A380 superjumbos from European aircraft maker Airbus, local English daily The Straits Times reported Saturday.

The deal, signed Friday and worth 7.5 billion US dollars, also includes an option for another 20 A350s, which boast of extra wide-body, and six more A380s, the world's biggest commercial airliner.

The A350s are expected to be delivered between 2012 and 2014 while the A380s are scheduled to enter service from late 2008 to 2010, according to the report.

SIA became A380's first customer when it ordered ten such planes in September 2000, together with another 15 on option. The 8.6-billion-US-dollar deal also includes the cost of spares and installed engines.

Deliveries of the double-decker jets have been postponed once and again to the end of this year due to some "industrial issues" as stated by the manufacturer.

US rejects union appeal for attack on China labour standards

AFP, Washington

The US government rejected Friday a union bid to sanction China over its labour standards, but said it was well aware of serious abuses in the country's booming factories.

The office of the US Trade Representative (USTR) said the petition filed by the AFL-CIO, the umbrella US labour federation, for a "Section 301" investigation into Chinese workers' rights was inappropriate.

Had the petition been upheld, it would have triggered a lengthy probe that could have resulted in US trade sanctions against China.

"As we explained in April 2004 when we rejected a similar Section 301 petition on China's labour practices, we do not need to conduct a year-long investigation to know that there are serious concerns with labour rights and

working conditions in China," USTR spokesman Sean Spicer said.

The US government will continue to press China to improve workers' rights in its factories and workplaces, he said.

"A Section 301 investigation will neither shed more light on this problem nor lead to a more effective approach for addressing Chinese workers' rights and labour conditions."

China has drawn fierce criticism for its industrial safety record as employers chase profits over all else to stoke the country's startling economic boom. The union allowed is a federation affiliated to the Communist Party.

The AFL-CIO, which is also aghast at the loss of hundreds of thousands of American jobs to China in recent years, called the USTR decision a "slap in the face" to

both Chinese and American workers.

"In rejecting this petition, President (George W.) Bush has shown once again that he is beholden to corporate interests at the expense of working families," AFL-CIO Secretary-Treasurer Richard Trumka said in a statement.

"It's a travesty that after five years of failed trade policy that have contributed to the loss of almost three million US manufacturing jobs and a record trade deficit of 726 billion dollars, the administration continues to take no meaningful action to support America's workers or stop the abuse of workers in China."

In rejecting the AFL-CIO's 2004 petition, the Bush administration said opening up the prospect of sanctions against Chinese labour standards would only end in "economic isolationism".

Telenor profits rise on int'l cellphone operations

AFP, Oslo

Norwegian telecoms operator Telenor on Friday posted strong second-quarter earnings in line with expectations, boosted mainly by its international mobile phone activities.

Telenor reported a 12-percent rise in net profit to 2.28 billion kroner (287.8 million euros, 364 million dollars), up from 2.04 billion kroner in the corresponding period a year ago.

With Norway's mobile phone market largely saturated, the group's main growth came from the international mobile telephony division. Telenor, which is 54-percent owned by the Norwegian state, has operations in a dozen northern and eastern European countries as well as Southeast Asia.

Telenor and its associated companies registered six million new subscribers in the three-month period, bringing their customer base to a total of 96 million subscriptions.

In Norway, the number of subscriptions fell by 13,000, shrinking Telenor's market share from 56 percent in the previous quarter to 55 percent.

Operating profit surged by 57 percent to 4.41 billion kroner, from 2.81 billion kroner, while sales rose by 36.5 percent to 22.5 billion kroner from 16.5 billion kroner.

Fixed telephony yielded an operating profit of 819 million kroner, up from 773 million a year earlier. Sales fell however, from 4.37 billion a year ago to 3.98 billion.

During the quarter, Telenor's operating margin before interest, taxes, depreciation, amortization (EBITDA) and exceptional items was 35.2 percent, up from 33.6 percent in the second quarter of 2005.

World cereal stocks may decline sharply in 2006

FAO report says

PTI, New York

Owing to a slight decrease in global cereal output and significant growth in utilisation, world cereal stocks are expected to decline sharply in 2006, the latest UN Food and Agriculture Organisation forecast said.

Supported by strong demand and tighter supply prospects, international prices of most cereals remained firm or rose further in recent months, said the Rome-based agency in its latest 'Crop Prospects and Food Situation' report.

Increased demand is expected to be driven by a recovery in feed use due to a rebound in poultry consumption, FAO said. In addition, the growing demand for ethanol is likely to boost industrial use of

coarse grains, particularly maize.

While down about 1 percent from 2005 levels, world cereal output for 2006 would still be the third highest on record and above the five-year average, the report said but also predicts that food emergencies will continue in a number of countries.

Many countries are experiencing severe food difficulties and require external assistance despite what the report called a generally satisfactory global food outlook.

These include a number of African states, such as Somalia, South Africa, Angola and Zimbabwe.

According to FAO, the situation in Niger warrants a very close monitoring because food reserves are exhausted in the majority of households and consumption has

been sharply reduced.

Asia, which has a bumper wheat crop in many countries, fares better. But North Korea is still facing a large cereal deficit and chronic food insecurity is likely to remain widespread, the report said.

The situation in Iraq is hampering food security there, while in Afghanistan the cereal harvest is above average but vulnerable households will still require food aid over the coming year.

In Central America and the Caribbean, early forecasts indicate that this year's Atlantic hurricane season will be active.

The region is still reeling from last year's hurricane season, the most active in history, causing nearly 2,300 deaths and a record total estimated damage of about USD 100 billion, FAO said.



Parveen Haque Sikder, chairperson of National Bank Ltd, speaks at the 'Half-yearly Conference-2006' of the bank on Wednesday in Dhaka. Directors and managing director are also seen.



DH Khan and Associates, a management consulting firm, recently organised a five-day training programme on 'Product Management in Pharmaceutical Industry', which was participated by trainees from local and multinational pharmaceutical companies.



Rangs Workshop Ltd yesterday launched a six-day promotional campaign styled 'Mitsubishi Service Week'. Shahriar Yousuf, controller (Strategic Planning) of Rangs Group, inaugurated the campaign while other senior officials were present. During the campaign, Rangs Workshop will provide the users of Mitsubishi brand vehicles with free servicing and spare parts facilities.