#### \$1.2 m EC aid for Bulgaria's nuclear plant

PARIS, Sept 23: Four west European firms will take part in a 1.2 million Dollar European Community (EC) emergency programme to eliminate safety hazards at Bulgaria's sole nuclear energy plant at Kozloduy, it was announced here yesterday, reports AFP.

Both US and International Atomic Energy Agency (IAEA) experts have identified serious problems at Kozloduy, which supplies up to 40 per cent Bulgaria's electricity.

A statement issued by one of the four firms involved in the project, the French Institute for Nuclear Protection and Safety (INPS) said the agreement for a sixmonth emergency programme was signed Friday with the Bulgarian state committee for the peaceful application of nuclear energy

The other three firms are the German Gesellschaft for Reaktorscherheit (GRS), the British Nuclear Installations Inspectorate and AEA Technology, and the Belgrian Association Vincotte.

The European Community will put one million European Currency units (1.21m Dollars) into the programme, the French firm's statement said.

An IAEA inspection team that visited Kozloduy three months ago called for the four oldest 440 megawatt reactors to be shut down. Of the two newer 1,000-megawatt reactors, one is in service and the other is functioning on a experimental basis.

#### Kuwait gets US export guarantee

WASHINGTON, Sept 23: The United States signed an agreement with cash-strapped Kuwait, providing for U.S Export-Import Bank guarantees to that formerly and potentially oil-rich sheikdom, reports PTI.

Kuwait, which was cash rich before the Iraqi invasion, has spent all its liquid assets either in support of the liberation of the country or for the living expenses of its citizens, said Abdullah Gabandi, Managing Director of the Kuwait Investment Authority. Rather than sell off its assets, he said Kuwait had decided

The US loan guarantee will benefit not only Kuwait but also US exporters . Eugene K. Lawson, Vice Chairman of the EXIM bank, said that the agreement "will give US exporters will have a good chance in bidding on Kuwait contracts because the financing is there."

Between 30 and 40 per cent of the funds are expected to be utilized for repairing Kuwait's damaged oil and gas production and refining facili-

#### **OPEC** nations likely to clash over production

BRUSSELS, Sept 23 : OPEC nations are headed for a tussle this week over whether to keep oil production gushing during the winter months or cut back some to try to nudge crude prices higher, reports

Ministers of the 13-nation Organization of Petroleum **Exporting Countries meet** Tuesday in Geneva to plot output strategy for the rest of the

In advance of the talks, analysts predicted sparks would

Peter Bogin, Associate Director for oil markets at Cambridge Energy Research Associates in Paris, agreed the ministers might spar.

But, he predicted, "in the end OPEC will decide to maintain the status quo."

Led by superproducer Saudi Arabia, the cartel has in recent months lifted production to about 23.5 million barrels of oil a day, more than a million barrels over an informal output

ceiling put in place last spring. Despite the surge, oil prices have remained fairly steady, even gaining some ground in recent weeks. They are, though, nowhere near the

cartel's benchmark target of 21 Dollars a barrel. The average price of crudes

monitored by OPEC was 18.78 Dollars a barrel two weeks ago, the period for which the most recent figures were available, down from 19.05 Dollars a barrel in the previous week.

The price had shot up to more than 37 Dollars a barrel last October during the Gulf crisis touched off by Iraq's invasion of fellow OPEC member

Kuwait on Aug 2, 1990. Analysts expect Saudi Arabia, the world's largest crude exporter, to press for an increase in the production ceiling to reflect the cartel's stepped-up pumping.

### Asia divided economically

has become divided into some of the world's most vigorous economies and some of the world's poorest, senior World Bank officials said here at a recent presentation of the bank's 1991 annual report, reports

"There are actually two Asias. One Asia is the rapidly industrialising Asia. The other is the slower growth economics," said Pastor Sison, the World Bank's external affairs officer for Asia.

Among the rapidly industrialising countries were South Korea, Malaysia, Thailand and Indonesia, Sison said. These countries not only have made impressive gains in growth of their per capita income but they have also made a dent in their poverty problem," Sison

The success of these countries was based on "prudent economic management, continuing structural reforms and sound long-term investments," the bank's annual report said.

Among the slower growth economic, Sison said, were Bangladesh, Burma, Laos, Nepal, the Philippines and

WASHINGTON, Sept 23

The World Bank increased its

lending to the Third World

during fiscal 1992 to between

23 and 25 billion Dollars,

compared to 22.7 billion in

fiscal 1991, the bank said in

its annual report issued here

the period July 1991-July

1992 should be channeled

through the World Bank itself

since funding through the

International Development

Association (IDA), the bank's

affiliate handling loans for the

World's poorest countries, will

remain essentially unchanged.

During fiscal 1992, World

Bank loans are expected to hit

between 17 and 19 billion dol-

lars, against 16.4 billion in fis-

cal 1991. Lending by the IDA is

expected to reach 6.4 billion

SINGAPORE, Sept 23:

Urgent efforts are needed to

develop new energy sources to

make up for a firewood short-

age that could leave one billion

Asians short of fuel by 2000,

Malaysia's Energy Minister said

opening day of the seventh

Asia-Pacific Petroleum

Conference (APPEC) that en-

ergy policies in developing na-

tions must balance environ-

mental concerns with the

need to promote economic

officials from around the world

that traditional, non-commer-

cial sources of energy such as

firewood used by the poor ac-

of Asian energy consumption.

counted for up to 60 per cent

tion rates, the annual firewood

deficit will more than double

between 1980 and 2000 from

400 million to 900 million cu-

bic metres (520 to 1,170 mil-

lion cubic yards), leading to

serious consequences of defor-

ple in Asia alone will be in an

"energy-deficit situation" by

the year 2000, Malaysia's

Minister of Energy

Telecommunications and Posts

Vellu said high priority

should be given to harnessing

technologies for new and re-

newable sources of energy

such as biomass, solar, wind

and hydropower to boost ef-

forts in rural energy develop-

ment projects should be inte-

grated with moves to enhance

energy supplies, he said.

Efforts to develop commer-

cially viable technology to ex-

ploit renewable fuel sources

was "one of the main keys" to

long-term energy solutions but

Vellu said renewable energy

should be stepped up.

Reforestation and develop-

said in a prepared speech.

More than one billion peo-

estation," he said.

"At the present consump-

Vellu told oil executives and

Samy Vellu also told the

today, reports AFP.

The additional amount for

today, reports AFP.

characteristics of large populations, rapid population growth, widespread poverty and structural reform challenges," Sison

These countries faced uncertain or clouded prospects," the annual report

The two Asian giants -China and India - have their own particular problems and are both 'experiencing macroeconomic imbalances," Sison

Asia received 7.5 billion US Dollars of 33 per cent of World Bank's total worldwide lending of 22.7 billion Dollars, last fiscal year ending June 30.

Sison said the bank's primary objective was the reduction of poverty and that in Asia "poverty is still a daunting problem.

There are 354 people per square kilometre (920 per square mile) of agricultural land in Asia compared with 56 (146) in Latin America and 58 (151) in Africa. In Bangladesh there are 1,000 people per square kilometre (2,600 per square mile) and the figure for India is 450 (1,170).

"Poverty and large popula-"These slower growth tions are really linked, espe-

WB raises Third World lending

Dollars, up slightly from the

lending in fiscal 1992 should

keep pace with growth in net

disbursements — loans paid

bank and the IDA are expected

"to be better this year" than in

fiscal 1991, when they

dropped to 6.4 billion Dollars

compared to 9.3 billion a year

earlier, said Tim Cullen, the

bank's Director of External

in 1991 was chiefly attributed

to the increase in lending to

Eastern Europe as it under-

went changes toward a market

economy. These nations ab-

sorbed 2.9 billion Dollars in

World Bank loans, compared to

Billion Asians likely to face

fuel shortage by 2000

was being underexploited due

The Malaysian said develop-

ing countries were under

mounting pressure to devise

energy policies that satisfy

global concerns over the envi-

ronment but also threaten to

increase the economic gap

to a lack of competitiveness

1.8 billion in 1990.

with other fuels.

The disbursement increase

The increase in the bank's

Net disbursements from the

current 6.3 billion Dollars.

out minus repayments.

WB in good position to cially in Asia," Sison said. Thirty-five per cent of Asia's populations is below the age of 15 and, according to the bank's forecasts, in 35 years

more than four million people. Currently there are 20 cities in Asia with populations of four million or more. The problem of Mega-cities will be particularly serious in

there will be 50 "Mega-cities"

in Asia with populations of

South Asia were in 35 years many cities will have populations of 10 million or more. The bank recommends two-pronged approach in the

fight against poverty.

Strategies should 'encourage

the productive use of the most important asset of the poor -At the same time in order that the poor can participate more effectively in the development process it is essential that the countries also in-crease their commitment and increase their resources being devoted to the social services, basic education and - health

and nutrition," Sison said. Thailand, which for the last few years has been one of the World's fastest growing economies, was singled out by Sisons and other world bank officials for special praise.

The bank's interest in

Eastern Europe should be"

sustained at this level" in the

coming years, with an ex-

pected a yearly disbursement

of between 2.5 billion to 3.0

billion Dollars, said Willi

Wapenhans, Vice President for

Europe, Middle East and

provide the precise amount

the bank expects to lend Eastern Europe this year, cit-

ing the political uncertainty in

Yugoslavia, one of the bank's

loans which might be granted

to the Soviet Union once it be-

comes a full member of the

bank, the official stressed. At

present, both the World Bank

and the International Monetary

Fund are considering admit-

between North and South.

Vellu expressed fears that

Eastern Europe and recon-

struction efforts in Kuwait

would draw away much-needed

capital for energy projects in

developing states. He also

urged increased transfers of

energy-efficient technologies

from more developed coun-

These amounts exclude any

Wapenhans declined to

North Africa.

neavy borrowers.

ting Moscow-

## help all

WASHINGTON, Sept 23 With a "head room" of 67.7 bil lion Dollars to disburse, the World Bank was in a very good position to meet the needs of all regions and there was no need for apprehension for the traditional developing countries, the bank's spokesman Tim Cullen has said, reports

For the first time, the bank had decided to use part of its profits to decrease the lending rate to borrowers who met their obligations in time, by a quarter per cent, Cullen said breaking correspondents about the bank's annual report.

On June 30, eight countries were in arrears on their outstanding loan obligations to the tune of 2.5 billion Dollars. This constituted about 2.7 per cent of the outstanding loans. Arrangements were being worked out to make them eligible once again to borrow, he

Regarding the report, he noted that the report covered only till the end of the financial year and not the events that had occurred subsequently.

#### Indian stocks mark dramatic trading

BOMBAY, Sept 23: Prices on the Indian stock market scaled a record high this week before sliding dramatically following trading restrictions reports AFP.

The Bombay Stock Exchange (BSE) sensitivity index lost on the whole 28.3 points when it closed Friday at 1,833.4 points at the end of a four-day trading week. The market was closed Thursday.

The BSE national index finished at 878.6 points, down by 0.2 points.

Trading opened Monday with hectic bull activity, and at one point the BSE index soared to an all-time high of 1,916.79 points, before closing at 1,912.35 points. It had gained 50.7 points in one trading session alone.

Much of the buying, according to stock exchange authorities, was done by speculators expecting heavy investment in the coming weeks following rumours that the government was going to further open up India's regimented economy and remove controls on indus-

To rein in speculators, heavy restrictions were imposed beginning Tuesday on all large purchases, forcing the prices to move the other way almost immediately.

#### Iraq refuses to accept UN oil sale permission

PARIS, Sept 23: Iraqi Vice-President Taha Yassin Ramadan said in an interview published today, that Baghdad would not accept United Nations permission to export only a limited amount of oil, reports Reuter.

Iragis would rather die than beg, he was quoted as telling the French daily Le Figaro.

Ramadan described the French-sponsored UN resolution allowing Iraq to sell 1.6 billion Dollars worth of oil to buy emergency supplies and pay war compensation as shameful.

"It is unimaginable that France, the champion of freedom and human rights, should ask the UN to sell Iraqi oil and hand out medical and food aid while keeping part of the money for other aims, Ramadan said.

"Did French politicians believe for one moment that the Iraqi people could accept such scheme?" Ramadan asked. We'd rather die than become beggars," he added.

Ramadan said the UN trade embargo imposed on Iraq after its ill-fated invasion of Kuwait last year had turned into genocide and would go down in history as a crime.

"Iraq does not want aid, it wants to sell its oil to feed its people and this is being deas they see them as an obstac: to peace. —AFP/UNB photo. I nied," he said.



streets of Moscow September 21 as the Soviet economy continues to be bogged down with food shortages, poor -AFP/ UNB photo. distribution and rising prices.

#### Poland-Soviet barter deal on food-for-Gas

WARSAW, Sept 23 : Polish and Soviet Deputy Prime Ministers Leszek Balcerowicz and Yuri Luzhkov signed a barter agreement yesterday worth 500 million Dollars, officials said here, reports AFP.

Under the agreement Poland will supply the Soviet Union with 600,000 tonnes of potatoes, 50,000 tonnes of apples, 20,000 tonns of onions and other foodstuffs, together with some medical and household electrical products before the end of the year.

In exchange, the Soviet Union will provide by the end of June 1992, 1.5 billion Cubic Metres of gas together with quantities of iron ore and cel-

In addition the two sides

have agreed on an exchange o one million tonnes of Polish cereals for a supply of Soviet non-ferrous metals. The barter agreement is the

first of its kind to be signed between the two countries since the introduction of the Dollar in commercial accounting among members of the former Soviet Bloc last January.

Polish Foreign Economic Relations minister Darusz Ledworwski told a press conference that Moscow had to Poland agreed Czechoslovakia and Hungary selling foodstuff to the Soviet Union under the terms of aid arrangements between Moscow and the Economic Community.

#### EC asked to set up new reserve of \$360m

BRUSSELS, Sept 23 : The European Community's Executive Commission on Wednesday asked for limits on 1992 spending to be increased by more than 550 million Dollars, mainly to permit increased aid to the Soviet Union, reports Reuter.

The 17-member Executive Commission said in a statement that it also had asked for a new reserve of 360 million Dollars to be set aside in the EC 1992 budget to meet humanitarian aid emergencies around the World.

The request for higher spending ceilings - sent to the 12 EC member states and the European Parliament even before they had formally approved the 78 billion Dollar 1992 budget - shows how the Community's growing international commitments are straining resources, EC officials said. The Commission warned

that even the higher ceilings

would not take into account a plea from the Soviet Union for up to seven billion Dollars worth of food aid this winter, which the EC is now consider-

The Commission on Wednesday asked for the ceiling on spending in 1992 for the category which includes aid to the Soviet Union, to be lifted by 420 million European Currency Units (500 million Dollars) to take account of technical assistance already pledged to the Soviet Union.

It said that the spending ceiling on a separate category should be increased by 45 million ECUs (54 million Dollars) to hire new staff at the Commission and finance the evacuation of its asbestos-ridden headquarters building in

Another 300 million ECUs (360 million Dollars) should be set aside in an emergency re-

#### Scepticism over US telecom plan under GATT

GENEVA, Sept 23: A US proposal for further liberalisation of telecommunications under the GATT this week has received a mixed reaction, negotiators here said yesterday, reports AFP.

The US proposal, in the form of complicated amendments, concerns a document on telecommunications forming part of a draft agreement on trade in services under the stalled Uruguay round of world tariff-cutting negotiations. The changes go into details

of principles, already accepted broadly, with a view to limiting excessive national regulation. These details are aimed

particularly at ensuring non discriminatory access for users of public telecommunications networks. The United States has led

the way in de-regulating

close Rupiah to the Dollar

Friday, down from 1,965

Rupiah a week earlier.

telecommunications networks which in most countries are owned and operated by the

Huge technological advances during the last 20 years have increased pressure for liberalisation.

Negotiators at the General Agreement on Tariffs and Trade (GATT) here have reacted with caution and even scepticism to the US proposal.

European Community (EC) sources said that while the amendments went in the direction of principles backed by the community, they were one-sided and unduly ambi-

far into detail, risked posing more problems than it sought to solve, they said, noting that it would oblige most countries to change national legislation.

further to 25.56 Baht Tuesday

The initiative, by going too

#### ethnic war COLOMBO, Sept 23 Charming beaches and cheap

Tourism boom in

Sri Lanka despite

prices are luring droves of holiday-makers to the Indian ocean island Republic of Sri Lanka despite a raging ethnic war, travel trade officials here say, reports AFP. The officials said the surge

in arrivals over the past two months had strengthened the industry's optimism of the coming winter when Sri Lanka's traditional Western tourist markets become ac-

Total arrivals for August were 28,824 one of the highest figures for a single month since 1982 when a record 407,230 foreigners visited the

The outbreak of ethnic fighting the following year sparked a decline in the tourist trade.

The tourist is learning fast that except for the Northeast, the rest of the country is safe for travel," said N. Yasapala, the Director General of the Official

Yasapala blames the Gulf War and not Sr! Lanka's civil strife for the drop in tourist arrivals earlier in the year. which has caused the industry to revise its projection of some 378,000 arrivals in 1991 to 330,000.

#### 9 bids accepted in Bangladesh Bank bill auction

Star Economic Report Fourteen bids for a total

amount of Tk 44 erore were received at the 10th auction of the 91-day Bangladesh Bank bill held on Monday. Nine bids were accepted, says a press

The total face value of the bills accepted was Tk 25 crore. The weighted average price of the accepted bids was Tk 97.70. The corresponding yield is 9.46 per cent per an-

#### UAE insurance co executive due today

Muhammad Ishaque Khan, former administrator of the Muslim Insurance Company Ltd and one of the top and outstanding executives of Indo-Pakistan sub-continent and now Director and Chief Executive. Credit and Commerce Insurance (UAE) Ltd Dubai, likely to arrive in Dhaka today (Tuesday), says a press release.

#### Philips to be revitalised

Philips is in the process of revitalising the total company and messages has been spread companywide through cascades of seminars, meetings and workshops, says a press

Bangladesh delegation led by LPC Lucker, Managing Director went to a 3-day Centurion meeting in Karachi. Participants also included senior staff of Philips Pakistan.

A 15-member Philips

The meeting aimed at transferring process; and people to bring about change in the mindest in order to enhance Philips corporate strategic intent.

#### Biman re-elected to Asian Airlines Assoc human resource body

Biman Bangladesh Airlines, a founder member of the Asian Airlines Association for Human Resource Development, has been re-elected to the executive committee of the association at its 6th general body meeting held recently at Bali. Indonesia, reports BSS.

Delegates of 26 airlines from Japan and Taiwan in the east to Saudi Arabia and Jordan in the west participated in the conserence, a Biman press release said in Dhaka Monday.

The conference stressed the importance of cross cultural awareness and development of human resources of the airlines, to effectively cater to sensitive needs of the passengers of the Asian region.

Top management personnel of the member airlines attending the conference agreed that development of their human resources was the key to successful operations in the fiercely competitive airline market.

Delegates of the participative airlines also agreed to find meaningful ways of co-operation that would be mutually beneficial to the airlines with a view to developing human resources of the member air-

Capt Ahadul Ameen, Director, Administration represented Biman at the conference.

#### Asian currencies hardly move against US Dollar HONG KONG, Sept 23: was stronger earlier in the down 0.40 Yen from the previearlier of 58.48 cents. unit hit at a record high of ditional three-day harvest week at 25.58 Baht against the moon holidays which began 1.6922 against the Greenback. ous week. INDONESIAN RUPLAH: The Greenback Monday and it rose Indonesian currency fell to

Asian currencies hardly moved against the US Dollar in a week in which the Greenback took a beating against the major

European units, reports AFP. The Malaysian Ringgit and the Australia, New Zealand and Singapore Dollars all closed slightly higher against the US unit. Japan, the Philippines, Indonesia, Taiwan, Hong Kong and Thailand saw their currencies finish lower.

JAPANESE YEN : The Yen weakened fractionally against the Dollar to close the week at 134.72 Yen on the Tokyo Foreign Exchange market,

After opening the short-

ened week at 133.65 Yen Tuesday the Japanese unit continued to fall and moved between 133.53 Yen and 1340.80 Yen during the week. Investors sold Yen to buy Dollars on reports that Russian President Boris Yeltsin was ill,

dealers said. SINGAPORE DOLLAR: The Singapore Dollar strengthened against the US currency at 1.6965 cents Friday compare with last week's close of 1.7015. On Wednesday, the local

Money dealers attributed the rise in the Singapore Dollar to the stronger German Mark and Japanese Yen against

ADAM. West Bank: Palestinian construction workers build

at the Jewish settlement Adam near Ramallah on the

occupied West Bank September 22. The US government has

asked Isreal to stop the building of more Jewish settlements

the US unit. The OCBC bank's tradeweighted index for the Singapore Dollar stood at 136.24 up against last week's 135.96.

SOUTH KOREAN WON: The Won firmed too 737.60 to the US Dollar from 740.30 a week earlier, as holders sold the Greenbacks to raise funds for payment on the eve of the tra-

Saturday. TAIWAN DOLLAR: The

Taiwan currency lost steam to close Friday at 26.65 to the US Dollar, down 10.5 Taiwan cents from the previous week's finish of 26.545. After hitting a 16-month

high of 26.483 Monday the local unit went steadily downward in heavy trading. NEW ZEALAND DOLLAR : A weck of featureless trading saw the New Zcaland Dollar close

little changed its close a week

dealers said. Friday worth 58.45 US cents,

dropped slightly against the US Dollar Friday, closing at 25.60 Baht compared with 25.59 Baht a week ago, a

THAI BAHT: The Thai Baht Bangkok bank official said.

Despite a higher-than-ex-MALAYSIAN RINGGIT: The pected increase in the US Ringgit finished the holiday trade deficit for July, anshortened week Thursday at nounced in Washington on Thursday, the Baht fell Friday, 2.7500 to the US Dollar, up the official said, adding that from last Friday's 2.7555, there was no domestic factor

and Wednesday.

behind the fall.

PHILIPPINE PESO: The Philippine Peso returned to 27 Pesos to the US Dollar Friday after rising to 26.96 Pesos a The official said the Baht

# Ceylon Tourist Board (CTB).