

OPEC sets 22.9 BPD output target

GENEVA, Feb 16: OPEC has reached an oil output agreement to pump 22.9 million barrels per day (BPD), Kuwait Oil Minister Hamoud Abdullah al-Roqbah said, reports agencies.

Asked if the OPEC ministers had ended their meeting with an agreement to cut output to 22.9 million BPD, he said, "yes".

Asked what the new output ceiling was, he said "22.9 million BPD."

The communiqué later said that the exact level would be 22.982 million BPD and would be effective from March 1.

That was down almost six per cent from the 24.4 million BPD. A Reuters industry survey showed the group pumped in

Iraqi and Kuwaiti crude supplies from the market, forcing others to take up the slack.

Saudi Arabia declared it would pump no less than eight million BPD under any accord OPEC struck, but official figures put the kingdom's new allocation at just under 7.9 million, a little more than a third of the total.

Delegates said all 13 members had agreed they must slow their pumps, but they stumbled over the difficult question of how to share the cuts.

Iran, the group's second-largest producer, led those eager to slash output and boost prices to ensure extra petrodollars help meet many members' financial problems.



GENEVA, Feb 15: OPEC Secretary General Dr Subroto announcing at a press conference the new crude oil production ceiling of 22.9 million BPD. —AFP photo

FRESH QUOTAS AT A GLANCE

GENEVA, Feb 16: Here are the oil production limits assigned the 13 nations of the Organization of Petroleum Exporting Countries under their new output accord agreed to Saturday, according to AP.

Algeria 760,000 BPD	Qatar 377,000 BPD
Ecuador 273,000 BPD	Saudi Arabia 7,887 million BPD
Gabon 273,000 BPD	United Arab Emirates 2,244 million BPD
Indonesia 1,374 million BPD	Venezuela 2,147 million BPD
Iran 3,184 million BPD	Iraq 505,000 BPD
Libya 1,395 million BPD	Kuwait 812,000 BPD
Nigeria 1,751 million BPD	

January, an amount that is weighing on prices in a market awash with crude.

It also said OPEC would meet again in Vienna on April 24 to review the situation in the oil market.

OPEC pumped around 24.4 million BPD in January, according to a revised Reuters industry survey.

The producer group's agreement, aimed at shorting up weak oil prices, was hammered out after four days of talks.

OPEC's basket of seven crudes is currently standing around four dollars below its 21 dollar per barrel target.

Some ministers said they were dissatisfied by the deal, sending a bearish signal to oil markets that were looking for signs of OPEC solidarity.

And analysts questioned whether the cuts were deep enough to prevent brimming stockpiles of crude from growing even more.

Saudi Arabia, the world's biggest oil exporter and OPEC's heavyweight, had insisted it maintain the large share of output it grabbed when the Gulf Crisis siphoned

They had balked at the idea of granting Riyadh such a big market share for fear of setting a precedent that would be hard to reverse once Kuwait and Iraq restore their ravaged oilfields to pre-Gulf War levels.

The ministers in their final statement Saturday night called on non-OPEC producers to join their efforts to stabilize oil prices.

The communiqué did not name the independent producers concerned, but officials recalled that Mexico, Egypt, Oman, China, Angola and other significant Third World Producers, as well as Norway and the former Soviet Union, had cooperated with OPEC in the latter half of the 1980s.

Meeting as OPEC's market monitoring committee, the ministers made these points:

"The weakness in the oil market... resulting from the relatively sluggish world economic performance, has led to slackened oil demand, lagging behind supply, since November 1991."

"Unseasonably warm weather had led to a reduced drawdown of normally built-up stocks (and) crude oil prices

have consequently remained weak."

The communiqué said Iran "has expressed reservations to the effect that a ceiling higher than 22.5 million BPD is a danger to the market."

It said "Saudi Arabia in turn did not endorse its allocated production level of 7,887 million BPD and maintained its offer to reduce (output) by 500,000 barrels a day, Saudi Arabia wanted, as its production level, eight million BPD, and wanted very much a reasonable agreement both concerning the ceiling and production levels, acceptable to all

members."

The committee said "production and supply of oil by member countries" would be monitored through a "control mechanism" initially established in July 1990.

Two sub-committees, reporting to the monitoring committee, would, on the basis of data from members and "outside sources," undertake a "monthly confirmation of strict adherence" to the accord by member countries.

In view of the "fragile" market situation and the need to accommodate a resumption of Iraqi exports and planned

production increases in Kuwait "without causing either market disruption or further weakness in oil prices, the committee decided to reconvene as soon as Iraq reenters the market."

The committee said market stability was "a joint responsibility of all oil producers" and appealed to independent Petroleum Exporting Countries (IPEC) to participate in OPEC's effort by "reducing (their) production levels."

It said a scheduled IPEC-OPEC meeting on environmental issues, to be held in Vienna on April 23, provided "an opportunity to review the oil market."

Pak State Bank offers Rs 5 billion investment bonds

KARACHI (Pakistan), Feb 16: The (central) bank of Pakistan said it had invited tenders up to Wednesday for the sale of federal investment bonds worth five billion rupee, reports Reuter.

The bank said the bonds of the maturity periods of three, five and 10 years would carry an annual profit of 13 per cent, 14 per cent and 15 per cent respectively.

At the last auction on January 22, the bank accepted bids worth 2.77 billion rupee out of 4.71 billion rupee worth of bonds offered.

Daewoo Corp plans \$ 400m projects in Pakistan

KARACHI, Feb 16: Daewoo Corporation of South Korea is planning to set up 17 factories at a cost of 400 million dollar here and is seeking tax cuts from the Pakistani government, press reports said Saturday, reports AP.

The formal blueprint for the package was submitted to the government last week, the reports said, but did not give details of the concessions asked for or what sort of factories would be built.

The project is expected to provide 15,000 local jobs and employ 100 South Koreans, they added.

One source was quoted as saying Daewoo intends setting up integrated manufacturing facilities for fertilizer, leather goods, telecommunications, electronic goods and automobile machinery.

Alia blames Hoxha

TIRANA (Albania) Feb 16: President Ramiz Alia, a former Communist and handpicked successor to Stalinist dictator Enver Hoxha, suggested Saturday he shared little of the blame for the past regime's evils, reports AP.

Alia, who succeeded Hoxha as Communist Party and Albanian leader after the death of his mentor in 1985, acknowledged that only his office as a president was shielding him from prosecution.

But he sought to shift responsibility for decades of harsh rule and for economic mismanagement that has left Albania Europe's poorest country struggling to achieve full democracy.

"Each member of the (former) Politburo is responsible for what has been caused in Albania and for the problems of the present," he told The Associated Press. "... But not all have the same responsibility."

Alia formally was second only to Hoxha as his premier, and assumed undisputed primacy in the months following Hoxha's death. But in his frankest comments to date on his past role, Alia asserted that he wielded no real power under Hoxha.

"My main engagement in the previous leadership was in culture, education and science," he said. "I had information as to what was going on in Albania but I didn't have the power to stop all these (bad) things."

Except for Alia, all 22 other surviving top Hoxha associates, including Hoxha's widow, Nexhmije, have been charged with abuse of power and other wrongdoings. No trial dates have been set.

Albanians under Hoxha suffered international isolation and decades of repression rarely matched in Europe. Economic mismanagement has left many Albanians unemployed. Food shortages are rife and industries are idled by lack of raw materials.

Taiwan's foreign investment falls by 41 pc

TAIPEI, Feb 16: Overseas investment by Taiwanese businessmen plunged 40.8 per cent last month compared with January 1991 while foreign investment on the island shrank by 34.13 per cent, the Investment Commission said, reports Reuter.

Taiwanese businessmen poured 163 million US dollars into South East Asia, the United States and other countries in January this year compared with 275.6 million dollars a year earlier, the Commission said on Saturday.

Commission officials were not available for comment on Sunday. But officials and private economists have said the Commission's overseas data are only a rough guide to investment flows because many local businessmen, seeking to avoid taxes and government scrutiny, do not report projects.

Approvals for new investment by foreign companies in January fell to 79.2 million US dollars from 120 million a year earlier, the Commission said.

The commercial Times, a leading economic daily, said on Sunday Economic Ministry officials, worried by the sharp reduction in foreign investment on the island, plan to send delegations to the United States and Europe later this year to attract investment and seek technology transfer deals.

Japan won't cut aid to LDCs

CARTAGENA (Colombia), Feb 16: Japan told the eighth session of the United Nations conference on Trade and Development (UNCTAD) here Saturday that it would press on with efforts to reduce disparities between developed and developing countries, reports AP.

Japan has been careful to provide assistance to the countries in Eastern and Central Europe and to the former Soviet Union, but I assure you

that we will not reduce the total amount of aid to developing nations," Koji Kakizawa, Japan's Deputy Foreign Minister, said in a speech before 2,000 delegates from 171 countries attending the two-week meeting.

Japan came to the conference to spread the word that it was interested in offering technological help.

Kakizawa also expressed concern about reduced assistance to poor countries from

wealthier nations. In contrast, he said, Japan had increased its direct foreign aid, for a total of 50 billion dollar for the 1988-1992 period.

He also asked wealthy nations "to open their markets to products from third world countries and give them assistance to ease their foreign debt."

He Chunlin, Deputy Secretary General of the general office of China's State Council (cabinet), asked wealthy coun-

tries at the assembly to give assistance without strings attached.

He also said countries should not be punished for their socio-economic system.

Song Hui Chol, North Korea's Deputy Foreign Trade Minister, accused the international monetary system of exacerbating economic difficulties in the world's poor nations.

African bid to buy 4 BCCI branches

ABIDJAN, Feb 16: The African Development Bank (AFDB) has said it will restructure its Nigeria Trust Fund (NTF) to buy up four branches of the scandal-hit Bank of Credit and Commerce International (BCCI, CN), reports Reuter.

The board of directors of the African Development Bank has approved a proposal to restructure the operations of the Nigeria Trust Fund and to utilise some of NTF's resources to purchase an equity interest in some branches of the former BCCI network in West Africa," an AFDB statement said on Friday.

It said the NTF, which until now has funded only development projects, would set up a holding company to buy the assets of four BCCI branches in Ivory Coast, Senegal, Niger and Togo.

The company, the Nigerian Trust Bank, will be owned and

managed by the NTF. The BCCI branches will be renamed and sever links with the BCCI network.

Banking sources in Senegal said last week the Dakar

branch would become the African Bank of External Commerce. BCCI's Nigerian branch has already opened under a new name.

It was not immediately

clear if or when investors would be able to recover their full deposits at the four banks.

The Abidjan-based AFDB was a major investor in BCCI's branch there and banking sources have said it was keen to safeguard its interests, frozen last July when world financial authorities closed down most of BCCI amid allegations of massive fraud.

The AFDB said the decision was taken in close consultation with the Nigerian government, which created the NTF in 1976 as a special fund so West Africa's biggest national economy could contribute to African development.

There was also close cooperation with the Dakar-based Central Bank for West Africa, which joins seven French-speaking countries in a common currency zone pegged to the French franc.

CIA ex-chief tried to help BCCI

ATLANTA (Georgia), Feb 16: Former Central Intelligence Agency (CIA) Director Richard Helms aided a failed attempt to take over a Washington bank on behalf of the Bank of Credit and Commerce International, a newspaper reported on Saturday, according to Reuter.

The Atlanta Journal-Constitution said court records in Atlanta show Helms assisted

Iranian millionaire Rahim Irani who served as Chairman of an off-shore company created in 1978 to hide BCCI's role in the takeover of the First American Bank of Washington.

The copyrighted story said US Senate investigators were examining dealings between Helms and Irani which it said raise questions about the CIA's knowledge of BCCI's evolution into a criminal organisation.

But how do you know what is American and what isn't?

WASHINGTON, Feb 16: Almost everyday American consumers are being urged to hit back at Japan and reduce the US trade deficit by buying American, reports Reuter.

But in the world of transnational manufacturing, it is hard to know just what is American and what is not.

Take cars. Pontiac — named after an American Indian — is surely a US-made car?

Not always. The Lemans model is made in South Korea. Chrysler Chairman Lee Iacocca is one of America's most outspoken Japan critics, but his Colt car is built in Japan.

Surely, Honda is a Japanese

company? Yes, but some cars it sells in the United States are made in Ohio.

The story is much the same for clothes, shoes, television sets and stereo equipment, tyres and home appliances.

"Buy America" has long been sounded as a way to fight for jobs lost to imports. However it heated up after the recent remarks by Japanese politicians castigating Americans as lazy.

Spearheading a 'buy American' drive is the made in the USA Foundation, formed to spur the purchase of US-made goods as a way to end reliance on imports and support US manufacturing.

Its Executive Director, Brian Flood, said in an interview: "In manufacturing, we have become a hollow nation. We have more government workers than manufacturing workers."

He said the organisation, founded in 1989 and backed by business, unions and consumer groups, wants legislation to define what it means to be made in the United States. Consumer goods would be labelled to show how much was American-made.

Flood said this would enable customers to know what percentage of a computer or a shirt, for instance, is made in the United States and what is foreign-made.

US Senator Barbara

Mikulski plans to introduce a bill in Congress soon to label every car sold in America with the percentage of American parts and labour.

Mikulski, a Maryland Democrat, said in a statement: "My legislation meets consumer needs, and it will preserve American jobs, because I know that, given the choice, many consumers will make the decision to stick up for American."

Flood said that without legislation on country of origin, it was not easy to "buy American."

"We want a reasonable solution," he said. "We live in the reality of a global economy, but that does not preclude buying American."

To help, his group has published its second "made in the USA" guide to what is American. It is not always encouraging.

In some cases it is nearly impossible to find some products that are made in America — televisions, for instance.

When US-owned Zenith closes its Missouri plant this year and merges with Zenith's plant in Mexico, no television sets will be built in the United States by a US company.

Sony builds them in California, but with Japanese parts.

RCA, an old US pioneer in radio and television, sells sets sold built in the United States but it is owned by the French-

run Thomson company.

Flood notes also it is almost impossible to find a stereo system made in the United States.

While video cassette recorders were invented in the United States, they have never been mass-produced by a US company for home use, the guide says.

Finding a US-made baseball is impossible because none is made in America, although wood and aluminium bats are, and are even exported to Japan, according to the guide.

Clothing is one of the most difficult purchases, Flood said, with attire often a combination of imported fabric and US assembly — or vice versa.

Secy-Gen admits UNCTAD requires reforms

CARTAGENA, Colombia, Feb 16: The head of the UN agency promoting world trade and development recognises the need for reforms, following western accusations that it has become a stagnant and divisive talking shop, reports Reuter.

Kenneth Daddzie, Secretary General of the United Nations Conference on Trade and Development (UNCTAD), believes his organisation has an important role in the post-Cold War world.

But asked about criticisms of its operations, Daddzie told Reuters he had no doubt that UNCTAD's work "needs to be updated and adjusted to take into account current realities."

UNCTAD is holding its eighth conference in this Caribbean resort at a critical point in its history.

Western governments accuse the 166-member grouping, formed in the early 1960s to promote world trade and spur development of poor nations, of ineffectiveness and time wasting.

US delegate Melinda Kimble said this week that after initial creative work, UNCTAD had "stagnated, been reduced to sterile debates and accusatory polemics".

Daddzie, 61, a soft-spoken Ghanaian with an economics degree from Britain's Cambridge University, staunchly defends the organisation.

while accepting that it needs to be modernised.

"The end of the Cold War has brought in its wake profound changes in the international political and economic context," Daddzie said in an interview on Friday.

A new sense of partnership had emerged between developed and developing countries, to which UNCTAD had contributed, he said.

"UNCTAD can be of immense assistance to countries in setting the opportunity for promoting international economic cooperation and development," he said.

New realities confronting the body included widespread reliance on market forces in economic policy, growing concern about the environment and stress on good government, he said.

In Cartagena there is much speculation over whether UN Secretary General Boutros Boutros Ghali will nominate Daddzie for another period in office when his six-year term ends in March. Daddzie declined to say if he hoped to be reappointed.

Delegates to the meeting, which lasts until February 25, are discussing development, trade and the slump in commodity markets, which has badly hit poor countries' export earnings.

Computer affects working life?

STOCKHOLM, Feb 16: Computer technology has affected the working life of many people in Sweden, according to a recent publication called "Datorer Och Arbetsmiljo" (computers and the work environment) from Statistics Sweden, reports SIP.

The report is primarily based on a survey from 1989-90 when over 10,000 people were interviewed about their working conditions. By comparing different jobs with varying degrees of computerisation, it has been possible to give an indication of the general effect of computer technology on working life, the report says.

The use of computer technology in industry and business has expanded rapidly during the 1980s and the developments have created an intense debate about the pros and cons.

The extent of computerisation is, however, very varying from industry to industry, from job to job between town and country and also between the sexes. In banking, for example,

more than 90 per cent of all employees use computers while the corresponding figure in agriculture and forestry is 10 per cent in central government some 58 per cent use computers as opposed to 14 per cent in local government.

The general conclusion of the survey is that people in industry who work with computer controlled equipment have less physically strenuous jobs. Procedures requiring heavy lifting and repeated movements are reduced. They complain less about physical strain and exhaustion at the end of a working day. From a psycho-social point of view, computer technology appears to make jobs less repetitious and monotonous. The workers is, on the other hand, less able to control his pace of work in a computer controlled work environment.

Those who, according to the survey, benefit least from computerisation are a group of office workers — mainly women — who are employed to feed information into computers.

Sweden launches new kind of petrol

STOCKHOLM, Feb 16: A new type of unleaded petrol for use in all vehicles was introduced in mid-January in Sweden by OK Petroleum, a company in the Swedish Coop Group, reports SIP.

Sales have started in the Stockholm, Gothenburg and Malmo areas, which account for about 40 per cent of the OK market, but the new petrol variety, dubbed OK Optima, will be available throughout Sweden before the end of the year.

In Optima, lead has been replaced by new, specially developed additives. One of these contains sodium and lubricates such vital parts of the engine as valves and valve seats. Another additive removes soot and other deposits and at the same time provides improved combustion.

Extensive testing has confirmed that engines running on Optima work just as efficiently and have the same service life as those fuelled by leaded petrol OK says. The company has also eliminated scavengers, used in ordinary petrol to remove lead residue from engines. These are known to form dioxins during combustion.

OK offers two versions of Optima 96 and 98 octane for vehicles without catalytic converters and for those that have previously required leaded fuel. There is also an unleaded 95 octane petrol for all vehicles with catalytic converters and for those that already use unleaded petrol.

Some 1.5 million of Sweden's 3.6 million petrol-fuelled vehicles now using leaded petrol can change over to Optima. Many older engines have required lead additives in order to function well. Ninety-eight octane petrols from other companies lack the lubricating effects needed, OK says.

Lead and dioxins have long been known to constitute serious hazards to health and the environment and children are especially susceptible to the toxic agents.

Business briefs

Cuba starts sugar supply to Russia: Cuba has begun deliveries of raw sugar to Russia in exchange for badly-needed crude oil, radio Moscow said Sunday, reports Reuter from Moscow.

The report said Cuba would deliver 500,000 tonnes of sugar, paid for with 900,000 tonnes of crude oil, by the end of April.

IMF warns Zaire: The International Monetary Fund (IMF) warned Zaire that it could face further penalties if it does not try to clear its arrears to the lending organisation, reports Reuter from Washington.

Zaire fell behind on its payment to the fund in November 1990 and now owes that IMF about 135 million dollar. The IMF declared it ineligible for any more loans last September.

UK to phase out CFC production: Britain will phase out production of CFC chemicals which damage the earth's protective shield of ozone by the end of 1995, according to Environment Secretary Michael Heseltine, reports Reuter from London.