Zaire orders foreigners out of diamond mines

KINSHASA, Feb 23: Zaire, desperate for revenue to prop up its wrecked economy, has ordered all foreigners out of diamond-mining areas and tightened trading rules in a crackdown on smuggling, reports Reuter.

A government statement read on state television said the move was meant to channel more money into the cash-starved banking system and help stabilise the Zaire currency, which has been plummeting for months against the dollar.

"All expatriates operating in the diamond sector are barred from mining zones. This decision takes effect immediately," the statement said.

All licences to buy diamonds from small private diggers were nullified and operators must reapply within five days, it said.

Each licensed diamond counter can now employ a maximum of 10 buyers, all of whom must be Zairean citizens, with hefty fees for those who employ more. Other measures include tightening up surveillance in mining areas and tougher border security.

Zaire is the world's biggest producer of industrial diamonds.

Ex-Soviets form consumers association

MOSCOW, Feb 23: The former Soviet Union's infamous lack of consumer goods did not deter more than 150 activists Saturday from forming a united and potentially powerful consumers rights movement, reports AP.

Delegates to the two-day Moscow conference of the International Confederation of Consumer Societies said the movement already has 60,000 members in nine of the former Soviet republics.

"People used to say, 'How can you defend consumers' rights when there is nothing to buy?'" said Alexander Auzan, 37, a Moscow State University economics Professor and president of the group.

"But there are some goods on ourshelves now — mostly poor quality goods that cost too much," Auzan said. "Now a person must choose carefully, and while he is thinking, we can advise him."

Auzan's Moscow-based team of lawyers, economists and student volunteers publishes newspapers similar to the US magazine Consumer Reports to alert shoppers about unsafe or faulty products.

Last May, Auzan's group prodded the former Soviet parliament to enact the first-ever consumer protection law. Since then, the organization says it has won nearly 2,000 lawsuits against sellers of faulty products.

Russia's parliament passed its own consumer rights law this month to replace the Soviet law. But Auzan said the government has been either unable or unwilling to enforce his group's victorious court rulings.

Reforms of UNCTAD agreed upon

CARTAGENA, (Colombia) Feb 23: A leading United Nations development body agreed on Saturday on what officials say are historic reforms aimed at adapting the organisation to the post-Cold War world and at countering criticism by industrial countries, reports Reuter.

"It's an historic change for the institution," Pedro Roffe, spokesman for the UN Conference on Trade and Development (UNCTAD), said after a working group agreed on the reforms at a conference here.

The draft document calls for radical changes in the structure of the organisation, set up in the early 1960s to promote trade and spur development in poor countries.

It creates working groups to examine issues such as privatisation, unheard of in the old UNCTAD but of great relevance in a world where many former communist countries are switching to market economies.

The document must still be approved by the conference's main committee on Monday but that is expected to be a formality.

In a separate document, the UNCTAD conference calls for worldwide cuts in military spending, urges governments to continue easing the debt burden of Third World countries and to halt protectionism.

Industrial countries, some of which have accused UNCTAD of being an ineffective talking ship, pushed hard for reform during a two-week conference here of the 166-nation UNCTAD, which ends next Tuesday.

Industrial countries said reform was vital to increase waning interest in UNCTAD and to make it more flexible and less confrontational. They said failure to reform would doom UNCTAD to increasing marginalization.

Roffe said the end of the Cold War had a direct impact on UNCTAD.

The organisation used to work in blocs of industrialised, socialist and developing countries. "the situation changed drastically in recent years. That has to be reflected institutionally in the agenda and in the way of dealing with problems," he said.

Roffe said the industrial countries had taken great interest in the reforms and UNCTAD expected this to translate into their active participation in the organisation.

The draft document states guidelines for UNCTAD's works and says it will seek to strengthen global interdependence and reduce imbalances in the world economy. It puts new stress on the environment and environmentally-sustainable development.

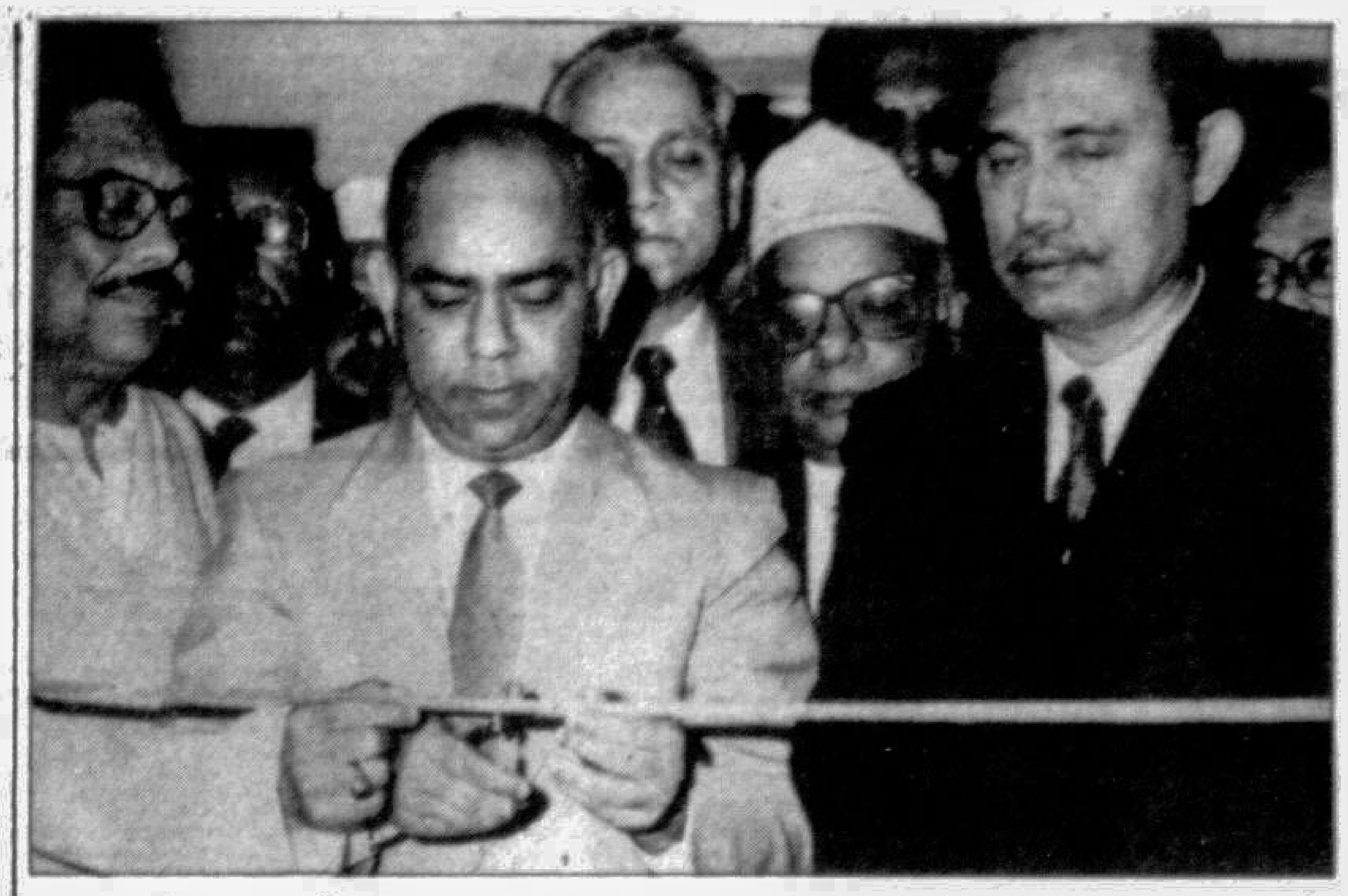
But the biggest change is in UNCTAD's structure where the existing seven permanent committees, criticised by many as inflexible, will be suspended.

They will be replaced by four standing committees to examine commodities, how to alleviate poverty, economic cooperation among developing countries and fostering competitive services sectors in developing countries.

In a key change, UNCTAD will be able to create special working groups to analyse topical trade and development issues.

There will initially be five such groups, dealing with investment and financial flows, trade efficiency, comparative experiences with privatisation, expansion of trading opportunities for developing countries and the relationship between investment and technology transfers.

The working groups will have a life of two years and UNCTAD may create new ones at any time.



Mahbubur Rahman, Chairman of Eastland Insurance Company, inaugurating the company's Motijheel Branch Saturday. AKM Humayun Kabir, Director and Afzal Khan, Executive Director of the company were present.

Abu Dhabi offer not enough: Depositors

LONDON, Feb 23: Shareholders including the ruler of Abu Dhabi have agreed to payouts that may top two billion dollar for people who lost money when the scandal-hit Bank of Credit and Commerce International (BCCI) was closed down, reports Reuter.

But creditors of BCCI said an emerging accord which was disclosed on Friday by liquidators did not do enough.

People would get back only about a third of their money.

Brian Smouha of British accountants Touche Ross, liquidator for BCCI's Luxembourg-based parent company, said that if the plan were adopted, Abu Dhabi could inject between 1.2 billion and 2.2 billion dollar to meet creditors' claims.

"This is the best agreement we could get," Smouha said after seven months of negotiating with Abu Dhabi.

Abu Dhabi said in a statement the plan was a "positive contributions toward relieving the suffering of depositors and creditors worldwide."

But depositors were disappointed.

"I approach these proposals with a considerable degree of caution," said Adil Elias, Chairman of the BCCI Depositors Protection Association which represents about one billion dollar of claims.

"Many creditors will feel that the Abu Dhabi contribution is not sufficient to justify the liquidators and the creditors giving up any rights," he said.

Investigations of BCCI have led to allegations of widespread corruption, laundering of drug money and payoffs to political figures worldwide.

The Abu Dhabi proposals require court approval in the three countries where the main BCCI operations were based, as well as acceptance by creditors speaking for seven billion dollar.

The plan could meet 30 to 40 per cent of claims.

Creditors could get an initial 10 per cent of admitted claims in early 1993, with the rest over a number of years.

Touche Ross said the alternatives were payouts of up to 10 per cent under a normal liquidation and many years of uncertain litigation against Abu Dhabi to effect recovery.

Under the plan, Abu Dhabi would meet half the cost of payments to creditors, with asset sales making up the balance.

Only creditors waiving claims against the majority shareholders would get payment from the Abu Dhabi fund. Those declining to give the waiver would receive a minimal amount from asset disposals, with no date forecast for payout.

Worldwide assets of BCCI would be pooled to maximise compensation.

Abu Dhabi would pay in initial 300 million dollar to an agent bank as soon as court approvals were received. The agent would pay the creditors.

Further payments of 500 million dollar each would be made to the agent in June this year and next year. A 400 million dollar payment would then be made in June 1994.

If worldwide liabilities exceed 10 billion dollar, Abu Dhabi would make a maximum injection of 2.2 billion dollar. If they fall below 10 billion, the contribution falls to 1.2 billion dollars.

If asset sales exceed 2.5 billion dollars, half the proceeds flow to Abu Dhabi and half to creditors.

Delhi signs 5 pacts with Kazakhstan

NEW Delhi, Feb 23: India and newly independent Kazakhstan Saturday signed five agreements to strengthen bilateral ties and expand cooperation between the two countries, reports Xinhua.

The agreements incorporated a declaration of basic principles governing bilateral relations, establishment of diplomatic ties and cooperation in the fields of arts, education, mass media, sports, trade, economy, science and technology.

The agreements were signed here during the two-day visit of Kazakhstan President Nursultan Nazarbayev.

At a press conference here today, the Kazakhstan President said his country was willing to maintain cooperation with India in the field of defense and will allow its nuclear scientists to work in cooperation with the Indian scientists for peaceful use of nuclear energy.

PTI adds: Kazakhstan sees no threat of an Islamic fundamentalism Bloc emerging in the five Central Asian republics of the erstwhile Soviet Union and posing threats to a secular India, the Kazakhstan President, Nursultan a Nazarbayev, said Saturday.

Russia

Another PTI report from Moscow says: Russia should nurture and develop relations with India, inherited by it and not allow the impression to grow that relations with India are now a secondary consideration, according to the newspaper "Pravda".

"Out long - term strategic interests in the post Cold War world coincide. Russia and India both are interested in a multi-polar world, the components of which would balance each other, it said in an article published Friday.

Taiwan to hire workers from countries that back its GATT stand

TAIPEI, Feb 23: Taiwan will give preference in hiring overseas workers to South-East Asian nations which support its bid to join the General Agreement on Tariffs and Trade (GATT), a leading economic daily said, Sunday, reports Reuter.

"We setting a quota of foreign workers, we will give preferential treatment to South-East Asian countries which support our GATT bid," Chao Shou-Po, Chairman of the cabinet's Council of Labour Affairs, was quoted by the Commercial Times as saying.

"We will consider limiting the number of workers from countries which are unfriendly toward us or banning them outright," Chao said.

Taiwan applied in January 1990 to join the world trade body but rival China, which views the island as a renegade province, says it wants to join first and has tried to block Taipei's bid.

Taiwan plans to allow six industries to hire 15,062 workers from Indonesia, Malaysia, the Philippines and Thailand, easing a long-standing ban on foreign workers to cope with a severe labour shortage.

Previously, Taiwan had allowed only 1,200 foreign labourers to work legally on state infrastructure projects under a programme launched in 1990.

Taiwan had been reluctant to legalise the hiring of foreign workers because it feared too many foreign labourers could cause social problems and hold back modernisation by sustaining old-fashioned, labour-intensive industries.

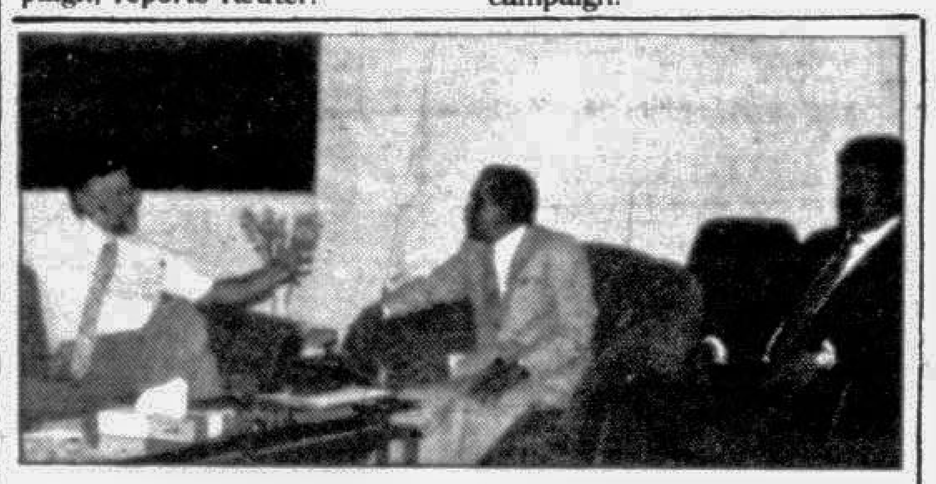
However tens of thousands of illegal foreign workers have slipped into Taiwan in recent years, drawn by the island's economic boom and the promise of higher wages.

About 22,000 illegal foreign workers surrendered to authorities under an amnesty last year, but about 20,000 are believed to be still on the island. Authorities say they will be sought out and deported.

India mounts "save oil" campaign

NEW DELHI, Feb 23: India, facing a shortfall in oil production and a rising import bill on crude and petroleum products, has mounted a "save oil" campaign, reports Reuter.

"Use oil with wisdom," is the slogan promoted by the state-owned Petroleum Conservation Research Association (PCRA) spearheading the campaign.



Michael Menauil, Economic & Commercial Counsellor, US Embassy in Dhaka at a meeting with Mohammad Mosharraf Hossain, President, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) on Feb 18. Mohammed Fazlul Azim, First Vice-President, BGMEA was present. They discussed bilateral trade issues and the future of the development of garments export to US market.

"A 20 per cent saving in the consumption of petroleum products is possible in the next two to three years. This will mean a saving of more than two billion dollar on imports," PCRA Executive Director Reena Ramachandran told Reuters.

India has kept oil products consumption in check with price hikes, besides conservation measures in the last two years. But imports have still increased because of a shortfall in production.

In 1991/92(April/March), India's imports of crude and oil products are expected to be a round 23.5 million tonnes and 9.5 million, respectively, after 20.7 million and 8.6 million in the previous year.

India's crude output in 1991/92 is expected to be around 30 million tonnes, down from 33 million in the previous year and compared to 34 million in 1989/90.

Ramachandran said India's oil conservation drive assumed importance because of the rising import bill, estimated at around five billion dollar in 1991/92.

"India can save 2.5 million tonnes on oil products used by industry alone..." She said. She estimated industry uses at about 14 million tonnes a year.

The save oil drive in industry in aimed at enforcing compulsory energy audits, replacing outdated equipment and introducing fuel-efficient technologies, Ramachandran said.

The transport sector, which consumes about 40 percent of the total supply of oil products, is one area targeted by PCRA for intensifying its save oil campaign.

"At least one million tonnes of diesel could be saved through better management controls, driving and maintenance practices," Ramachandran said.

Pak trade gap soars

KARACHI (Pakistan) Feb 23: Pakistan's trade deficit in January widened sharply to provisional 260 million dollar compared with 207 million dollar in December and 96 million dollar in the year ago month, reports Reuter.

The Federal Bureau of Statistics said exports fell to provisional 501 million dollar compared with revised 630 million in December and 516 million in January last year.

Exports of rice cotton yarn, cotton fabrics carpets, knitwear and readymade garments fell sharply in January.

Imports fell to provisional 761 million dollar in January, compared with 837 million revised up from provisional 705 million in December and 612 million in January last year.

Imports of machinery and chemicals fell but that of wheat and petroleum products rose sharply in January.

Local bankers said Pakistan may not achieve export target of 8.0 billion dollar in fiscal 1991/92 (July/June) compared with exports of 6.11 billion in 1990/91 and 4.95 billion in 1989/90.

	January 1992	December 1991	January 1991
Deficit	260 million dollar	-207 million	-96 million
Exports	501 million dollar	630 million	516 million
Imports	761 million dollar	837 million	612 million

Brent Crude falls back, aluminium and nickel firm

LONDON, Feb 23 : North Sea Brent crude prices fell back after OPEC's agreement on an immediate five per cent cut in the output of member countries to just under 23 million barrels per day (MBD), reports AFP.

The reduction was at the bottom end of analysts' forecasts, which ranged from five to seven per cent, and at best is only likely to support prices at existing levels, they said.

In addition, the actual production level of OPEC is likely to be above the official ceiling because Saudi Arabia refused to accept a quota of 7.887 MBD and indicted it wanted to produce atleast eight MBD.

On the London Metal Exchange (LME), nickel and aluminium advanced strongly early in the week in reaction to uncertainties about the likely pattern of Russian exports after the imposition of new export taxes, which are disputed by producers.

The announcement by the chairman of Norilsk that production and exports of nickel would be reduced this year was greeted with scepticism in the market, which sees the metal as too valuable a source of hard currency for Russia and other CIS members to reduce sales.

Among softs, coffee fell to a record low in real terms as world oversupply and pessimism on the chances of a reintroduction of export quotas continued to depress the market.

Gold: Quiet. Gold moved irregularly in a fairly narrow band. The announcement Tuesday of a strike at a Siberian gold mine over bonus payments and annual holidays had little impact.

Some operators highlighted the possibility of South Africa's reserve bank intervening to support prices if they fell below 350 dollar ounce.

Silver: Easier. Silver fell over the week, affected by the the strength of the dollar and weak economic indicators in Britain, where official figures revealed a sixth consecutive quarterly contraction in the non-oil economy in the last quarter of 1991 and a 2.5 per cent fall in GDP for the whole year, and Germany, where the economy contracted 0.5 per cent in the final quarter.

Platinum: Easier. Platinum was affected by liquidation after its gains from the beginning of the month. The gloomy economic data published in Britain and Germany, pointing to a slowdown across Europe in 1992, contributed to the weak trend.

Copper: Firmer. In fairly dull trading, LME cooper prices were dragged higher by a rally in New York after the President Da's holiday. A stronger dollar contributed to gains in the sterling—quoted metal, and analysts indicated the metal had failed to break out of its existing trading range. LME stocks rose 2,600 tonnes to 3,08,550 tonnes.

Lead: Firmer. Lead firmed in the wake of copper, but traders said the underlying trend remained weak with the market coming under pressure from Chinese and Russian selling. LME stocks fell 275 tonnes to 13,975 tonnes.

Zinc: Easier. The disappearance of technical tightness on nearby delivery dates and a large stocks increase weakened Zinc. Traders predicted the correction would continue. Trading was lacklustre as most market attention focused on aluminium and nickel. LME stocks rose 17,775 tonnes to 1,95,350 tonnes.

Tin: Steady. Tin finished marginally easier on the week but the underlying firmtone, supported by scarcity of premium grade metals, continued amid optimism that the worst of the stocks overhang that has dogged the market since 1985 had passed LME stocks fell 265 tonnes to 12,885 tonnes.

Nickel: Firmer. Then steady. Early in the week, nickel surged to its highest level since immediately after last August's abortive coup in the former Soviet Union on fears about potential disruption to output and export from Russia.

Aluminium and nickel producers in the republic are in dispute with the government over new taxes on metal exports. A number of smelters have threatened to halt production if the tax is not lifted, or at least reduced, posing a potential threat to supplies vital to world market balance for both nickel and aluminium.

Last year, the former Soviet Union exported 1,25,000 tonnes of nickel to the West, analysts at Billiton Enthoven Metals estimated.

Aluminium: Firmer. Then easier. Like nickel, aluminium was boosted early in the week by speculation about the likely outcome of the export tax dispute but then fell back as speculation grew that the Russian situation might have been used to manipulate a fundamentally weak market.

Figures from the International Primary Aluminium Institute (IPAI) showed average daily output in the western world unchanged at 39,700 tonnes in January from a month earlier and only 200 tonnes/ day below January 1991, levels, despite the fact that only minority of producers can make money at current prices and the emergence of a massive stock overhang. LME stocks rose 9,750 tonnes to 1,086,625 tonnes.

Coffee: Easier. World oversupply and pessimism on chances of re-introduction of export quotas under the auspices of the International Coffee Organisation (ICO) saw prices fall to a 17-year low in nominal terms— a record low in real terms.

Sugar: Slightly easier after strong gains. Prices moved ahead strongly early in the week after Vassely Severine, head of the Russian Ministry of Agriculture's Sugar Division, said that only four out of 95 Russian sugar refineries are currently operating because of a shortage of sugarbeet.

Reports of his statement prompted anticipation of imminent buying by Russia on world markets.

Meanwhile, Madagascar's main sugar producer Sirama, said the country, traditionally and exporter, would have to import 12,000 tonnes of sugar in the next two months. Gains were then reduced by profit-taking.

London tradehouse Czarnikow, which forecast in November that world production and consumption would be finely balanced this year, predicted in their latest report, a production surplus of 770,000 tonnes this year.

Cocoa: Recovery after weak start. Initially affected by fears of forward selling from West African harvests, prices later recovered in reaction to civil unrest in Ivory Coast.

Vegetable oils: Irregular. Soya oil progressed in the wake of the Chicago market, which was lifted by fears of drought in the US Mid-West during this summer and speculation that US farmers could switch to wheat from soya because of tightened wheat stocks.

Palm oil was depressed by forecasts of a large increase in the harvests of Malaysia and Indonesia, the world's two largest producers. Some analysts expect Malaysian palm oil production to reach a record 6.5 million tonnes this year, against 6.14 million tonnes in 1991. Indonesian production is expected to rise to three million tonnes in 1991/92, against 2.4 million tonnes in 1990/91.

Petroleum: Easier. Brent Crude, the benchmark for North Sea petroleum output, fell sharply Monday in reaction to the previous Saturday's OPEC agreement on a five per cent cut in production.

Brokers Country Natwest Woodmac estimated that British oil output had stabilised at two MBD in January and December and was unlikely to move in February.

Rubber: Steady. Sterling quoted grades were supported by the loses of the pound against both the dollar and the Malaysian ringitt. The European demand picture continued to be overshadowed by recession but good interest in Indonesian supplies was seen in the United States.

Malaysian natural rubber production fell three per cent in 1991 to 1.252 million tonnes, according to official figures, indicating that Malaysia is fast losing its position as number one producer and exporter to Indonesia.

Grains: Easier. Wheat and barley lost ground on the London market after losses were trimmed at the end of the week.

The EIU forecast a strong recovery in wheat prices in 1992 because of credit guarantees from the West to the CIS and a fall in plantings of winter wheat in the US a 33 per cent rise in average prices for US hard winter wheat was forecast to 170 dollar tonne.

The US Department of Agriculture announced Thursday that the 12 republics of the former Soviet Union could buy 1.2 million tonnes of subsidised US wheat. The allocation is valid for one year.

Tea: Firmer. Demand improved at the weekly London auction, where average prices firmed to 150 pence kilo for quality grades, against 140 pence, to 90 against 89 pence for medium grades and to 78 against 77 pence for low medium.

Cotton: Slightly firmer. The price index on the Liverpool market registered a slightly firmer trend after its recent fall to its lowest point since the end of 1988.

State-owned Indian Cotton Corporation said it would be importing 200,000 bales of cotton immediately. India will have to import a total of 0.5 million bales to compensate for a shortfall in domestic production and prevent a surge in internal prices. The official forecast for the 1991/92 harvest was lowered to 11.6 million 160-kilo bales, against 12.2 million bales forecast in October and 11.7 million 1990-91 consumption was forecast at 13 million bales an increase of one million.

CIS, creditors meet in Mar on debt issues

MOSCOW, Feb 23: The Commonwealth of Independent States will hold talks with foreign creditor nations next month on its enormous debt servicing burden, Russian First Deputy Foreign Minister Pyotr Aven said Sunday, reports Reuter.

Aven, who is head of Russia's Foreign Economic Relations Committee, told a news conference that other former Soviet republics were not paying their share of the debt despite an accord last year on exactly how much each state owed.

"We have to pay 8.7 billion dollar (in 1992). This is a big sum, especially when other republics are not paying anything."

A press statement issued earlier by Aven's office said the Commonwealth's total foreign debt was 63 billion dollar.

Eight republics accepted this deal. The Baltic states, Ukraine, Georgia, Azerbaijan and Uzbekistan did not.

The other four former republics that did not join the accord agreed that, while they did not guarantee payment of the debt, they undertook to pay their share, Aven said.

Business briefs

Airdrop of food for Afghans soon: The UN World Food Programme (WFP) said on Friday it would begin airdropping 200 tonnes of food this week into central Afghanistan where massive crop failures have put thousands at risk of starvation, reports Reuter from Rome.

The Rome-based WFP, the food aid arm of the United Nations, said bad roads and snow had cut off overland food supply channels.

EC step to cut CFC output: European Community (EC) environment ministers unveiled plans Saturday to press for an 85 per cent cut this year in production of Chlorofluorocarbons (CFCs), which threaten the earth's protective Ozone layer, reports AFP from Estoril, Portugal.

The EC said at informal talks here that it wanted to lead the fight against CFC output and in favour of protecting the Ozone layer, European Commissioner Carlo Ripa Di Meana and Portuguese Environment Minister Carlos Borrego said.

Delhi to sign protocol on ozone: India will sign the Montreal Protocol on Ozone-harming CFC's if certain amendments proposed by developing countries are incorporated into it, Environment Minister Kamal Nath said Saturday, reports AFP from New Delhi.

"India is not against the protocol at all," Nath said, quoted by the Press Trust of India (PTI) news agency.