BRIEFS

Pak money market dull

KARACHI, May 27 : Pakistani money market was dull as bankers waited for the results of the last T-bill auction, dealers said, reports Reuter.

Zahid Noorani, a dealer at Khadim Ali Shah Bukhari and Co Ltd, said the interbank call rates closed at 1.75/50 per cent and credit ceiling rates at 10.25/00.

The repo rates as per yield per annum closed at 7.75/50 per cent for seven-day maturity and 11.50/25 for 30-day maturity. The three, five and 10 years maturity federal investment bonds closed at 99.00/25, 99.35/50 and 99.25/50 respectively.

'Yen's value should continue to rise

PARIS, May 27: The value of the yen should continue to rise to prevent the Japanese trade surplus growing bigger than it already is. French Finance and Economy Minister Michel Sapin said Tuesday, reports AFP.

Noting that there had been a slight appreciation of the yen since the last meeting of Finance Ministers of the Group of Seven (G-7) industrialised countries in Washington at the end of April, he said that "The positive effect of these meet ings is never immediate, the effect is never felt in the days or even the weeks that follow."

Sony to sell new mini disc recorder from Nov

TOKYO, May 27: Japan's Sony Corp said Tuesday it planned to start selling its new mini disc digital recorder and player in November together with 500 titles of prerecorded software, reports

"We aim to replace conventional cassette tape," Sony president Norio Ohga told a news conference.

The announcement came only weeks after its Osakabased rival Matsushita Electric Industrial Co Ltd, which makes 'National' and 'Panasonic' equipment, said it would launch sales of a different system in September.

Stone Group to go public

BEIJING, May 27: China's leading private computer company, Stone Group, plans to go public soon and build itself into a world conglomerate by 2000, a state-run newspaper said Tuesday, reports AFP.

Company President Duan Yongji said Stone would issue shares in the near future. But another official said the details had not yet been worked out, the China Daily reported.

Latam nations may lose banana income

TEGUCIGALPA (Honduras). May 27: Latin American countries could lose more than one billion dollar a year if the European Community clamps import quotas on the region's bananas, Honduran President Rafael Callejas said on Monday, reports Reuter.

He added that a decline in banana sales to the EC would also cost Latin America more than 250,000 full-time jobs and a further one million parttime jobs.

Tokyo grants \$84 m to African countries

TOKYO, May 27: Japan has decided to extend aid grants totalling 10.9 billion yen (83.8 million US dollar) to nine drought-hit southern African countries, the foreign ministry said on Tuesday, reports Reuter.

The grants comprised 2.1 billion yen (16.1 million dollar) in emergency food aid, 3.8 billton yen (29.2 million dollar) to boost food production and five billion yen (38.4 million dollar) in non-project funds for measures against drought, the ministry said.

The nine recipient countries are Zimbabwe, Mozam bique, Zambia, Malawi, Namibia, Angola, Lesotho, Tanzania and Swaztland.

AT-and-T to hire Russian experts

NEW YORK, May 27: ATand-Ts Bell Labs said Tuesday it will tap the knowledge and skills of 100 scientists and technicians at a prominent Russian research institute, re-

ports AP. The agreement with the General Physics Institute of the Russian Academy of Sciences in Moscow covers the services of researchers in the Fiber Optics Department, the American Telephone and

Telegraph Co division said... The physics institute, headed by Nobel laureate A M Prokhorov, is the leader in optical-fiber research and development in Russia. In some areas, such as high-strength optical fibers, it is the world leader, said Bell Labs, AT-and-Ts research arm.

EC proposals won't solve the deadlock, says largest US farm group

GATT success now upto Cairns group, Japan and USA: EC

CURIA (Portugal), May 27: The European Community (EC) said it had placed the onus for a successful conclusion to the GATT talks on its trade partners by agreeing to overhaul its farm policy, reports Reuter.

There is no doubt in my mind... that it is now over to others in the Cairns Group (of farm exporting nations), Japan and the United States to show necessary flexibility to bring about an agreement," European Farm Commissioner Ray Macsharry said after a meeting of EC farm ministers in the Portuguese town of Curia.

Differences between the US

and the EC over farm subsidies have long delayed the Uruguay Round of trade talks, held under the auspices of the General Agreement on Tariffs and Trade (GATT).

Macsharry said the EC had done its part in agreeing to cut spending on cereals under its Common Agricultural Policy (CAP).

However, analysts say the reform may have only a modest impact on the volume of exports subsidised by the EC.

Portugal's Agriculture Minister Arlindo Cunha, who secured EC agreement, said the Community had created a

system of helping farmers that was "no longer a distorting factor" in world trade.

steps," Cunha told journalists. One US diplomat told Reuters that Macsharry's comments were unlikely to be helpful, "It's an opening salvo,

but I don't think it gets us

'It's up to them to take

nearer to a solution." As Macsharry spoke, Portuguese and Spanish farmers demonstrated against the CAP reforms, Portuguese farmers leader Joaquim Casimiro told Reuters, "The countries of the north - the rich ones should pay, not the poor coun-

tries on the Mediterranean," EC farmers say the reforms will cut their incomes and are a sell-out to US demands in

the GATT talks. USIS from Washington adds The largest farm group in the United States says recent European Community (EC) proposals to reform its Common Agricultural Policy fail to take the necessary steps that would resolve the current. stalemate on agricultural reform in the Uruguay Round of global trade negotiations.

US officials say they are still reviewing the latest EC reform proposals.



SHARE CHEER: A trader jumping up with a smile as share prices soared to a record high on the Hong Kong stock market on May 25 on a flood of foreign buying following the decision of local banks to slash interest rates by a percentage point. -AFP photo

Abu Dhabi was aware of BCCI fraud much ago?

WASHINGTON, May 27: Abu Dhabi's ruling family was told of massive fraud at the Bank of Credit and Commerce International (BCCI) more than a year before regulators around the world closed the bank, the Washington Post reported in Wednesday's editions, reports

Quoting from a sealed document belonging to lawyers for British creditors of the bank, the newspaper said reports of fraud were disclosed at a March 1990 meeting between BCCI's top officers and the son of Abu Dhabi's ruler, Sheikh Zayed Bin Sultan al-Nahyan.

The document said information about the meeting came from the bank's auditors. Price Waterhouse.

The Abu Dhabi government owned 77.4 per cent of BCCI. Abu Dhabi officials have stated they knew nothing of

the fraud until investigations began last year and they lost six billion dollar because of the bank's collapse. The bank was shut down last July.

The Post said Zaved's son. Sheikh Kalifa Bin Zaved al-Nahyan, met in March 1990 with Agha Hasan Abedi, BCCI's founder, and Swalch Nagvi, its president. Abu Dhabi's ruling family

was "fully appraised of the disastrous situation and the underlying fraudulent transac tions," the Post quoted the sealed document as saying. British member of parlia-

ment Keith Vaz said on Tuesday he wanted the ruler of Abu Dhabi to raise the compensation offered to depositors of BCCI to four billion dollar. Liquidators Touche Ross

and Abu Dhabi shareholders have proposed a 1.7 billion US dollar plan which could pay 30 to 40 per cent of creditors'

"We would like the same amount of money that was proposed to be put in by the Sheikh of Abu Dhabi prior to the closure of the bank which is four billion," Vaz said in a Reuters interview in Abu Dhabi Keith Vaz, chairman of a

BCCI parliamentary group, ar rived in Abu Dhabi on Tuesday carrying a letter signed by 150 members of parliament to the ruler of Abu Dhabi. Excerpts from the letter

supplied by Vaz said: "There is much concern in Britain that the innocent victims of BCCI should get proper compensa-"It's a small sum in terms of

the cost of liquidation of this ... we would also like to ... fair package for the staff - 1,200 in London,

Vaz said he planned to hand the letter to Graham Burton, Britain's Ambassador to the United Arab Emirates, which includes Abu Dhabi

Jamaica branch for sale

AP from Kingston (Jamaica) adds: The assets and liabilities of the BCC1 branch in Jamaica are being offered for sale to local commercial banks, according to the court-appointed liq-

William Thwaites, the court-appointed liquidator of the Bank of Credit and Commerce International, said Tuesday the assets are valued at 3.9 million dollar and the li abilities, 12.13 dollar million.

The bank's operations were shut down last summer after serious irregularities were dis-

The foreign exchange assets

and liabilities are including in the offering which closes on

Local commercial banks are being asked to bid for the assets and liabilities which comprise loans made by BCC1 and deposits it holds.

The successful bidders will acquire BCCI's loans and take over its deposits.

Jamaica's BCCI branch, which is a subsidiary of the Cayman Islands BCCI, was closed by the Jamaican government on July 7. In December the Supreme Court ordered that it be dissolved.

The local liquidator acts under the guidance of a committee of inspection appointed by the bank's creditors. The liquidator says that any

agreement reached with the commercial banks will be put to the creditors and depositors and later to the Supreme Court Regulators in 13 countries

began investigating assets of the Luxembourg-based BCCI in July, acting on evidence that at least five billion dollar had vanished fraudulently through the bank. Subsequent reports said terrorist Abu Nidal held accounts at BCCl and that it played a role in the CIA's covert activities worldwide.

Investigations are underway in some of the 69 countries where BCCI operated, checking alleged money laundering, fraud and corrupt banking practices.

On July 29, a New York grand jury indicted BCCl and senior officers on 12 counts, saying the bank defrauded investors, falsified records and stole dirs 30 million. A prosccutor called the case "the largest bank fraud in world financial history."

Lotteries lure the Japanese

TOKYO, May 27 : Sales of lottery tickets in Japan hit a record 669.3 billion yen (5.14 billion dollar) in fiscal 1991 that ended on March 31, a lottery official said on Tuesday, reports Reuter.

The annual increase in sales was 5.7 per cent, the lowest since 1983, the official said. Lotteries in Japan mainly comprise nationwide Jumbo Competitions held three times a year and amounting to 469 billion yen (3.6 billion dollar) in sales in fiscal

First prizes run up to a maximum 60 million yen (461,000 dollar) and profits go towards public projects. Gambling in Japan is strictly controlled.

FAO proposals for adequate food Mahler outlined the following five areas of ROME, May 27: Hunger, which already af concern, which are to be promoted by the FAG

fects 600 million people worldwide, will spread even more if soil erosion and other types of ecological damage are not checked the UN Food and Agricultural Organisation (FAO) has said, reports AFP.

In a report released Tuesday for submission to next week's Earth Summit in Rio de Janeiro, the Rome-based body outlined a series of recommendations for combatting threats such as erosion, deforestation and water pollution, all of which adversely affect the availabil-

The report, presented by FAO Deputy Director General Philippe Mahler, noted that the world's population was expected to reach eight billion by the year 2025, and that some two thirds of them would be living in cities.

"To feed them, food will have to be produced in a way which is compatible with the renewal of natural resources," the report said. Mahler stressed that the required measures

would involve major changes in the way food was produced, with a more rational use of fertilisers, more of which should be organic, less reliance on single-crop economies and more birth control.

It would also be necessary for people in the rich countries to change their habits, he said. "The earth's resources are limited, and there will be no room for the starving if overfed people don't cut down their intake," he said.

NEWDELHI, May 27: India

and Egypt have decided to

double bilateral trade to 250

million dollar, and New Delhi

also hopes to resume export-

ing frozen meat to Cairo, an

Indian Minister said Tuesday,

Salamn Khurshid told re-

porters here that Indo-Egyp-

tian trade, now valued at 125

million dollar annually was ex-

pected to double during the

fiscal year 1992-93 ending

It was expected to increase

Khurshid, who returned last

to 400 million dollar the fol-

week after visiting Egypt and

the United Arab Emirates, said

Cairo had decided to left a six-

year old ban on the import of

lowing year, he added.

Deputy Commerce Minister

reports AFP.

next March.

at the Rio summit:

1) Measures to make soils more fertile, since there is less and less scope for increases in the area of land under cultivation:

2) Integrated measures against crop pests,

similar to recent programmes carried out in Asian rice-paddies, which do not require dangerous pesticides: 3) Proposals for combatting deforestation

and promoting the sustainable development of 4) Measures to ensure the maintenance of biological diversity, which is threatened by over-exploitation of natural resources, the destruction of natural habitats, pollution and

5) Proposals to make farm methods less vulnerable to climatic changes.

Whatever measures are decided, Mahler

mechanisation; And

India, Egypt to double trade

Indian frozen meat 'subject to

certain information from New

Khurshid said India was ex-

HK inflation

rate 8.9 pc

HONG KONG, May 27: Hong

Kong recorded an annual infla-

tion rate of 8.9 per cent in the

12 months to April, the gov-

ernment said Tuesday, reports

sured by the consumer price

"A" index which covers the top

50 per cent of urban house-

holds byincome, compared

with 9.5 per cent in the year

Inflation has dropped form

peak of 13.9 per cent

recorded in the year to April

MILK FOR LIFE: A pregnant women (R), a refugee from the embattled republic Bosnia-

Herzegovina, giving a cup of milk to her son sitting on the back of a truck which brought

them from the besieged city of Sarajevo May 26.

to March.

The April result, as mea-

said, it is essential to recognise 'the primordial role of farmers, not only for food production but also for the environmental balance.' Farmers should be given adequate compen-

sation for their efforts, which were carried out

in the public interest, he said. This would require not only a swing in the terms of exchange between North and South, but also changes in the relations between the farm, industrial and service sectors, and in price structures, he added.

porting frozen meat worth one

million dollar when Egypt im-

posed the ban in 1986. The

Egyptian market for the meat,

he said, was currently esti-

The minister did not say

why Egypt halted the Indian

meat sales, but added that a

modern abattoir was going to

be set up in the southern city

of Hydrabad to produce meat

'in a hygienic manner.' He also

did not say what information

Khurshid said.

mated at 50 million dollar.

Industries in China continue to suffer losses

BEIJING, May 27: Losses by Chinese industries continue to mount, an official newspaper said Tuesday, despite a campaign launched last year to boost efficiency with marketoriented mechanisms, reports

Industrial enterprises total losses rose eight per cent in the first four months of 1992. on a year-on-year basis, to 12 billion yuan (2.2 billion dollar), the Peoples' Daily said.

But the number of enterprises losing money dropped 3.6 percentage points to 36.3 per cent of the total, the Communist Party newspaper

Chinese officials say one third of state firms make money, one third have mediocre performance and one third lose money, leading western economists to believe that their financial situation may be even worst than reported. Nearly 99 per cent of state

sector industrial losses were in coal, petroleum, non-ferrous metal, tobacco and military related industries, the Peoples' Daily said.

With industrial losses an in creasing drain on state coffers. the government launched a campaign at the start of last year to boost efficiency by shutting down or merging money-losing firms.

Egypt was expecting from In-LOS ANGELES, May 27: A man Indian imports from Egypt include crude oil, petroleum products, rock phosphate, petroleum coke, urea and cotton, while exports include tea, coffee, alumina, pharmaceuticals and engineering goods,

> stolen television sets and other electronic at his home, prosecutor David Ross said. His brother, Martin Hernandez, 24, was also charged

Rivera section, which lies adjacent to the hard-hit south-central neighbourhood and was also heavily targeted for looting when rioting broke out on April

Real solution to debts urged the start of closed talks among JAKARTA, May 27: A funcut in both the stock of debt senior officials of the G-15 damental and sustainable solugroup of developing countries

tion has to be found for the huge debt burden of the developing countries so their economics can grow, Indonesian Finance Minister Johannes Sumarlin said, reports Reuter. "Such a solution . . . must permit the debtors to return

to a process of sustained growth and ... to once againhave access to voluntary credit in the form of new money for investment purposes".

Sumarlin was speaking at

West's recession hits Lanka's gem exports

COLOMBO, May 27: The lingering recession in the West has hit Sri Lanka's gem and diamond exports, an official said Wednesday, reports AP.

Foreign exchange carnings from gem exports declined to 39.2 million dollar last year, compared with 46 million dollar in 1990, said Austin Fernando, Chairman of the State Gem Corp.

Net proceeds from diamond exports dipped to 49.6 million dollar last year- 1.2 million dollar less than 1990, he

The country carned 35.37 million dollar from gem and diamond exports until April this year, a marginal decline from last year's export earnings. Fernando told a press

Gems and diamonds are one of the chief earners of hard cash for Sri Lanka.

NEW DELHI, May 27:

Hindu India is spreading out

its Buddhist past to entice

on Monday. The ministry made the speech available Wednes-The total debt of developing

countries has more than doubled since 1980 to US dollar 1.20 trillion and the 15 most heavily indebted owe more than half their Gross National Product, Sumarlin said.

"At best, the debt is a very heavy drag on the developing efforts of the debtor countries. At worst, the debt burden is the single major obstacle to development".

try must be defined in terms of its ability to pay, allowing for its development spending This, he said, would in many case mean debt redue-

The debt service of a coun-

tion rather than rescheduling. On the developing country's part, it would have to make its economy more flexible, productive and competitive, Sumarlin said, adding the debtor should initiate the steps to reform and restruc-

ture its economy.

"If the debtor country does not take the initiative you will be faced with the unpleasant choice of accepting a restructuring programme imposed form abroad . . . which may or may not reflect your situation or be appropriate in the light of your values. As a result it may fail to achieve relief and regain access to new money."

Senior Indonesian economist and government advisor Widjojo Nitisastro told the meeting that for most developing countries only a big

Buddha comes in aid of

and debt service would stop the net outflow of resources and revive the development

Widjojo, who headed Indonesia's debt rescheduling team in the late 1960s, said repeated use of foreign debt rescheduling created uncertainty about future economic performance and policies.

He said he hoped that the recent reductions in debts for Egypt and Poland would be considered for other major

Beijing seeks Boeing bid to better trade with USA

BEIJING, May 27: China's Prime Minister Li Peng said that commerce with the United States will improve once all barriers are removed and relations return to normal, and urged a major US firm to act as an intermediary, reports

Reuter. "Once Sino-US relations overcome all the existing barriers to develop along a normal track, this will help ensure the business cooperation between the two countries," the official New China news agency

quoted Li as saying. He made the remark at a meeting with Boeing Company (BA.N) Chairman Frank Shrontz. The firm is a major supplier of commercial aircraft

to China.

\$13m didn't satisfy him

who won 13 million dollar in the California state lottery was charged on Tuesday with looting during the riots that swept Los Angeles last month, reports Reuter. Sergio Hernandez, 28, who receives 120,000 dollar a year from his 1989 lottery prize,

was accused of stashing Japanese tourists, senior gov-

Repayment will be spread over 20 years at just 2.5 per cent interest.

India's tourism trade One of the biggest projects is for the development of facilities around the Buddhist tem-

Japanese tourists to the land where Gautama Buddha lived and preached 2,500 years ago, reports Reuter. In a promotion drive aided by Tokyo, Buddhist monuments all over the country are being spruced up to receive

are in poor condition - plus additional hotel accommodation, the improvement of roads and landscaping.

ples hewed out of rock in Ajanta and Ellora in the western state of Maharashtra. The 30 Buddhist caves in

Ajanta contain magnificent paintings, dating from between 200 BC and AD 650, depicting important events in the life of the Buddha, who was born a Hindu prince in what is now

In nearby Ellora, where are more than 30 40th-century man-made caves, 12 of which are exclusively Buddhist and were once inhabited by monks.

Earlier this month Scindia announced an ambitious tourist action plan in parliament to boost India's dismal share -0.4 per cent - of the global tourist trade to a more respectable one per cent in the

package tours to Buddhist holy places scattered through the and golf thrown in as bonus," said Moorthy.

Maharashtra. Asha Moorthy, head of the Ministry's special Japan desk, said shrines and monuments

tract the Japanese. "Japanese are fussy about food, and unless we can provide Japanese cuisine we cannot attract them," he said, adding that the government is encouraging hoteliers to import cooks from Japan or send

Luxury coaches, hotel

alone were not enough to at-

equipment and telecommunication facilities are being imported to cater to the Japanese. The number of Japanese visiting India has never been

chefs for training there.

large - 59,122 in 1990 being the record. Last year the numbers went down to 46,655. Nearly half the Japanese coming to India are business travellers and Delhi wants to

attract more of them too. We are gearing ourselves to meet the exacting requirements of Japanese executives, with Japanese cuisine, interpreters, improved communications with the outside world,

two northern states of Uttar Pradesh and Bihar, where the Buddha reached enlightenment and preached, and in

ernment officials said in interviews this week. with robbery and receiving stolen property after police "The yen-rich Japanese found electronic goods in tourist will be our most pamhis home as well, Ross said. pered guest in the next few Sergio Hernandez was freed on years," said Prashant Mehta, a 5,000 dollar bail and senior aide to the Minister of scheduled to be arraigned Tourism and Civil Aviation, next week. Madhavrao Scindia. Police found the stolen goods, The Overseas Economic Cobelieved to be from a looted operation Fund of Japan electronics shop, when they (OECF) is providing more than searched the brothers' nine billion yen (70 million US homes on May 21, Ross dollar), more than half the next five years. projected cost for work on the Sergio Hernandez's home is India proposes to lure monuments - some of which located in the city's Pico Japanese holiday-makers by

-AFP photo