

BRIEFS

Stocks end higher marginally in NY
NEW YORK, Feb 26: The stock market ended marginally higher on Thursday, as nervous investors sold stocks that had gained in previous days, but bought other perceived bargains. Money continues to move around very quickly and viciously, said Elliot Spar, an options trader at Gruntal and Co brokerage firm. But Spar said the ample cash on the sidelines was evidence of an "underlying resiliency" in the market, reports AP.

China wins \$90m Pak road contract
ISLAMABAD, Feb 26: The Beijing-based China Petroleum Engineering Construction Corporation (CPECC) won a 90 million dollar road building contract in Pakistan yesterday. The state-run company will construct a 206 kilometre (128 miles) portion of the Indus Highway Project which will provide an alternate cross-country link between Peshawar in the northwest and the southern port city of Karachi, reports AFP.

Workers' wage to rise in Bangkok
BANGKOK, Feb 26: The minimum daily wage for workers in Bangkok and its suburbs will be raised from 115 baht (4.6 US dollar) to 125 baht (five dollar) as of April 1, the Interior Ministry announced yesterday. The daily minimum wage will be raised by various amounts in different parts of the country with Bangkok, its suburbs and the resort island of Phuket constituting the first group, reports AFP.

British Gas, ICI to cut 12,000 jobs
LONDON, Feb 26: British Gas and ICI, Britain's largest manufacturer and chemical company, on Thursday announced a total of 12,000 job cuts. The news came as 628 officers serving in Bosnia and Northern Ireland received their pink slips, part of the British army's efforts to trim its post-Cold War force by 40,000 soldiers. Imperial Chemicals Industries said it would slash 9,000 of its 114,500 jobs worldwide. Half the cuts would be made in Britain, reports AP.

Rouble reaches record low
MOSCOW, Feb 26: The rouble plummeted to a record low Thursday, trading at 593 to the dollar at the Moscow Interbank Currency Exchange. It had traded at 576 to the dollar on Tuesday at the twice-weekly session. The volume traded was 71.95 million dollar, reports AP.

2 experts differ on pollution tech
WASHINGTON, Feb 26: The president of a leading research organisation and the president of a major corporation differed at a US Senate hearing on whether technology developed to fight pollution also leads to more efficient, economically products. Jonathan Lash, president of the World Resources Institute, a Washington research group, repeated the argument often made by environmentalists that US business could become more competitive internationally if it adopted technology to improve the environment, reports USIS.

What a Singapore housewife worth?
SINGAPORE, Feb 26: What is a Singapore housewife worth? Exactly 1,763 dollar (1,073 US dollar) a month if she is paid a salary, says a local English language daily, the Straits Times. The paper said it interviewed 25 housewives and called a human resource consultant to find out how much a housewife would earn if a price tag was put on her work, reports AFP.

Dollar, stocks rise in Tokyo
TOKYO, Feb 26: The US dollar strengthened against the Japanese yen Friday, as share prices on the Tokyo Stock Exchange inched higher. The dollar closed at 117.85 yen, up 0.32 yen from Thursday's close. The US currency opened at 117.95 yen and ranged between 117.63 yen and 118.13 yen. In New York, it finished overnight trading at 117.47 yen. After plunging to a 116.78 yen finish on Tuesday — its lowest closing in Tokyo since modern exchange rates were set up in the late 1940s — the dollar risen 1.07 yen in three days, reports AP.

Canada moves to remove bar to NAFTA

OTTAWA, Feb 26: Canada moved to tear down the walls that bar trade in North America yesterday becoming the first of three nations to introduce legislation to create the world's largest free-trade zone, reports Reuter.

The Canadian government sent parliament several thousand pages of legislation to make the North American Free Trade Agreement (NAFTA) with the United States and Mexico into law.

"I hope we will have a termination of the legislative process by the end of June," Canadian Trade Minister Michael Wilson told reporters.

The NAFTA deal was struck last August after intense negotiations and signed by the

three countries last December. The Agreement will create a free-trade zone stretching from the Yukon to the Yucatan and encompassing some 360 million people.

It must be approved by the legislatures of all three countries but faces stiff opposition from various special-interest groups and politicians, particularly in Canada and the United States.

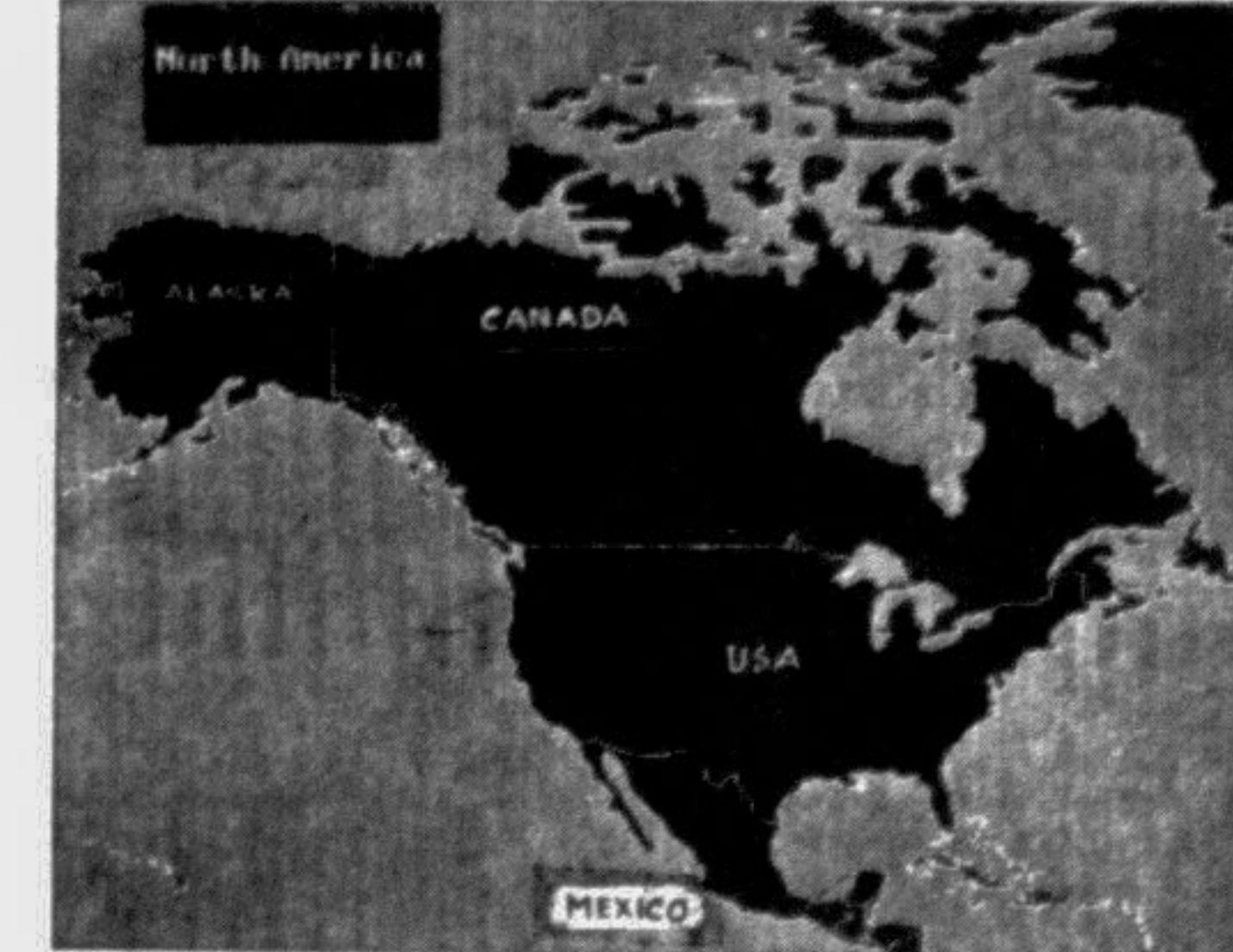
"The agreement last one of its main architects on Wednesday when Canadian Prime Minister Brian Mulroney said he would resign once a replacement as party leader and Prime Minister is chosen. Wilson said the race for the conservative party leadership should not delay the passage of

the deal on the Canadian parliament.

In the United States, President Bill Clinton has indicated the NAFTA legislation will be brought before congress along with side agreements on Labour and the environment. Talks on the so-called side agreements will likely begin in March.

Clinton wants to prevent a massive relocation of US factories into Mexico where wages are lower and environmental regulations are looser.

In Mexico, the legislation has not yet been sent to Congress but President Carlos Salinas de Gortari is a strong supporter of the deal and few impediments are expected.



Japan's farmers plan to flout law further by exporting rice

TOKYO, Feb 26: A group of renegade rice farmers in northern Japan, who already go outside approved channels to sell their rice domestically, plan to flout the law further by exporting their crop, according to Japanese media reports, reports Reuter.

The Ohgata village Akitakomachi Producers' Association, based in Akiha prefecture, hopes expatriate Japanese miss the taste of the homegrown staple enough to pay a hefty price.

Due to government price supports, Japanese rice costs domestic consumers 2.5 to 6.5 times as much as in other major markets. If it is shipped abroad by air, the price will roughly triple.

Akitakomachi, the collective's premier brand, costs 10,000 yen (85.00 dollar) per 20 kg shipping to the United States, for example, will add 25,500 yen (220 dollar).

And it may be against the law. Japan's food control law, which bans rice imports, also bans exports except for small quantities to relatives.

Agriculture authorities have repeatedly taken legal action against the Akiha group's domestic sales, but the farmers have so far avoided penalties by claiming they sell only to their friends and relatives.

The group sells about 6,000 tonnes of rice a year in the domestic market, media reports said. Japan's total annual rice production is 10 million tonnes.

Farmers are required to sell rice only to licensed collectors and wholesalers. Consumers can only buy from licensed retailers including supermarkets.

The group's officials were unavailable for immediate comment. Government officials may consider action against the group, the media reports said.

OPEC asks members to honour pact or face carbon taxes by West

LONDON, Feb 26: OPEC told its 12 members on Thursday to honour their latest pact to cut output and raise prices or they would make it easier for a cash-pinched west to slap new carbon taxes on their oil, reports Reuter.

A commentary in the February edition of the OPEC bulletin was a nearly sign of new pricing militancy in the Organisation of the Petroleum Exporting Countries, in direct reaction to Clinton administration proposals for a US energy tax.

Quoted by OPECNA news agency, the commentary says that if OPEC fails to nudge its own prices higher — a carbon tax, a green tax or a purple tax, whatever, name is used, will be easier for consumer govern-

ments to impose.

The US tax would accelerate the already disturbing trend by which producers earn less from their oil while the tax take from it by western finance minister gets higher.

Once it has become an accepted part of the landscape, the US can easily adjust it using the same convenient grounds of cutting the budget deficit, OPEC says.

Emboldened by the Clinton move, the European Community will cut off its plans again for its own tax. Others may follow.

The commentary said a recent speech by Saudi Arabian Oil Minister Hisham Nazer in Houston was a polite but firm

reminder that oil producers have legitimate interest too.

Nazer said that a kind of "petrophobia" was gripping the world and that oil was being discriminated again.

OPEC complains that coal, which emits more carbon dioxide, would be taxed under the Clinton plans at only 25.7 cent per million British Thermal Units (BTU) versus 59.9 cent for oil.

OPECNA also carried a comment by the London-based centre for global energy studies, a think tank led by former Saudi Oil Minister Ahmed Zaki Yamani, which said that the proposed US tax unfairly penalises oil.

The centre said current low levels of oil taxation in the United States left consider-

Taiwan eases ban on tech transfer from China

TAIPEI, Feb 26: Taiwan's Mainland Affairs Council (MAC) has eased a ban on technology transfer from China in a bid to help the island's industrialists upgrade the cooperations, a MAC official said Thursday, reports AFP.

The cabinet-level MAC, the country's top China policy maker, Wednesday approved the liberalisation proposed by the economics ministry, the official said.

The prerequisite of the relaxation, awaiting final approval from the cabinet, was that introduction of Chinese technology transfer must not undermine the island's national security and economic development, he said.

The liberalisation will allow local enterprises, and institutional research units to recruit science and technology as well as environmental engineering specialists from the mainland via third countries, he said.

The Chinese specialists may stay a maximum two years here for research and development projects, he said.

Flourishing trade between Taiwan and China, mainly via Hong Kong, amounted to a record 7.41 billion dollar in 1992 and is expected to surpass 9.3 billion dollar this year.

Seoul's foreign exchange holdings up by 25 pc

SEOUL (South Korea), Feb 26: Helped by a government drive to curb imports, South Korea's foreign exchange holdings rose by 25 per cent to 17.15 billion dollar last year, the Bank of Korea said Friday, reports AP.

As a result of the anti-import campaign, the current account deficit was cut by nearly half to 4.6 billion dollar last year from 8.73 billion dollar in 1991, the central bank said.

In 1992, South Korea suffered a trade deficit of 2.2 billion dollar down from 6.98 billion dollar a year ago.

Last year's exports rose 6.6 per cent to 76.6 billion dollar, while imports increased a mere 0.3 per cent to 81.78 billion dollar the lowest gain in 10 years.

Still, bank officials say, South Korea's economy remains dormant mainly due to poor facility investments in businesses.

South Korea launched a tight economic policy beginning in 1990, when it suffered a current account shortfall of 2.2 billion dollar from a surplus of 5.1 billion dollar the previous year.

The government's efforts to curb inflation and slash deficits have caused high unemployment, business failures and a slowdown in exports and domestic sales.

In 1992, South Korean exports to the United States, Japan and Europe were sluggish, but shipments to developing countries increased.

The bank said exports to the United States, South Korea's largest overseas market, dropped 2.5 per cent last year to 18 billion dollar. But its surplus with Southeast Asian nations widened to 7.96 billion dollar from 5.46 billion dollar, it said.

Yemen boosting oil ties with Asians

ABU DHABI, Feb 26: Yemen is boosting oil ties with Asian countries in a bid to diversify its partners in the industry, Yemeni Oil Minister Saleh Abu Baker Ibn Hussein said yesterday, reports AFP.

"But we are following a clear policy in this respect in order to maintain a sort of balance as we do not want to mortgage our oil wealth to one company," he told the United Arab Emirates magazine AL-Sharq.

He said about 30 international firms were exploring for oil in Yemen and that the government was reviewing appli-

cations from several other companies.

"We are working to diversify concessions and discoveries and this has produced positive results in our relations with the United States Canada, West Europe, Arabs and Asian countries such as Malaysia and Indonesia to which we have extended our hand to benefit from their experience."

Hussein said he did not elaborate on cooperation with Asian Nations but Yemen has stepped up oil exploration and invited partners for gas projects after major discoveries boosted gas reserves to 15 tril-

lion cubic feet.

Yemen's crude oil reserves are estimated at four billion barrels and the country produces about 200,000 barrels per day (BPD). But the amount will exceed to 300,000 BPD this year when a giant field becomes operational.

"Our oil production will rise to between 300,000 and 350,000 BPD in September after the operation of Masila field," Hussein said.

He said initial estimates had put reserves of that field at 500 million barrels but new studies have shown it has slightly over a billion barrels.

BCCI scandal forces UAE to change bank's name

ABU DHABI, Feb 26: The BCCI scandal has forced another United Arab Emirates (UAE) institution to change its name after a rush of enquiries by clients, the company said on Tuesday, reports AFP.

The Dubai-based Credit and Commerce Insurance Company Ltd, said it had changed its name to Alliance Insurance Company.

"There are some reasons for the change but the main one is that the name was similar to the name of the Bank of Credit and Commerce International," the company's Public Relations Director, Tareq Omar, told AFP.

"We have received many enquiries from our clients. We wanted to preserve our reputation although there is no relation between our company and the BCCI."

He said the company, a private venture that handles nearly 80,000 policies a year, had also decided to raise its capital from 10 million dirham (2.7 million dollar) to 15 million dirham (4.08 million dollar). The increase would come through subscriptions by private investors, he added.

Another UAE institution, the Bank of Credit and Commerce Emirates, has also changed its name into the Union National Bank (UNB) because of the BCCI, which is being liquidated after it was closed last year for massive fraud. BCCI, of which 77 per cent is owned by Abu Dhabi, had held 40 per cent of UNB.

Population boom to continue in Asia, the Pacific

BANGKOK, Feb 26: High population-growth rates in Asia and the Pacific will continue to be a major concern for at least the next two decades, a senior UN official said Thursday, reports Reuter.

Religious beliefs, illiteracy and inadequate family-planning services, particularly in South Asia, were responsible, Nafis Sadik, Executive Director of the United Nations Population Fund, told a news conference.

"That will continue to be a concern for the next 20 or 25 years," said Sadik, the first woman selected to head the agency.

Her visit to Thailand is in preparation for the international conference on population and development, scheduled for Cairo in September 1994.

The population of Thailand, which has won international acclaim for its birth-control programmes, will grow at an average yearly rate of 1.4 per cent between 1990 and 1995, UN figures showed.

Pakistan's growth rate will be 2.9 per cent and Afghanistan's 6.7 per cent.

Sadik said the migration of people from less developed countries to seek employment in industrialised nations would become a major issue in the region.

Her agency is also studying the relation between population expansion and depletion of natural resources in developing countries and how to relocate people from major cities to less populated areas.

Delayed closure of BCCI Bank of England blamed for taking no action

LONDON, Feb 26: A parliamentary committee Thursday attacked the Bank of England for taking no disciplinary action against staff criticised in an official report for delay in closing the rogue Bank of Credit and Commerce International, reports AP.

"We consider it is incumbent on the Bank of England to accept responsibility for its failure as the supervisor of BCCI," said the all-party House of Commons Treasury and Civil Service Select Committee in a report.

"We regard the absence of any disciplinary action of any kind against any of the individuals involved as undermining the future effectiveness of the Bank (of England)," the report said.

"It may lead staff to conclude that failure to carry out their responsibilities effectively carries no adverse consequences for them as individuals," it said.

Bank of England staff ordered the closure of BCCI in July 1991. The third largest bank of the world collapsed amid a scandal involving drug smuggling, arms dealing and money laundering.

A report on the affair ordered by Prime Minister John Major's government and published last October said the Bank of England might have stopped BCCI carrying out the biggest banking fraud in history if it had stayed alert to many signs of irregularities.

The October reports, written by a senior judge, Sir Thomas Bingham, said Bank of England supervision of BCCI was, "in its later stages, a tragedy of errors, misunderstandings and failures of communication."

"The Bank (of England) did not pursue the truth about BCCI with the rigour which BCCI's market reputation justified," Bingham's report said. It said Bank of England staff had failed to follow up on tip offs of wrongdoing at BCCI despite first learning about problems there in 1978.

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Hungary's GDP growing at much slower pace

BUDAPEST, Feb 26: Hungary's economy kept a downward trend last year but its slide was much slower than the plunge of the previous year, figures published in a report by the central statistical office said Thursday, reports AFP.

The country's Gross Domestic Product (GDP) fell by an estimated four to six per cent last year from 1991, when the GDP plunged 12 per cent following a four-per cent drop in 1990, the office said.

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Rains, floods may force Pak growth rate down to 4 pc

ISLAMABAD, Feb 26: Pakistan's 1992-93 growth rate may be slashed to four per cent from projections of 6.3 per cent because of devastating rains and floods that swept through crop growing areas last year, a draft government report says, reports Reuter.

"The performance of the economy has not been up to expectation, essentially due to setbacks on account of rains and flood, the Planning Commission report said.

The internal reports, seen by Reuters, is a draft to be presented to the aid for Pakistan consortium meeting in Paris on April 22 and 23 for aid in

fiscal 1993-94 (July-June).

"This (the floods) led to a substantial declaration in GDP (Gross Domestic Product) growth, which is being estimated to come down to about four per cent as against 7.6 per cent achieved in 1991-92, the report said.

Pakistan initially projected a growth rate of 6.3 per cent for fiscal 1992-93, but rolled back to about 5.5 per cent after the worst floods in decades damaged vast areas of the cotton growing heartland in central Punjab province last September.

"It is too early to say what the growth rate will be,"

Finance Minister Sartaj Aziz said late on Wednesday. "We are still expecting between five and 5.5 per cent.

The floods cost an estimated 65 billion rupee, comprising asset losses of 32 billion rupee (1.2 billion dollar), production losses of 27 billion rupee and relief measures costing 6.0 billion rupee, it said.

Much of the decline was blamed on the agricultural sector, with overall agricultural growth expected to show a negative 1.7 per cent, with major crops declining by 8.4 per cent, compared with record crops in 1991-92.

Most of the losses were from cotton, with production down 21.9 per cent from last year, rice down by 10.9 per cent and sugarcane falling by 4.9 per cent.

Cotton analysts are expecting the crop to come in at under 10 million bales, and possible as low as 8.5 million bales, compared with 12.7 million bales the year before.

Cotton is Pakistan's most important crop, with cotton and cotton products accounting for more than 60 per cent of total exports.

Industrial production remained encouraging, the report said. Industrial growth,

after taking into account a reduction in cotton ginning, was estimated to reach 7.5 per cent.

"In the consortium memorandum for 1992-93, the Pakistan economy was forecast to grow by 6.3 per cent, comprising sectorial growth rates of 4.8 per cent in agriculture, 8.5 per cent in manufacturing and 6.3 per cent in other sectors," the report said.

On energy, the report said that in the first six months of the current fiscal year, Pakistan produced an average of 59.6 thousand barrels of oil a day, compared with 60.9 thousand the year before, but

9 Black Sea states talk formation of assembly

ISTANBUL, Feb 26: The parliamentary presidents of nine Black Sea economic cooperation pact countries met in Istanbul to form a consultative parliamentary assembly, reports Reuter.

The assembly will help establish the legal foundations of the regional pact, and develop ties among the parliaments of each member state, Husatettin Cindoruk, speaker of the Turkish grand national assembly, told the meeting.

The regional pact brings together six former Soviet republics plus Turkey, Greece, Bulgaria, Romania and Albania. Bulgaria and Greece did not attend the meeting.

The regional group aims to cooperate in energy, transport, information, communications, and environmental issues and plans to establish a bank.

It also intends to remove all trade barriers.

Cindoruk said the speakers of the national parliaments would review and vote on a 26-amendment charter of the assembly.

The parliamentary assembly, which will meet once or twice a year in one of the member states will have a rotating presidency and be composed of deputies of the 11 nations.

It will also have three separate commissions, a political and legal affairs committee, a cultural, educational and social commission and an economic, trade, technology and environment committee.

"The assembly will be a consultative body only but can recommend legislation to individual national legislatures, Ergun Ozbudun, a political scientist and legal adviser to the Turkish national assembly, told Reuters.

Japan's industrial output worst in 17 years

TOKYO, Feb 26: Japan's industrial production posted year-on-year drops in 12 of a total 13 sectors in calendar 1992, the worst performance in 17 years, a Ministry of International Trade and Industry (MITI) official said, according to Reuter.

Industrial output in 1992 fell 6.1 per cent from 1991, the first year-on-year drop in six years, MITI reported in January.

The 1992 output fell was the worst since 1975 when Japan's industrial output posted declines in all sectors, falling 11.1 per cent from a year earlier, the official said.

The production in the electricity industry fell 9.6 per cent from a year ago in 1992, the first year-on-year drop in 17 years.

Shipments by the electric industry fell 7.9 per cent from a year earlier in 1992, also the first year-on-year decline in 17 years.

Machinery production fell a steep 16 per cent in 1992, the first drop in six years. Shipments by the machinery industry fell 14.8 per cent in 1992, the second successive year-on-year decline.

Production in the steel industry fell 9.4 per cent in 1992, the first decline in six years.

Crude steel output fell 10.5 per cent from a year ago to 98.13 million tonnes in 1992, the second straight year-on-year decline, and failed to touch 100 million tonnes for the first time in five years.

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Tin output may fall further in Malaysia

KUALA LUMPUR, Feb 26: Malaysia's tin output is forecast to slide further in 1993 because poor prices and demand may force mines to close, but the sector sees a new future in the former Soviet Union and India, officials said on Thursday, reports Reuter.

"The two countries might have potential markets for our tin, especially in their tin-plating industry," Muhammad Nor Muhamad, secretary of the Malaysian chamber of mines, a grouping of mining firms, told Reuters.

gas extraction rose 4.7 per cent.

Production of cured declined to due to non-availability of processing facilities and export constraints following increased production by OPEC countries, it said.

Pakistan planned to ask for aid of 2.5 billion dollar from the consortium for 1993-94, compared with a request for 2.36 billion dollar last year, the report said.

The 2.5 billion dollar comprises 2.3 billion dollar in project aid, 220 million dollar in commodity and programme type assistance and 2.0 million dollar in food aid.