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ECNEC approves Tk 778 cr projects

The government has undertaken massive development programmes at a cost of about Taka 778 crore for different sectors of the economy, reports BSS.

The money will be spent on female education, railways, rural infrastructures and social development programmes.

The Executive Committee of the National Economic Council (ECNEC) approved the projects yesterday at a meeting with Finance Minister M Saifur Rahman in the chair.

The government will spend Taka 412 crore to encourage female education and reduce dropouts at the secondary level. Funded entirely by the government from its own resources, the programme will cover 282 thanas of the country and the stipends will be provided to the girl students of class six to class ten within the next five years beginning January next. Each student will receive Taka 58, Taka 65, Taka 72, Taka 118, Taka 148, per month for class six, seven, eight, nine and ten respectively.

The ECNEC meeting also approved another project to be undertaken by the railway division to purchase 10 diesel electric locomotives, 66 metre gauge passenger coaches, 18 air-conditioned coaches and eight power coaches at a cost of Taka 209 crore.

It was informed at the meeting that out of 300 railway engines of the country more than two third are 25 years old and are non-operational now.

The Finance Minister expressed his displeasure at the every deteriorating performance of the railway system. He directed the railway authorities to restore facilities of the Kamlapur Railway Station to a respectable level.

Saifur Rahman also directed the railway department to dispose off all broken wagons immediately. If necessary, the broken wagons can also be sold to the steel mills as scraps against cash payment.

Referring to the economically non-viable projects undertaken by the previous government in the railway sector, the Finance Minister said, the officers who were involved in such projects and are now posted elsewhere cannot escape responsibilities for such misdeeds. They have to be accountable for any irresponsible act on their part, he added.

ECNEC also approved a rural development project at a cost of Taka 130 crore with a foreign exchange component of Taka 39 crore aimed at development of infrastructures of the rural areas of Faridpur, Rajbari, Gopalganj, Madaripur, Shariatpur, and Kurigram districts.

The meeting approved an integrated social development programme for the hilly areas involving an expenditure of Taka 27 crore with a foreign exchange component of Taka one crore.

The programme aimed at improving socio-economic condition and life standard of the children and women of the under privileged tribes in the hilly region.

It also approved two more projects to be undertaken by the Information Ministry. These are rehabilitation of the cyclone affected Chittagong TV station and construction of a new TV station in Chittagong, setting up of five TV relay stations at Patuakhali, Thakurgaon, Brahmanbaria, Jhenidah and Rajshahi.

Agriculture Minister Majid-ul-Hoque, LGRD Minister Barrister Abdus Salam Talukder, Information Minister Barrister Nazmul Huda, Communications Minister Oli Ahmed, Commerce Minister M Shamsul Islam, Energy Minister Dr Kondaker Mosharraf Hossain, Religious Affairs Minister Muhammad Keramat Ali, State Minister for Planning Dr A Moyeen Khan and concerned members of the Planning Commission and secretaries attended the meeting.

'Euro disney's performance dreadful'

BURBANK, Calif, Dec 29: In unusually frank language, Walt Disney Co. Chairman Michael Eisner says Euro Disney's performance has been "dreadful," giving the struggling theme park a grade of D in Disney's annual report, reports AP.

In the report, made available to the media Tuesday, Eisner says the French theme park is "our first real financial disappointment" since he took over the company more than a decade ago.

"This has been a very serious problem, one that has cost an enormous amount of time and anxiety," Eisner tells shareholders in the report's opening letter.

"Some would call it dreadful, and in a financial sense, I would be forced to agree," Eisner writes. "We, Disney's management, remain committed to exploring all reasonable alternatives toward helping to put Euro Disney on a sound financial footing.... But in doing so, I promise all shareholders of the Walt Disney Company that we will take no action to endanger the health of Disney itself."

The 18-month-old park near Paris lost 921 million dollar in its first fiscal year, a shortfall of more than 2.5 million dollar a day.

Euro Disney is managed by the Walt Disney Co. which owns 49 per cent of its stock. Disney Co has agreed to keep Euro Disney afloat for a limited time, saying it will require significant funding through 1994.

Disney said in November it took a 350 million dollar charge against earnings during the fourth quarter to cover Euro Disney losses.

Demand for tea rises

CHITTAGONG, Dec 29: The weekly tea sale held here yesterday was marked by good demand for different grades of tea but with fluctuating prices, market sources said, reports BSS.

Buyers for Russia, Poland, Jordan were again quite active for brokens grades and the prices were firm to slightly dearer for large and bold brokens, all others were an easier market with fair withdrawals following less support from Pakistan and restricted demand from the internal market.

Large and bold brokens were a good market at around last levels with better liquoring types generally tending dearer. Medium brokens were steady whilst smaller types were an irregular market following quality. Popular varieties cased slightly and sold between Taka 51/50 and Taka 54/80 per kg.

Good liquoring fannings were well supported at around last levels and occasionally slightly dearer but all others were a lower market sometimes declining upto Taka one — popular types again sold at lower rates realising between Taka 51/50 and Taka 56/20.

Two hundred and fifty chests of green tea on offer met with a fair demand at slightly lower rates. Fine young hyson sold between Taka 56/50 and Taka 56/70, young hyson sold between Taka 53/75 and Taka 55/40, and hyson sold at Taka 55/70 per kg.

Three thousand, five hundred and thirty (3,530) chests of dust category on offer continued to meet with a good demand generally at slightly easier rates, a few select improved liquoring lines however, met with good competition and advanced over last.

Anwar visits Mongla Port

MONGLA, Dec 29: Shipping Minister M K Anwar today called for enhancing facilities in the Mongla Port and ensuring security management in order to attract entrepreneurs for using the port extensively, reports UNB.

The call was made when he was visiting the Port, its establishment and the Passur river channel. The Minister also inspected the port's loading and unloading position during the visit, said an official handout.

Speaking on the occasion the Minister said government has taken sufficient measures for upgrading the port into a modern one so that it could help ameliorate the economy of the country.

Referring to its future prospect Anwar underscored the need for best utilization of the port, its establishments and equipments by the importers, exporters and other users.

He urged the concerned officials to put their best and sincere efforts for further activating the port.

The Minister also held a meeting with the high officials of the Mongla Port for finding out the ways and means to make the port more viable.

Earlier, at a meeting with the users of the port the Minister called upon the exporters and importers including the users of the port to come forward for using the port spontaneously.

The board of directors of the Janata Bank approved profit and loss of the bank for the year 1992 on Tuesday. Dr Abdullah Farouk, Chairman, seen in the picture.

Proposed Iranian budget envisages $11.84b of oil export revenue

TEHRAN, Dec 29: Iran's proposed budget envisages 11.84 billion US dollar of oil export revenue based on the average price of about 14 US dollar a barrel for the Iranian year starting March 21, 1994, a newspaper said yesterday, reports Reuter.

Rasalat newspaper, publishing some details of the budget bill presented to parliament last week, also said it authorised a 140 per cent rise in the domestic price of gasoline.

The oil revenue figure is just under the 12 billion US dollar that a senior parliamentarian said last week Iran was expected to earn from oil exports in the current year after prices fell about 30 per cent over the past 12 months.

The current year's budget envisaged about 17 billion US dollar in oil revenue based on 17 US dollar a barrel. Officials said this month Iran sold its oil for 11 US dollar a barrel.

The Resalat figures work out to average exports of 2.317 million barrels per day (BPD), just under the level Iran has been exporting in recent months.

President Akbar Hashemi Rafsanjani said when presenting the budget that Iran would respect limits set on its oil output by Iran's quota is 3.6 million BPD under the current OPEC accord which runs to March 31.

India voices interest to increase trade with Iran

TEHRAN, Dec 29: Iran and India are currently working on a project through which Iran will supply 50 million cubic metres of gas per day, the Indian Ambassador to Iran, S K Aurora said, reports PTI.

The gas would supplied through a pipeline to be laid down through sea.

In an interview with the English daily Tehran Times, Aurora said Iranian oil, natural gas, copper and several other minerals could find an easy market in India.

He also said India and Iran could collaborate in the building of infrastructure facilities such as roads, ports and railway network.

The Indian envoy referred to the fertilizer plant design for Geshm island, a free trade zone area in southern Iran, as another example of growing Indo-Iranian cooperation.

India will have a 60 per cent share and Geshm authorities will have a 40 per cent share in the fertilizer plant for which 300 million dollars would be invested, Aurora said, according to the Iranian news agency IRNA.

Aurora voiced India's interest in cooperating with Tehran in promoting economic, trade and cultural relations with central Asian republics.

World oil prices come under new pressure

LONDON, Dec 29: World oil prices came under new pressure in a market that felt prospects of early output cuts by Saudi Arabia and other big OPEC sellers had receded, reports Reuter.

Norway apparently resisted Saudi pressure for producers like itself, which do not belong to the Organisation of the Petroleum Exporting Countries, to promise to curb their exports as a condition for OPEC action to remove excess supply.

Oil trading was thin and volatile with the London market closed for an extended Christmas holiday, but it looked as if prices would end 1993 around their lowest since late 1988.

US light crude oil futures fell in New York below 14 dollar per barrel, down more than 50 cent from last week.

Oil Minister Said Bin Ahmed al-Shanfari of Oman, a Saudi ally, visited Norway but left apparently without getting a pledge by that country, the biggest western European exporter, to curb its surging North Sea production.

Saudi Arabia says it will not make new cuts in its own output without measures by others, in and outside OPEC, arguing that it now needs to defend its market share, and Oman's Shanfari is trying to coordinate the non-OPEC group.

Iraq unlikely to re-enter market

AP from Manama: The Kuwaiti Oil Minister was quoted Tuesday as saying Iraq was not expected to re-enter the oil market for at least six months, despite Iraqi statements that its return is imminent.

Ali al-Baghli, in an interview published in the Bahrain daily Al-Ayam, charged Iraq was intentionally trying to undermine the weak oil market and push prices lower by spreading reports it is about to resume production.

Iraq is barred from exporting oil under a UN Security Council embargo until it complies with all demands of the Gulf War cease-fire.

It insists it already has met those demands and is pressing for the lifting of the sanctions.

However, Baghli said, "all political indications are that Iraq will not resume production for another six months to a year at the least."

Iraq was a major member of the 12-nation Organisation of Petroleum Exporting Countries with a production quota of over three million barrels a day before Saddam Hussein's forces invaded Kuwait in August 1990.

US dollar rises in Tokyo, London

TOKYO, Dec 29: Tokyo share prices advanced moderately Wednesday, while the US dollar climbed for the third consecutive day, closing at an eight-month high against the Japanese yen, reports AP.

The Nikkei Stock Average of 225 selected issues rose 140.82 points, or 0.82 per cent, closing at 17,272.03. On Tuesday, it had gained 311.33 points, or 1.85 per cent, to 17,131.21.

Traders said new reports that the government may use public funds to help stimulate the sluggish real estate market encouraged buying.

The market also was supported by a Japan Broadcasting Corp. (NHK) report that the government plans to announce major cuts in income and residential taxes next month as part of rescue measures for the sagging economy, they said.

"But in the absence of foreign investors on vacation, trading lacked steam," said Yobuyuki Nagamori, and analyst with Yamaichi Securities.

Japan's stock, bond and commodities markets close the year after a half-day session on Thursday. They will reopen with another half-day January 4, and then resume their normal schedules.

The Tokyo Stock Price Index of all issues listed on the first section was up 2.08 points, or 0.14 per cent, to 1,429.27. It had climbed 19.81 points, or 1.41 per cent, to 1,427.19 the previous day.

An estimated 220 million shares changed hands on the first section, up from Tuesday's 202 million. Advances outnumbered declines 578 to 373, with 183 issues unchanged.

Meanwhile, the dollar closed at 111.80 yen, the day's high and up 0.35 yen from Tuesday's close. It was the US currency's highest close in Tokyo since 111.88 yen on April 28.

The dollar closed in New York overnight at 111.38 yen, opened in Tokyo at 111.43 yen and moved no lower than 111.40 yen.

It now has gained 0.95 yen in the last three days of Tokyo trading.

Dealers said the dollar firmed on some buying by importers for year-end settlements and some covering of oversold positions.

But they said most major institutional players were absent, starting year-end holidays.

The foreign exchange market will close Decembers 31-January 3.

The price of the benchmark No. 157 10-year Japanese government bonds closed at 110.85 yen, up 0.16 yen from Tuesday's finish. Their yield fell by 0.020 percentage point to 3.020 per cent.

Another report adds: The US dollar rose against other major currencies in European trading Wednesday. Gold prices were mostly lower.

London's major bullion dealers fixed a recommended gold price of 385.65 dollar per ounce at mid morning, unchanged from late Friday. British financial markets have been closed for the Christmas holidays since then.

In Zurich, the bid price was 385.40 dollar down from 387.00 dollar late Tuesday.

In Hong Kong, gold fell 1.91 dollar to close at a bid 387.40 dollar.

Silver traded in London at 5.08 dollar a troy ounce, up from 5.03 dollar a troy ounce Friday.

Help boost nat'l economy, Oli urges business community

Communications Minister Oli Ahmed has called upon the business community to sincerely contribute their mite in boosting national economy, reports UNB.

He was speaking as the chief guest at a seminar on 'Industrial development and communication' held in the city Tuesday under the auspices of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

He said it was the responsibility of all, not the government alone, to lead the country towards the cherished goal of progress and prosperity.

Oli Ahmed said, "BNP government is voted to power not to rule the country but to serve the nation."

He further said, "everybody of us gives an impression that we love the country more than any body else but our deeds do not conform to the high sounding words.

Presided over by President of BGMEA Redwan Ahmed MP, the seminar was also addressed by S M Fazlul Haq and Kazi Muniruzzaman.

Benazir to privatise more industries

ISLAMABAD, Dec 29: Pakistani Prime Minister Benazir Bhutto will offer more state industrial enterprises for privatisation in the next two months, a government statement said on Tuesday, reports Reuter.

It did not give the number or type of the units to be privatised, but said a meeting of the government's privatisation commission had decided to offer "a substantial number".

The previous government of former Prime Minister Nawaz Sharif had sold 65 of 115 enterprises offered for privatisation since it began the process in 1991.

Bhutto, who took office last October, accused Sharif's government, which lasted only 30 months, of selling the units in haste to favourites at throwaway prices and creating monopolies, a charge Sharif denies.

Tuesday's privatisation commission meeting decided to "further examine thoroughly the procedure to avoid any pitfall and shortcomings, especially to ensure transparency in the process," the official statement said.

"The commission reviewed those units which could not be sold in the first instance and discussed in detail ways and means to make them saleable in the market," it said.

"It was also decided to examine the feasibility of all public sector units to be sold through the stock market out of which some will be offered shortly," the statement said.

Bank manager gets 7-year imprisonment

NICOSIA, Dec 29: An Iranian court has sentenced a bank manager to seven years in jail and 55 lashes for taking bribes, the Iranian news agency IRNA said, reports Reuter.

Gholamreza Rostam-Yazdi, head of the state-owned Speah Bank's branch in the provincial capital Sari near the Caspian coast, was arrested last month for accumulating 80.7 million rial (46,000 US dollar) illegally, it said.

The court sentence him on Tuesday to seven years in jail and to receive 55 lashes in public, IRNA said.

In such cases the convict is usually punished in front of his place of work.

Rostam-Yazdi's is one of several similar cases to hit the headlines recently, reflecting a surge in corruption in line with the worsening economic situation of the country.

The manager and an employee of a Speah Bank branch in Tehran were held for tampering with accounts and fraud totalling 3.6 billion rial (two million US dollar), Rayhan newspaper reported last week.

EPB seminar at MCCI Jan 4

A national seminar on "Export of Non-traditional Goods: Problems and Prospects" will be held at the conference room of the Metropolitan Chamber of Commerce and Industry at Motijheel on January 4 at 10 am, reports UNB.

Finance Minister M Saifur Rahman will be the chief guest while Commerce Minister M Shamsul Islam will be present as special guest.

Export Promotion Bureau (EPB) has organised the seminar, to be participated by representatives of different chambers, trade associations and sector corporations.

The Director-General of the Bangladesh National Museum Shaikh Akram Ali visited museums in different regions of Germany and held talks with experts on art conservation, museum organisation and art pedagogy. He (L) is seen in the picture with the head of the Pedagogic Department of the German National Art Gallery in Bonn, Dr H U Mette.

Bahrain opens 1st commercial TV production centre

MANAMA, Bahrain, Dec 29: Bahrain on Tuesday inaugurated the first commercial television production centre in any of the six nations of the Gulf Cooperation Council, reports AP.

"This will be continuous local production concentrating on our own people, but we also look forward to co-production with others", said Hala Al-Umran, a Ministry of Information undersecretary in charge of the state-guided but autonomous television and radio sector.

Work on the five million dollar center started in 1990 but was interrupted by the Iraqi invasion of Kuwait and resumed some months after the Gulf War.

Mexicans likely to feel NAFTA more than Americans

MEXICO CITY, Dec 29: Barriers to more than half of the United States' trade with Mexico vanish on January 1. But Mexicans are likely to feel it more, and more quickly, than Americans, reports AP.

Under the terms of the North American Free Trade Agreement, tariffs will disappear on about half of American exports to Mexico and 75 per cent of US imports from Mexico.

By the year 2004, less than one per cent of the trade between the countries will be subject to tariffs.

With an economy just a twentieth as big as the US economy, Mexico will be much more affected.

"Most of the things you would find in Wal-Mart, for example, will come into Mexico duty-free," said Carlos Poza, and economics officer at the US Embassy.

But on both sides of the border, the impact should be gradual rather than immediate.

"There will still be inventories on which those duties have been paid," Poza said. That will keep prices from dropping until store stocks run down and are refilled with duty-free goods.

American computers, helicopters, X-ray equipment, telecommunications gear and many agricultural goods are among the estimated 4,500 items to be stripped of tariffs immediately.

Tariffs on American automobiles will be cut in half to 10 per cent January 1 and are to vanish in five years. American automakers sold about 5,000 cars in Mexico in 1993 and hope to sell at least 10 times that many next year.

Tariffs on most American industrial equipment coming to Mexico will be gone within five years.

About half of Mexico's imports to the United States already enter duty-free. Those most likely to challenge American products, including glassware, orange juice, peanuts and some other agricultural products, will have to wait 15 years for duty-free access to American markets.

The agreement is just part of a process that has already liberalised Mexico's economy, bringing in a flood of imports and forcing many Mexican companies to shape up or shut down.

But both countries negotiated protection for key industries that could be hurt by competition, delaying tariff reductions for as much as 15 years.

NAFTA likely will accelerate changes in the way Mexico does business, introducing concepts that are a novelty here — like sales for shoppers.

Traditionally, Mexican stores worked on a high margin of profit and a relatively low volume of sales. Most US franchises work the other way around.

The end result should be lower prices for Mexican consumers. Economists here say small-and medium-sized distributors and retailers could be hurt in Mexico. In the United States, damage may fall on low-technology and labour-intensive businesses, as well as growers of some farm products such as tomatoes, onions and melons in the United States.

Gerardo Vilma Y Vilma, owner of a small Mexico City auto parts store, fears the free-trade squeeze.

"The big ones (stores) are going to sell a lot very cheaply, and I don't know where that will leave us," he said.

American corn growers, on the other hand, are vastly more productive than their Mexican counterparts and should see a huge market open to them when those tariffs are removed late in the 15-year-phase-in period.

Tower Records, Blockbuster Video, 7-11 stores and a glut of fast-food franchises are popping up everywhere in Mexico's major cities and American banks and insurance companies are ready to move in.

When Wal-Mart opened in the northern city of Monterrey recently, crowds were so big the managers had to close it down for a short time to get some shoppers out so more could fit inside.

High tariff walls began to come down only when Mexico joined the General Agreement on Tariffs and Trade in 1986. Before that, legal imports were the option of the privileged handful. Smuggling was a major industry.

If the three countries agree, tariff removals can be hastened. There is a "snap-back" provision that allows pre NAFTA tariffs to be reinstated on Mexican imports if they unduly threaten American businesses or workers.

Most Canada-US trade is already duty-free under an accord signed earlier and the rest will be by 1998.

In the summer of 1994 and again in 1997, President Clinton is to advise Congress on the advisability of opening free trade talks with other countries in the hemisphere. This is a move Mexico already is making with Chile, Colombia, Venezuela and others.

Inflation stands at 1,610 pc in Luanda

LUANDA, Dec 29: Prices in the Angolan capital Luanda rose 17-fold in the year to November, mainly because of war shortages, reports Reuter.

Figures released by the National Institute of Statistics on Thursday showed that year-on-end inflation last month stood at 1,610 per cent. Prices rose 1,402 between January and November.

Economists say inflation in the rest of Angola is similar to that in Luanda, although it is even higher in some particularly stricken parts of the country-side.

Angola's economy has been devastated by almost continuous civil war since independence from Portugal in 1975.