

DHAKA MONDAY, JANUARY 31, 1994

Meet to prepare
APEC summit
in February

JAKARTA, Jan 30: Senior officials from 17 countries will meet here early next month to prepare for the Asia Pacific Economic Cooperation (APEC) summit in November, an Indonesian official said Friday. reports AFP.

"We're going to convene the first meeting of senior officials of the APEC," Director General for Foreign Trade Relations Wisber Loes said, adding that the meeting will be held "in preparation of the APEC ministerial meeting in Indonesia in November."

The group's last ministerial summit in Seattle last November decided that Indonesia would host the sixth APEC ministerial meeting this year in November.

Loes told a news briefing here that the preparatory meeting will cover reports from APEC's 10 working groups on cooperative projects on trade, investment, human resources, energy, marine resources, telecommunications, transportation, tourism and fisheries.

Also on the agenda are results from discussions held by the meeting's trade and investment committee and ad-hoc group on economic trends and issues, Loes said.

So far, 260 senior officials have confirmed that they will participate in the three-day meeting scheduled to begin February 2, he said.

Iranian
parliament
endorses
budget

NICOSIA, Cyprus, Jan 30: The Iranian parliament Sunday endorsed the government's proposed annual budget, which reportedly contains heavy subsidies for loss-making state enterprises, reporter AP.

The government-run Islamic Republic News Agency said a majority of deputies voted in favour of the "generalities" of the budget bill after two days of deliberation. The IRNA report was monitored in Cyprus.

On Saturday, some parliamentarians criticised the budget, saying it was based on projected revenues that are unlikely to be realised in light of the current five-year lows in world oil prices.

Iran's oil-dependent economy is strained by plummeting revenues from petroleum exports and an estimated drs 30 billion foreign debt.

The faltering economy had fuelled runaway inflation and rumbles of public discontent.

International monetary institutions have called on Iran to halt subsidies and close down losing enterprises to turn the economy around.

Iranian media did not give a figure for total government expenditure in the coming fiscal year, which starts March 21.

According to earlier IRNA reports, the draft budget envisages a total income of 33,592 billion rials, or drs 19 billion at the free market rate of 1.751 rials to the dollar.

India ready to raise
trade issues with US

NEW DELHI, Jan 30: India is ready to raise a wide range of trade issues with the US including its imposition of anti-dumping duties on Indian goods as well as India's market access for textiles to the country, official sources disclosed here today, reports Xinhua.

It was said India ambassador to the US SS Ray was scheduled to meet US Commerce Secretary Ronald Brown next week to discuss these "issues affecting the trade relations between the two countries."

The sources said New Delhi was keen on developing trade relations with the US which is already India's largest trade

partner. The US Commerce Secretary identified India as one of the 10 countries his department had marked as "big emerging markets" in the world.

Many outstanding trade issues between the two countries have been addressed to in the new multilateral GATT (General Agreement on Tariff and Trade) Agreement. India now is keen to gain a greater access for its textiles and services exports to the US market.

India is of the opinion that the current US policy is restrictive and worse and the protectionist tendency in that country seems to be rising.

India and the US last week

extended the bilateral textile agreement under the multi-fibre arrangement for 1994, but the US granted only a modest increase of eight per cent in India's market access. This is against the 15 per cent increase in export quota provided for in the 1993 agreement.

Textiles account for the bulk of India's exports to the US during 1992. India's textile industry accounts for 28 per cent of its foreign exchange earnings. Its exports in the first seven months of 1993-94 have fetched 4,133.16 million US dollars as compared to 3,521.79 million US dollars in the corresponding period of 1992-93.



Men unload kegs of local beer from a truck January 28. With a large beer-drinking population, Vietnam has become an attractive market for international brewing ventures with brandnames such as Heineken, San Miguel, Tiger and Carlsberg now being bottled in Vietnam. — AFP photo

US blamed for
trade deficit
with China

BELJING, Jan 30: United States has only itself to blame for its trade deficit with China, a Chinese trade official said in a report published Sunday, reports AP.

The deficit with China is the result of a reshaped US industrial structure, which encourages the import of labour-intensive products, said Zhou Shijian, vice president of the government's Institute of International Trade Research. He was quoted in the China Daily's Business Weekly.

Zhou said costs would be even higher for the United States if it reduced such imports and relied on domestic production. Furthermore, the imports help the United States concentrate its resources on technology development.

Belgium grants
\$ 4.7m to Nepal
for telecom
sector

KATHMANDU, Jan 30: Belgium has granted 4.7 million dollars for the installation of 19,000 telephone lines in Nepal, the state-run radio announced Friday, reports AFP.

Belgium has granted an interest free loan of 4.7 million dollars to Nepal to buy Belgian telephone exchange equipment for the expansion of 19,000 telephones in Nepal, the announcement said.

An agreement to this effect was signed by Nepalese Finance Secretary Thakur Nath Pant and Belgian Ambassador to Nepal, Cristina Funes Noppen at the Finance Ministry on Friday, it said.

Belgium is one of Nepal's largest aid donors "especially for the fields of hydrology, forestry and agriculture as well as telecommunications," official said.

Robust growth in US economy
during fourth quarter of '93

WASHINGTON, Jan 30: The US economy grew at a surprisingly robust 5.9 per cent annual rate in the 1993 fourth quarter, the strongest surge in six years, the commerce department said yesterday, reports AP.

The advance in the gross domestic product led by booming home and durable goods sales was the largest since the fourth quarter of 1987 two and a half years before the start of the 1990-91 recession.

"It is a good day to be Treasury Secretary a smiling Treasury Secretary Lloyd Bentsen told reporters.

The result surprised most analysts who had expected to gain of about 5.5 per cent growth had increased only incrementally during the year 2.9 per cent in the third

quarter, 1.9 per cent in the second and 0.8 per cent in the first.

For the year, GDP rose 2.9 per cent from 1992, the best gain in five years.

The October-December 5.9

per cent number is a preliminary estimate that will be revised twice before a final report typically, final quarters have more growth than others because of year-end holiday consumer spending. The 1992 fourth-quarter growth, for example jumped 5.7 per cent before receding 0.8 per cent in the first quarter of 1993.

The latest GDP figures also reflects a return to normal after the catastrophic midwest flooding in mid-1993. The latest GDP figure also reflects a return to normal after the catastrophe midwest flooding

in mid-1993.

These exceptional factors inflated the GDP figure by two percentage points, said Commerce Secretary Ron Brown.

Robert Rubin, Assistant to the President for Economic Policy called the fourth-quarter number "an aberration for all kinds of reasons" — and reiterated the administration's projection of three per cent economic growth in 1994.

But Rubin emphasised the economic recovery was solid. "This is not a brief recovery but it's a dramatic change of direction".

Rubin, Bentsen and Brown attributed the improvement to the budget deficit reduction plan proposed by President Bill Clinton and approved by Congress last March.

Japanese firm
wins order to
build ammonia
plant in China

TOKYO, Jan 30: Japanese Engineering Company Chiyoda Corp and Trading House Nissho Iwai Corp have won a Chinese order to build a 100 million dollar ammonia plant on the southern island of Hainan; a Chiyoda official said Friday, reports AFP.

The official said the new Hainan facility was expected to start operating at the end of next year, producing about 300,000 tonnes of ammonia a year from methane found in local natural deposits. The ammonia will be used to make fertiliser with an unidentified Italian company, he said.

The two Japanese companies plan to sign an agreement formalising the deal in Beijing Saturday with China's National Technical Import and Export Corp and National Chemical Construction Corp, the official said.



Philippine workers at an assembly line on Friday produce electronic components for radio and television which will be exported to Japan. The electronics industry earned the country 3.1 billion US dollars in 1993 and is casting about for a niche in Asia while being driven to the fringe by China and Vietnam's cheap labour and the high tech players of Taiwan and Singapore. — AFP photo

Food theft ignites controversy over
attitude of UN troops in Somalia

MOGADISHU, Jan 30: The theft of 327 tonnes of food from a world food programme warehouse at Belet Huen in western Somalia has ignited a controversy over the attitude of UN troops accused of refusing to protect aid workers afraid for their safety, reports BSS.

The incident has also embarrassed aid organisations working for non-governmental bodies (NGOs) most of them local ones, have placed themselves under the protection of UN German soldiers.

A half dozen other people working for non-governmental bodies (NGOs) most of them local ones, have placed themselves under the protection of UN German soldiers.

A large man-hunt has been launched to find those responsible for stealing the WFP food valued at some 85,000 dollars. But Schmid said it was widely rumoured that local governor Hassan Qalad had masterminded the theft which was carried out by a well-organised gang equipped with guns and trucks.

He said the WFP had suffered a similar theft at Berbera in the northern Somaliland region and had reacted similarly. "We demanded the same thing and it worked," he said.

For the time being the local coordinator of WFP in Belet Huen has left to return to Mogadishu.

The British Save the Children Fund (SCF) has likewise halted all its operations in Belet Huen and its two staff have temporarily left for Nairobi.

A dozen other people working for non-governmental bodies (NGOs) most of them local ones, have placed themselves under the protection of UN German soldiers.

The incident heightened tension between rival local clans as rumours spread that the SCF base was next on the thieves' list.

Frightened SCF workers appealed to Italian soldiers based in Belet Huen for protection and help in leaving the town.

However SCF said Italians refused to help saying they were in Belet Huen to protect the German soldiers who are banned on constitutional grounds from fighting on foreign soil outside the NATO

theatre.

In this respect the situation in Belet Huen is unique in Somalia, a spokesman for the UN force in Somalia (UNOSOM) said Saturday.

Like the Americans, French or Belgians, the Germans and Italians have decided to withdraw from Somalia by March 31 and are gradually reducing the size of their contingents.

There are still about 1,300 German soldiers in Belet Huen whereas the number of Italian troops has been reduced from 500 last year to 150.

However Richard Burge, who heads the SCF programme in Mogadishu was more forthright: "I am very angry with the Italians ... they have refused assistance to NGOs. Men on the ground refused to offer their support."

He added: "I find their attitude, their lack of humanitarian sense beyond belief ... they should come, they are only confusing the issue."

Prices of base metals, oil, cotton up over week

an ounce.

The previous week silver reached 54.3 dollars an ounce, its highest level since December 1989, reports AFP.

Platinum: Lower. The price of platinum fell from its high of the previous week though its fall was limited by purchases from Swiss investment fund.

Copper: Higher. The price of copper rose in trading on the LME during the week, boosted by a rise in aluminium prices.

The red metal, the LME's most heavily traded commodity, was further boosted after reports that Chilean state copper firm Codelco had made mammoth 100 million dollar losses on the LME because of a dealer's alleged error, endangering its trading position.

Lead: Higher. Lead prices rose in line with copper prices, little real news emerging to indicate a major change in direction for lead.

Gold: Lower. After a steady start, gold ended the week slightly lower in London, falling below 380 dollars an ounce in quiet trading.

Away from Europe, trading on the Asian markets was more vigorous with prices pushed higher by major Chinese and Japanese buying.

The world gold council said that Chinese demand for gold is expected to rise rapidly.

Silver: Lower. After rising the previous week, silver price fell back on profit-taking briefly to fall below five dollars

an ounce.

Aluminium: Higher. Aluminium prices rose to a six-month high on the prospect of a reduction in output following talks among producer nations.

A statement about the talks was expected late Friday in Brussels.

Nickel: Higher. Nickel price rose on the LME supported by fears of a strike in the Colombian mine Cerro Matoso. After falling on profit-taking at the start of the week, nickel rose steadily after miners at the Colombian plant voted for strike action.

Tin: Higher. Tin prices marked time early in the week before rising sharply on speculative demand to 5.235 dollars per tonne at the close on Thursday.

Asian analysts said they expected tin prices to reach 5.500 dollars this year boosted by the closure of mines in Asia and the economic recovery underway in the United States and the disappointing level of the Indian and Pakistani harvests.

The Indian cotton market is expected to reach between 12.8 and 13.3 million bales (at 170 kilogrammes each) in 1993/94 against 14 million bales the previous year.

Pakistan is expected to see a relative shortage of cotton this year while India is said to be planning to import 500,000 tonnes of customs-free cotton in order to meet demand.

The Ivory Coast Cocoa Board said that up to January 13, 441,800 tonnes of cocoa had been delivered to the Ivory Coast ports.

Coffee: Slightly higher. The price of coffee rose slightly in

quiet trading after the Central American countries fixed a minimum export price of 0.80 dollars per pound for coffee.

Colombia decided at the end of last week to increase its export price for sales to the New York Market.

Sugar: Stable. The price of sugar remained firm throughout the week at around 290 dollars per tonne, its highest price since June.

Rubber: Higher. The price of rubber rose to its highest point since March 1993, boosted by the weakness of supply.

Unfavourable weather conditions in Thailand and Malaysia have hit production this year and Malaysian planters estimate that their country's production from February to April will be 60 per cent down on production at the same period last year.

Demand for rubber meanwhile regained higher particularly in the United States and the Far East.

Tea: Stable. At the weekly London auctions, the average price of higher grade tea was unchanged at 165 pence/kilo, of medium grade tea fell to 10 pence from 108 pence/kilo, and lower grade tea was unchanged at 90 pence/kilo.

Demand improved, especially for higher grade tea, analysts said. Demand for Sri Lankan tea firmed. However, analysts said the prices were unlikely to improve without a resumption of buying by Eastern European countries and the former Soviet Union.

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Tender Notice

No: 08/93-94

Dated: 17-01-94

Ref: DACPL/26/93-94

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01. 20 Count Thread Ganjee Roll (15,000 KG) 08. Glacier Art Paper, 157 Grams Ream
02. Fax Machine (05 Unit)
03. Cartridge Tape (100 Pcs.)
04. Computer Roll White, 2 Ply (31,000 Roll)
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