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Int'l confce on cooperation in Asia-Pacific area opens in Colombo

A two-day international conference on promoting South-South Cooperation in the Asia-Pacific region begins in Colombo today, reports

Deputy ministers and director generals from 23 Asian countries, and representatives of international aid agencies including ADB, UNDP and different aid organs based in Japan, will take part in the conference, proposed by

Jointly organised by Colombo Plan Bureau of Sri Lanka and OECD Development Centre, the conference will analyse the factors that have brought about economic development in the Asian region.

It will also discuss the present situation and future modality of South-South Cooperation, focusing on assistance from developed countries of Eastern and Southeastern Asian countries to Indo-Chinese and South Asian countries.

Assam offers tax concession to tea industry

CALCUTTA, Feb 15: Alerted by a slow growth rate in tea production, the Assam government as offered attractive tax concessions to the tea industry in an effort to boost production and meet a target of at least 530 million kgs by the turn of the century, reports PTI.

As per an ordinance published by the Assam government in its gazette issued on February 2, the rate of agricultural income tax for tea had been reduced from 75 per cent to 40 per cent.

A plantation development account - to be funded from tea income - had also been created for development in tea production ## there would be a deduction of 20 per cent from any income from tea contributed towards tea development schemes.

Finally, any income from tea spent on setting up other industries in Assam would be totally exempted from agricultural tax.

These measures came after production figures showed only 3.90 per cent growth in Assam's tea production compared to a national growth of 7.68 per cent and a more than 13 per cent growth in production at the south Indian gardens.

Viacom appears netting Paramount

NEW YORK, Feb 15: Viacom Inc appeared to hold the upper hand Monday over rival QVC Network Inc as another deadline approached that could end the five-month bidding brawl for Paramount Communications Inc. reports

But the companies were cautious about discussing prospect for an end to the takeover battle that began in September. Other deadlines have passed without a resolu-

The bidders needed at least 50.1 per cent of Paramount stock under terms of their cash and stock tender offers to win control of the entertainment and publishing concern. The rival tender offers were to expire at midnight Monday.

If neither side gets it, a bidding procedure agreement observed since late December would expire, leaving the way open for more unexpected twists in the most ferocious takeover contest in years.

Veteran dealwatchers gave Viacom, which owns MTV. Showtime and other cable networks and is Paramount's choice, the edge over QVC even though the value of its overall offer was appraised as less than QVC's.

Viacom, headed by billionaire Sumner Redstone, offered more cash and a security that could provide more compensation to stockholders if Viacom stock fails to reach specified levels a year or more

after the deal. The stock market bet on Viacom, pushing Paramount and Viacom stock lower and QVC's price higher. The company perceived as the winner in the bidding has seen its stock fall because of the debt and other obligations it would

assume. Craig Bibb, analysts for PaineWebber, said Viacom had a 90 per cent chance of winning even if it takes a few days to get 50.1 per cent of Paramount stock.

Indian farmers threaten violent attacks on multinational firms

BANGALORE, India, Feb 15: Militant Indian farmers on Monday threatened violent attacks on foreign computer firms in the southern city of Bangalore, saying multinational companies damaged the nations sovereignty, reports Reuter.

M D Nanjundaswarny, leader of the Raitha Sangha Farmers' Association, said it would take action similar to its attacks on US commodities giant Cargill in 1992 and 1993, in which farmers ransacked Cargill offices in Bangalore and tore down parts of a new seed plant with crowbars.

"We are opposed to any multinational company. Nanjundaswamy "Multinationals, whether in

the seed business or computer business, are a threat to the country's sovereignty. Computer firms particularly will harm India's manpower".

He hinted that attacks would start after local elections in April, but gave no further details.

Several computer multinationals have set up branches in Bangaiore, which has grown rapidly as India's silicon valley. they include IBM Corp. Hewlett Packard Co. M Texas Instruments Inc and Digital Equipment Corp.

Singapore's Prime Minister Goh Chok Tong last month inaugurated India's first industrial park for information technology at Whitefield, just

outside Bangalore.

sation.

The attacks on Cargill were based on accusations the company intended to patent hybrid seed varieties under the General Agreement on Tariffs and Trade (GATT) world treaty, and raise prices to Indian farmers.

Cargill denies it intends to patent seeds in India. India is on a drive to attract foreign investment under a sweeping two-year-old pro-

gramme of economic liberali-

Nanjundaswamy said he was not concerned that his campaign might harm the reforms by discouraging outside investors.

Nanjundaswamy said no further attacks against Cargill

were planned as farmers had begun boycotting the comparry's seeds.

John Hamilton, head of Cargilla Indian operation, said the company was doing well and refused to be intimidated.

Nanjundaswamy said the Raitha Sangha Association would set up seed sales counters in local villages on April 23, the 'day Commerce Minister Pranab Mukherjee is due to leave India to sign the final GATT treaty, as a protest against the agreement.

Farmers in the north Indian state of Uttar Pradesh would burn copies of the GATT treaty on March 10 in a related protest, Nanjundaswamy added.

Thai tourism rises by 12 pc

BANGKOK. Feb 15: A total of 5.76 million foreign tourists visited Thailand in 1993, a 12 per cent increase over 1992. the government Tourism Authority of Thailand reported Tuesday, reports AP.

The agency had expected an increase of eight per cent. The number of tourists had increased only one per cent from 1991 to 1992.

In 1993, the agency said. more tourists came from neighbouring East Asian countries - 54 per cent - than from any other region.

More Malaysians visited Thailand than any other nationality.

The number of Chinese tourists increased by 99.58 per cent compared with 1992. This was partly due to incentive packages and promotions by Thai tour companies, the Bangkok Post reported Tuesday.

Shrimp export target fixed at Tk 3000 cr by 2000, JS told

The government has taken steps to increase shrimp production and fixed its export target worth taka 3.000 crore by the year 2000, reports UNB.

Fisheries and Livestock Minister Abdulah-al-Noman vesterday told in parliament that the country earned Taka 700 crore by exporting fish last year. About Taka 601 crore of it came from exporting shrimp.

Replying to a question from Prof Rafigul Islam (AL), the Minister said a draft policy for overall development of fish resources has been drawn up and waited for government approval.

Replying to a supplemen-

tary, the minister said the government has directed the banks to treat hatchery as an industry and sanction loans for setting up hatcheries in private sector without taking any

co-lateral. Replying to another question from Begum Rashida Khatun, the minister said the demand for fish in the country in 1993 was 19 lakh metric tons against a production of 10.26 lake metric tons.

Giving break up of the production, the minister said procurement from internal water bodies was 7.75 lakh metric tons while it was 2.51 lakh metric tons from the sea.

A wide variety of Chinese cigarettes and popular fake overseas brands tower high at a roadside stall in Beijing on January 23. China is the largest smoking country in the world, with more than 300 million smokers.

Fokker to trim workforce

AMSTERDAM, Feb 15: Fokker, the financially troubled Dutch-German aircraft maker, announced Monday it will idle about a fifth of its work force this year to stem losses, reports AP.

Many of the 1.900 jobs lost are at an assembly plant to be closed in the eastern city of Dordrecht.

Industry Workers Union spokesman Peter van Bess expressed shock at the numbers. "We are familiar with

Fokker's problems at the moment, but we expected a lower number of losses," he The union plans to negoti-

ate with the company on cutting the number of job losses before taking a decision on possible industrial action.

The cuts, part of a restructuring plan announced earlier this month, far exceeded expectations in the Dutch financial community.

The Amsterdam-based company, owned 51 per cent by Germany's Deutsche Aerospace AG, said it will reduce production to some 40 aircraft a year from the current annual total of around 60.

Fokker produces short and medium-haul jet and propeller aircraft for the civil and military markets.

The company blamed the cutbacks on the lingering recession in the aviation industry, as well as fierce competition and manufacturing overcapacity.

Further restructuring measures include removing management layers, more flexible production and efforts to lower supplier prices.

Fokker is aiming at a 30 per cent cut in operating costs. Even with the deep job

cuts, some stock analysts say they don't expect Fokker to swing back into the black before 1997.

Fokker lost dlrs 64.8 million in the first half of 1993 after a dlrs 10.2 million net profit in 1992 on nearly dlrs 2.55 billion in sales.

The company is estimated to have lost a total of about dlrs 76.5 million last year and may lose more than dirs 51 million in 1994, analysts say.

The company said Monday that the slimmed-down work force "will be able to cope with a possible increase of the production in 1996 and following years."

Disagreement over the restructuring programme was one of the reasons for the surprise resignation earlier this month of Erik-Jan Nederkoorn, who had chaired the company since 1991.

Dutch Airlines files share offer with US trade

planned offer of up to 21.5 next month, reports AP.

KLM said Monday the common stock issue will be via a public tender offer in March and will be open to all investors.

KLM, which is listed on the New York Stock Exchange, is hoping to raise 1 billion guilders (dirs 511 million) of fresh cash to shore up its capital base and help finance new investments in its fleet.

KLM currently has 52 million common shares and an-

EU sets common

The new regime will protect buyers from paying VAT twice as an object crosses borders, whether it's an antique or a second-hand car" EU Tax Commissioner Christiane Scrivener said in a statement.

The ministers also finalized plans for a new value added tax, or VAT, on antiques, collectables and works of art sold in Britain, which may have given New York's art dealers an advantage over London's auction houses.

When that decision was first reached in December, British officials claimed victory over other European art capitals having won the right to charge only half the VAT levied on the continent.

agency

AMSTERDAM, Feb 15: KLM Royal Dutch Airlines has registered with the US Securities and Exchange Commission a million new common shares

other 10 million preference

tax for antiques, art works

BRUSSELS, Feb. 15: European Union finance ministers put another piece of their single market puzzle into place Monday, establishing a common tax regime for secondhand goods, art works and antiques, reports AP.

Arms purchase scandal Opposition wants Mahathir to

testify before probe body 5.3 billion ringgit (1.12 m bil-

KUALA LUMPUR, Feb 15: Malaysia's leading opposition party said Sunday it wanted premier Mahathir Mohammad to appear before a parliamentary panel set up to probes charges that his party received kickbacks from London for arms purchases, reports

"It will propose at the panel's first meeting that Mahathir give his version of the Malaysian purchase of British defence hardware." Lim Siang, Secretary-General of the Democratic Action Party (DAP)

The panel headed by Lim is scheduled to meet for the first time after February 20. The British press had re-

ported that a pact in 1988 under which Kuala Lumpur sought armaments worth about

Thai police raid

offices of

Blissher Group

BANGKOK, Feb 15: That po-

lice have raided the provincial

offices of a hotel time-share

company in an investigation

into whether it is actually a

pyramid money scheme,

newspapers said yesterday, re-

and other evidence from

Blissher Inter Group on

Saturday after the Finance

Ministry filed fraud charges

with the economic crime divi-

sion, the Bangkok Post re-

The case, which has been

simmering in the Finance

Ministry for months, is ex-

pected to be key in the min-

istry's efforts to clean up the

Crime division commander

police Major General Pipop Na

Ranong told The Nation news-

paper that arrest warrants for

more than 10 people would be

issued if enough evidence can

be collected to substantiate the

domestic money market.

Police seized documents

ports Reuter.

ported.

charges.

lion dollars) from London involved an upfront payment of 300 million ringgit to the United Malays National Organisation (UMNO).

There was also another 200 million ringgit payment made to agents and members of the ruling elite, it was reported. "Mahathir should explain to

the panel all aspects of these British mass media reports which gravely tarnish the honour and integrity of Malaysia," Lim said. Mahathir is head on UMNO. the dominant party in the rul-

ing national front coalition which stayed away from a meeting of legislators called last week by Lim to set up an all-party parliamentary committee to probe the media

However, MPs, from the DAP and another opposition party. Semangat 46, led by former trade and industry minister Tengku Razaleigh

panel's formulation. Lim, who was appointed the committee's chairman, said component parties of the national front and two other opposition parties - the fundamentalist Part Islam Malaysia (PAS) and Parti Bersatu Sabah or United Sabah Party (B PBS)

Hamzah, went ahead with the

the panel. Lim said Kuala Lumpur's purchase of weapons was also linked to London's aid for a 1.5 billion ringgit dam project in Malaysia's largest banking scandal

- had been asked to nominate

upto four MPs each to serve on



Minister for Energy and Mineral Resources Dr Khandakar Mosharraf Hossain (C) addressing the members of the Metropolitan Chamber of Commerce and Industry (MCCI) at its conference hall yesterday. MCCI President Latifur Rahman (R) and Azimur Rahman (L) — Star photo are also seen.

EU finance ministers welcome Lisbon's move to create single currency zone

BRUSSELS, Feb 15: European Union finance ministers on Monday welcomed Portugal's plan to bring its economy into line with EU rules for creating a single currency zone, reports AP.

But in a joint statement, the ministers cautioned that implementing the plan won't be easy, They said it will require continued efforts to reduce inflation, restrain wage increases, curb non-interest government spending, broaden the country's taxbase and cut down tax evasion.

The ministers gathered here to check the progress of member states' economies in their drive toward a single currency for the dozen nations.

The European Union Treaty, which took effect November 1, set tough targets on inflation, interest rates, currency stability and public finances which EU nations must meet before they can adopt a single currency and a central bank.

The Portuguese plan foresees bringing inflation to between three per cent and 4.25 per eent by 1997 from an estimated 6.7 per cent last year.

It forecasts growth in the nation's gross domestic product, or GDP of 3.5 per cent by 1997, compared to a 0.5 per cent contraction in 1993. Lisbon also reaffirmed its commitment to giving the es-

cudo a stable value in Europe's

exchange rate grid.

The ministers said they urged Lisbon to try to keep its exchange rate stable with the aim of curbing inflation. Portugal's economic plan

envisages measures to broaden

the country's tax base and reduce tax evasion in 1994. Moreover, the plan would gradually reduce the state's role in Portugal's economy as growth outstrips public spending increases and privatization

expands. The EU ministers said the plan seemed realistic. They also welcomed Lisbon's pledge to take further

hinder their economic targets. **Duty-free allowance** for travellers raised

steps if budgetary problems

Another report says European Union finance ministers on Monday raised dutyfree allowances for travellers entering the 12-nation trade bloc, and for commuters within the EU.

Under new rates effective April 1, people arriving from non-EU countries may bring 175 European currency units (dlrs 194) worth of duty-free goods into the union. That is nearly four times the current allowance of 45 ecus 49.95 dollar, established in 1981.

The allowance is to cover not only items bought at air-

port duty-free shops, but any

shopping done abroad, even if

the customer has already paid

sales or value added taxes on

the purchases, officials said. The rules are more liberal for people arriving from the Canary Islands and the tiny Spanish territories of Melilla

Seoul likely to build industrial complex in Russia

SEOUL, Feb 15: South Korea will seek agreement with Moscow in March on an exclusive industrial complex for Korean firms in the Siberian maritime province of Russia, a local newspaper said yesterday, reports AFP.

The Korea herald cited government officials as saying that Russia has offered to lease a 3.3 million square meter site for the complex for a period ranging from 50 to 70 years for one million dollars annu-

pose at the economic meeting that it build piers exclusively for Korean businesses in Russia's four Far Eastern ports. including Vladvosok and Nakhodka, the newspaper said. Talks on the proposed complex started in 1992 but

South Korea will also pro-

billion dollars in loans from South Korea, it said. South Korean companies have announced plans for joint ventures to develop oil, coal, natural gas and iron ore in Siberia.

deadlocked because of Russia's

failure to pay in trust on 14.7

and Ceuta, on Morocco's northern coast. Because they aren't part of the EU's fiscal territory, despite Spain's membership in the EU, travellers may bring up to 600 ecus 660 dollar worth of goods into the EU without paying import levies until Dec. 31,

However, strict rules will continue to apply to goods entering Germany from neigbouring Poland and the Czech Republic. German officials sought to postpone the allowance increase, fearing a flood of inexpensive imports will hurt domestic manufac-

Ministers said the 45-ecu 50 dollar limit will stay in place on Germany's eastern borders until Jan 1, 1998

For travellers moving between EU states, the allowance for goods bought in duty-free boutiques at airports will rise to 90 ecus 99 dollar from 45 ecus 50 dollar.

1993, EU governments had

considered dropping internal

duty-free shopping. But the

idea was unpopular and even-

tually accepted only for the

end of the decade

Blissher signed on as may as All duty-free shopping 30,000 members in a time within the 12-nation trade sharing scheme where each bloc ends, however, on June 30, 1999. In the drive to create a single market with free movement of goods, capital and services, which took effect Jan.1.

member paid between 30,000 baht and 50,000 baht (1,200 US dollar and 2,000 dollar) for the right to stay in selected hotels four nights a year, newspapers said. The company was alleged to have promised to also pay members, 5,000 baht (200 US

dollar) for each news member

they signed up.

Industrial output in China rises by 33.2 pc

BEIJING, Feb 15: Industrial production in China skyrocketed 33.2 per cent in January over the same month a year earlier, according to government statistics cited Monday by the China News Service (CNS), reports AFP.

The increase came despite a recent government announcement that it would try to limit economic growth to 10 per cent in 1994, as compared to 13 per cent last year, in an attempt to prevent the economy from overheating.

A growth rate of 23 per cent for industrial production in the first half has been set. In what may be another

ernment, the statistics showed that the gap between the booming coastal provinces and the less-prosperous interior widened last month. Eleven areas, notably the al-

worrisome sign for the gov-

ready rich coastal provinces of Guangdong, Fujian and Jiangsu, saw industrial production rise more than 30 per cent. although the growth rate in poorer interior provinces such as Sanxi, Gansu and Qinghai was below 20 per cent. Former bastions of stateowned heavy industry such as

Jilin and Heilong Jiang in the

northeast also had less than

20-per cent growth, confirm-

ing the poor performance of

public firms, of which more than one-third are losing money Chinese industry grew at a 25 per cent rate over the first

six months of last year, and by more than 30 per cent on an

annual basis in May and June. The imposition of an austerity programme in July aimed at cooling the economy apparently had some success as the annual growth rate fell to 19.5 per cent in the third quarter, but the end of austerity meant a resurgence to 23 per cent growth in the last three months of the year.

BIBM training course ends

An 18-day training course on 'Industrial project financing and entrepreneurship development' ended in the city yesterday, says a press release.

The Bangladesh Institute of

Bank Management (BIBM) conducted this course with a view to providing an overview on the state of industrial development in Bangladesh and the role of industrial credit in overall economic development. A total of 26 officers from different banks and financial

institutions participated in the A H M Nurul Islam

Choudhuri, Director General, BIBM, presided over the concluding session of the course and distributed certificates among the participants.