

CPA needs Tk 1,655cr to meet shortage of equipment

CHITTAGONG, Sept 12: The Chittagong Port Authority (CPA), which runs the country's largest port, needs an estimated Tk 1,655 crore investment to meet the shortage of equipment in handling containers, reports UNB.

CPA Chairman Mohammad Omar Hadi told newsmen here on Sunday that at the end of the year 2000, the port expected some 300,000 containers of twenty-foot equivalent units (TEUs) — a measure for containers.

He said the Chittagong Port is expected to handle 200,000 TEUs during the current year as against 174,958 TEUs in 1993-94.

Since its establishment, the Chittagong Port has handled a total cargo of 9 million tons. Although the CPA has four straddle carriers and some

other equipment, it has procured four more straddle carriers, three rail-mounted cranes and one high-powered tug to meet the present demand of container service.

Cargo handling equipment and two tugs are also needed to be replaced. The total cost for this purpose is estimated at Tk 355 crore.

Considering the increase of container handling, the CPA is also planning to convert some of its conventional berths into container berths. This will need an additional Tk 300 crore.

Besides, new container berths with back-up facilities down stream of the existing container terminal will also be constructed with an approximate cost of Tk 1,000 crore.

A Tk 10-crore project to set up on-line computer network covering port customs

and port users for an integrated information system is also under consideration.

About financing, the CPA chairman said the port authority would bear the major portion of the total expenditure while the rest is expected from bilateral donors.

Asked about private investment for the development of the port, Hadi said the private sector might come forward to invest in the port sector in joint venture with the CPA.

He informed that a master plan and a trade facilitation study will begin in January next aiming at integrated development of the country's port system.

The World Bank assisted Tk 4 crore project will cover 3 ports — Chittagong, Mongla and Dhaka — and its report will be available by the end of

the next year.

The CPA has also started work for formulating a perspective plan and constituted a two-tier committee, a task force and a supervisory committee to assess the requirement for the port up to the year 2015 and make recommendations.

When asked about the port users' complaints on various issues, Hadi said: "They have some complaints regarding shortage of equipment. We are very much conscious about that... I think it will be solved accordingly."

CPA members Zahiruddin Mahmud, A M M Shajahan and A M M Shahadat Hossain, Directors Lt Col Mohammad Waliullah and Mohsin Sarker, and Chief Engineer Sultan Mahmud were present during the briefing at Bandar Bhaban.

Indonesia opens meet of senior APEC officials

YOGYAKARTA, Indonesia, Sept 12: Indonesian opened a meeting of senior officials from the Asia-Pacific Economic Cooperation (APEC) forum today, saying the talks would be vital to cement the group's path before a November summit, reports Reuter.

Wishar Lotis, head of the Indonesian delegation and Chairman of the three-day meeting, said at its opening in the ancient Japanese city of Yogyakarta that several key issues had to be resolved ahead of November's ministerial meeting in Jakarta.

"There are a lot of issues waiting for our consensus. Among them the most important are related to the institutional issues," he said.

Senior officials and advisers of the 17 APEC economies said that among the issues to be discussed would be the formation of subcommittees to carry on the work of the group's committee on trade and investment.

APEC grouping the world's most powerful economies outside Europe, was formed five years ago but is still mapping out a vision of its role beyond a loose commitment to dismantling trade barriers in the region.

Oil revenue of 11 Arab states falls by 4.4 pc

KUWAIT, Sept 12: Oil export income of 11 Arab producers fell 4.4 per cent to 91.8 billion US dollars in 1993 from 96.1 billion in 1992 due to a slump in prices, according to preliminary estimates published by the Organisation of Arab Petroleum exporting countries, reports Reuter.

"Preliminary estimates indicate that petroleum returns in member countries fell to (about) 92 billion US dollars in 1993," OAPEC said in the summary of its 1993 annual report.

A notable exception was Kuwait where oil income rose 53 per cent as the emirate repaired Gulf War damaged infrastructure.

OAPEC attributed the drop in member states' income rose 5 per cent as the emirate repaired Gulf War damaged infrastructure.

OAPEC attributed the drop in member states' income to

deterioration of crude oil prices in international markets.

The organisation's members are Saudi Arabia, Qatar, Kuwait, Syria, Egypt, Iraq, Bahrain, Libya, United Arab Emirates and Algeria.

Saudi Arabia's oil revenue fell to 43.5 billion US dollars in 1993 from 47.5 billion US dollars in 1992 the report said.

The United Arab Emirates oil revenue fell to 12.5 billion US dollars from 14.4 billion US dollars in 1992 and that of Algeria fell to 10.5 billion from 10.9 billion, US dollars.

Libya's oil export revenue amounted to 8.4 billion US dollars compared to 9.2 billion dollar in 1992. Qatar's was 3.2 billion dollars compared to 2.5 billion dollars.

Kuwait saw a rise to 9.5 billion dollars from 6.2 billion US dollars. Syrian oil revenue increased to 2.0 billion from 1.9 billion dollars.

Malaysian firm to sell drinking water abroad

KUALA LUMPUR, Sept 12: A Malaysian company plans to sell drinking water from the largest man-made lake in Southeast Asia to West Asia and Africa, officials and news reports said Sunday, reports AFP.

Abangan Selashi SDN, BHD, a private firm in the north-eastern state of Trengganu, will export about 39 million tonnes of water annually from the state's Kenyir Lake from 1996, officials said.

The water will be sold to West Asian and African states "badly in need of clean drinking water," first and later to other countries. Wan Mokhtar Ahmad, Chief Minister of Trengganu, was quoted as saying by the Business Times Financial Daily.

Mokhtar said Abangan Selashi would convert oil tankers to carry the water in a joint-venture with the Trengganu government.

The project is expected to cost 1.6 billion ringgit (640 million dollars), officials said.

Greenback ends week mixed against Asian units

HONG KONG, Sept 12: The Singapore dollar hit an all-time high against the US dollar last week, and investors bailed out of the Malaysian ringgit following a government crackdown on the Al-Arqam Muslim sect, reports AFP.

SINGAPORE DOLLAR: The Singapore dollar hit an all-time high against the US dollar at an exchange rate of 1.4985 Friday. Last week it hit an all-time low of 1.4990.

Dealers said the US dollar remained around the 1.4990 level throughout the week and drew very little buying interest as the market went for the German mark and the Japanese yen.

Some dealers expressed hope that the resumed Japan-US trade talks would produce some positive results, probably at the end of this month. But one dealer said, "They still shunned the greenback."

MALAYSIAN RINGGIT: The ringgit closed lower this week by 65 points, at 2.5590 to the US dollar from 2.5525 on short covering demand for the greenback.

Dealers said foreign players switched to the dollar on fears

that the ringgit would decline following the Malaysian government's nationwide crackdown on the outlawed Al-Arqam Muslim sect.

JAPANESE YEN: The Japanese yen rose this week in quiet trading, closing at 99.55 yen against the dollar, up 0.11 yen from last week's 99.66 yen.

After opening at 99.21 yen, the Japanese currency moved in an extremely narrow range between 99 yen and 100 yen as market players remain sidelined, awaiting news from US-Japan trade talks.

The two countries held several meetings this week ahead of a September 30 deadline for US sanctions on Japanese goods.

AUSTRALIAN DOLLAR: The Australian dollar closed last Friday around one-quarter of a US cent firmer, as traders reported strong US demand for the currency.

The local dollar finished at 74.50 US cents, up from 74.26 a week before.

HONG KONG DOLLAR: The Hong Kong unit closed Friday at 7.7283, down slightly from 7.7285-7.7295 the week be-

fore.

INDONESIAN RUPIAH: The Indonesian currency closed the week's trading Friday at 2,178 rupiah to the dollar, compared to the previous week's finish of 2,176.

"This is a normal reaction and adjustment by players in the ever-volatile currency markets. The ringgit's strong fundamentals will, however, cushion any drastic fall," said a forex dealer.

NEW ZEALAND DOLLAR: The New Zealand dollar closed Friday worth 60.40 US cents, slightly up on last week's close of 60.36 cents.

PHILIPPINE PESO: The Philippine peso appreciated to 26.211 pesos to the dollar on Friday from 26.262 pesos the previous week.

SOUTH KOREAN WON: The US dollar strengthened against the South Korean won, closing the week at 800.80 won, compared with the previous week's close of 788.80 won.

TAIWAN DOLLAR: The US unit closed at 26.1965 Taiwan dollars Friday, down 0.013 Taiwan dollars from last Friday's finish.



Fat fleshy green-skinned pumpkin called 'Chalkumra' generally grown on roof-top of huts and bamboo fences during the months of Asar and Sraban in Bangladesh. Usually taken as a vegetable curry with staple food, it is also exported in larger proportions abroad to fetch foreign currency. — Star photo

Insurance policy to reward marital longevity in China

BEIJING, Sept 12: With divorce rates soaring, Chinese couples who make a success of their marriages can literally afford to be smug thanks to a new insurance policy that rewards marital longevity, a report said Sunday, according to AFP.

The country's largest insurer, the People's Insurance Company of China (PICC) is responsible for the innovative "marriage insurance" policy, which couples can cash in if they manage to stay together for a prescribed period of time.

Some 40,000 couples in Beijing have already taken up the scheme since it was introduced earlier this year, the China Daily Business Weekly said.

If the marriage ends up on the rocks, the couples forfeit their premiums but can retrieve the principle, plus a sizeable bonus, if they stay together for the policy term — either 25, 40 or 50 years.

Those opting for the 25-year "silver marriage" policy could receive as much as seven times the premium if they keep the knot tied for the full term — a rate of appreciation that approximates that of bank deposits at current interest rates.

If one spouse dies from disease or in an accident, the company pays double the premium to the remaining partner, the newspaper said, adding that executed criminals and war victims were excluded.

Xie Zhijun, an underwriter of the PICC's Life Insurance Department said that the policy did not insure couples divorced, but simply rewarded those who stay together.

"Our company offers the policies to impress that there are occasions when you'd better stick to your love," Xie said, although he added that most couples were unlikely to stay together just in order to get the cash.

Washington, Tokyo hold productive trade talks

LOS ANGELES, Sept 12: US and Japanese negotiators held productive and detailed talks here on ways to break their trade deadlock, Deputy US Trade Representative Charlene Barshefsky said yesterday, reports AFP.

"I would say that the meetings have been productive and the discussions have been very detailed and very thorough," Barshefsky told reporters after her third meeting in as many days with US Deputy Foreign Minister Sadayuki Hayashi.

She said the two sides had discussed various issues in the talks on ways to boost Japanese government purchases of foreign telecommunications and medical equipment but refused to go into detail.

Hayashi said Saturday that the main issue under discus-

sion was still "objective criteria."

Differences over interpretation of this phrase in a framework trade agreement reached last year have persistently blocked agreement during 14 months of talks.

Japan is refusing any kind of numerical targets while Washington says numbers must be used in some form if there is to be any reliable gauge of progress in opening Japan's markets.

Asked to comment Sunday on the Japanese position in the current talks, US Trade Representative Mickey Kantor said details of proposals and responses in the talks were strictly confidential.

Government procurement talks are to resume in Washington on September 19 at senior official level.

Shanghai has 350 high-tech enterprises

SHANGHAI, Sept 12: Shanghai, China's economic hub, now has 350 high-tech enterprises, reports Xinhua.

Their industrial output is expected to total 23 billion yuan by the end of the year, accounting for about 10 per cent of the city's total.

The momentum of developing high-tech industries began in Shanghai in the early 1990s. Taking the advantage of 400,000 professionals, the local authorities have worked out a series of preferential policies to support high-tech industries, including aeronautics and astronautic technologies, laser, biological engineering and new energies.

By the end of last year there were 261 such enterprises in the city.

Per capita productivity in these enterprises has now surpassed 100,000 yuan, five times that of the city's average.

More than 100 such enterprises are located in the Caohejing Development Zone, an area specialising in high-tech industries.

The modern telecommunications industry, consisting of wire, cable, satellite, transmission and terminals, absorbed an investment of 1.3 billion yuan in 1993 and yielded a sales volume of 6.9 billion yuan.

Meanwhile, Shanghai has developed several thousand kinds of new materials, including superconducting materials and pottery auto engines, about one-third of China's total newly developed materials.

The growth rate of computer softwares has surpassed 60 per cent over the past three years.

Xu Lin, Director of the municipal office in charge of appraisal for high-tech enterprises, said the industries will grow more rapidly in the next few years.

He estimated that the modern telecommunications industry will produce an annual output value of ten billion yuan by 1995, and the high-tech enterprises will produce 20 per cent of the city's industrial output value by the end of this century.

DNATA ties up with Jetset

Dubai's largest travel management services company and sole ground handling agent, has concluded an agreement with a leading international wholesaler, the Jetset Group, to distribute Jetset's products throughout the Middle East, under the operating identity of Jetset Middle East, says a press release.

The agreement is a joint participation between DNATA and Jetset Tours Limited, a company incorporated in Hong Kong which is a wholly-owned subsidiary of the Jetset Group holding company. The development will see Jetset products being made available in the Middle East for the first time.

The Jetset Group, whose headquarters are in Melbourne, Australia, is one of the world's major travel conglomerates with principal offices throughout Australia, Los Angeles, New Zealand, Singapore, Kuala Lumpur, Penang, Bangkok and Hong Kong, and associated offices in London, Manchester and Frankfurt.

Beijing to spend \$505m on Yangtze river projects

BEIJING, Sept 12: China plans to invest about 4.3 billion yuan (505.9 million dollars) in major water transportation projects along the Yangtze river in the five years beginning in 1996, the state news agency reported Monday, reports AP.

By building new harbours, waterways and shipping systems, the government hopes to promote economic development in the still backward inland areas along the river as well as meet growing demand for cargo handling, the Xinhua News Agency reported.

The Yangtze, which runs from the western reaches of Tibet all the way to China's eastern coast, traditionally has been a major transportation artery.

The projects on the drawing board would help relieve bottlenecks in shipping raw materials such as coal and minerals to industrial bases along the coast.

Lebanon luring foreigners again

BEIRUT, Sept 12: Its name long synonymous with terror, Lebanon is luring foreigners again.

According to AP, tourists, reassured by improved security, are back on the beaches and at ancient ruins, and business people are flocking to cash in on the postwar rebuilding blitz.

Belgian waitresses are training at a posh Beirut hotel, Italian technicians are updating the antiquated telephone system, British engineers are working on construction projects, and British, French and Arab pop stars are lining up to perform.

Embassies, aid groups, foreign airlines and companies are back or preparing to return to Beirut, a playground for wealthy Europeans and Arabs before the 1975-90 civil war turned it into a haven for kidnappers and bombers.

European companies are profiting from the huge reconstruction effort, financed through the sale of shares in a private company and tens of millions of dollars donated by Gulf countries.

Some 1.8 billion dollars alone is being spent to raze and rebuild Beirut's devastated commercial centre. The restoration of phone, sewage, electricity and water systems will cost hundreds of millions.

American businesses are losing out. Washington has banned Americans from using US passports to travel to Lebanon since 1987 and few companies have tried to get around the restrictions.

There are no exact figures on how many foreigners have returned, but Labour Ministry figures show 615 Westerners were issued work permits in 1993. More than 200 were from France, the former colo-

onial power in Lebanon. Only 24 were Americans.

While Lebanon has not returned to the prewar days when 500,000 or so foreigners visited each year, more and more Westerners are seen on the streets, in restaurants, at nightclubs and at tourist sites.

"At the first moments there was a flutter of fear, because Beirut doesn't have a good reputation," said Zocchi el Mamo, a 42-year-old Italian engineer.

"But that passed quickly," said el Mamo, who arrived three months ago to work for Siemens, the German electronics company that is rebuilding Beirut's telephone network.

Brian Whitbread, 41, a British construction engineer, was among the first Westerners to return, in 1991.

"It's getting better and better all the time," he said.

"There are police around... I don't feel threatened at all."

Three years ago, the government disarmed most of the Christian and Muslim militiamen who had turned Lebanon into a killing ground.

One militia, however, still has its weapons — the fiercely fundamentalist Islamic warriors of Hezbollah, who are supported by Iran.

Hezbollah's bedrock of support is Lebanon's politically and economically deprived Shiite Muslim sect. They are the people who spawned most of the groups that kidnapped nearly 100 Westerners during the civil war.

The Americans paid dearly in Beirut and are taking no chances.

Suicide car-bomb attacks on two US Embassy buildings and a US Marine corps base in 1983-84 killed 260 Americans.

US-Cuba trade prospects may grow following end of embargo

NEW YORK, Sept 12: Never mind that US business is barred in Cuba, the economy is in shambles and roads and sewers are crumbling. The impoverished island is stirring dreams of riches for some hearty investors and businesses, reports AP.

A Florida company is preparing a rail-barge operation for exporting American goods there. Investors flocking to a new mutual fund called CUBA have propelled its value skyward. US phone companies are aggressively angling to win long-distance contracts.

Behind the enthusiasm is growing political pressure to end the three-decade trade embargo against the Castro regime. But potential investors shouldn't puff too hard on that celebratory Havana cigar.

"It's not an easy road to turn [the Cuban] economy into a market economy," said Douglas Lambert, professor of international business at the Kellogg Graduate School of Management at Northwestern Univer-

sity. "The most careful statement would be, with a lot of international assistance... we can begin again the process of uplifting standards of living in Cuba."

The yearning, while limited to a few brave souls, recalls Havana's glory days of the 1950s.

Before Fidel Castro swept into power in 1959, Cuba was a magnet for business. Rum, manufacturers set up shop, companies drilled for oil, and the United States became the No 1 consumer of Cuban sugar.

In the name of socialism, Castro's government seized property owned by companies, including cane lands of US-owned sugar mills worth millions of dollars.

The American-led trade embargo slowly strangled Cuba's economy, and in recent years the global collapse of communism eliminated other economic supporters, notably the former Soviet Union.

But 35 years after Castro's rise, some investors are bet-

ting on a return to the island of 11 million people. Fanning those hopes is the prosperous community of exiled Cubans in Florida, who see economic benefits from trade ties with Cuba.

One potential sign of heightened interest is an increase in trading of pre-revolutionary Cuban bonds — originally sold by a predecessor government in 1937.

Castro defaulted on the bond payments. But the securities still trade on the New York Stock Exchange, albeit thinly, and recently have been rising in value to slightly more than 50 cents to the dollar.

Moreover, investors seem to be flocking to a new investment fund launched in March. The Herzfeld Caribbean Basin Fund aims to invest in companies that are likely to benefit from an open Cuba.

The fund has no current investments in Cuba, but fund manager Thomas Herzfeld says its Nasdaq stock market label is CUBA because, "We wanted

people to understand that's where the growth will be."

For example, Herzfeld is hot on Florida East Coast Industries, a 170 million dollar railroad concern based in St Augustine, Fla. that is prepared to ship goods to Cuba by rail and barge.

The company's stock recently soared to an all-time high in extremely heavy trading, though factors other than Cuba are cited.

"We think it's only a matter of time before trade with Cuba becomes possible," said company President Carl Zellera.

"We would hope that we could have (rail-barge) service up and running in a matter of two-to-three weeks."

Long-distance phone companies, meanwhile, are trying for direct phone service with Cuba. While AT-and-T Corp is the only authorised telephone service provider to Cuba, Williams Companies' WITel International Inc, LDDS Communications Inc and Sprint Corp are angling for position.

HK dollar to stay linked to US unit after '97

BEIJING, Sept 12: Hong Kong's present exchange rate system, which ties the value of the Hong Kong dollar to that of the US dollar, will not be changed after the colony reverts to Chinese rule in 1997, official sources said, reports AP.

The official China Daily quoted official sources Monday as saying that the committee in the National People's Congress assigned to prepare for the takeover has agreed that the present system has played an important role in maintaining Hong Kong's economic and financial stability.

The present exchange system in Hong Kong also has enhanced investor confidence, in the territory, committee members were quoted as saying.

The Hong Kong currency on Monday was quoted at 7.7275 to the US dollar.