

## Indian trade fair opens today

NEW DELHI, Nov 13: Nineteen countries will showcase products and technologies in the India International Trade Fair (IITF), which opens here Monday under the lingering shadow of the recent plague, reports AFP.

"Despite the plague scare, this will be bigger and better than previous fairs," an upbeat Mahesh Prasad, Chairman of the Indian Trade Promotion Organisation, told reporters Friday.

He said several foreign participants cancelled coming to the fair after the September plague outbreak in the western city of Surat that left 60 people dead and hurt tourism and exports.

Members of the Commonwealth of Independent States, Taiwan and Indonesia are among countries that will go

unrepresented and IITF '94 because of the plague, but their absence will be offset by big Chinese, Russian and Japanese participation.

South Africa will be participating for the first time in the annual event, which last year attracted 100 foreign companies.

About 130 foreign companies from 19 countries and more than 3,500 Indian companies will display products in the fortnight-long fair to be opened by Prime Minister P.V. Narasimha Rao.

Consumer durables such as electronics are expected to be the highlight of the event as producers try to capture part of the burgeoning buying power of India's 200 million strong middle-class population.

India intends to open up its huge market to foreign

consumer goods under its three-year old economic liberalisation programme, which has included a gradual reduction of once-prohibitive import tariffs.

Participants will get a chance to assess the product range and prices of their competitors from handicrafts to heavy machinery, Prasad said.

The event will serve to showcase Indian industry, its ability to absorb advanced technologies and its capabilities as a source of an extensive range of products, capital goods and turnkey projects, the official said.

The fair will focus on such growth areas as space research, energy, steel, transport, telecommunications, oil, chemicals and fertilisers, agricultural and industrial technologies.

The agreement was signed by McMullan and his Mexican counterpart, Jaime Serra Puche.

## Australia-Mexico accord to promote trade

JAKARTA, Nov 13: Australia and Mexico today signed an agreement to promote trade and investment between the two countries, following a ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) forum, reports AFP.

The agreement provides for the creation of a bilateral commission to promote trade and investment opportunities and "issues of concern" to either parties, an Australian press release said.

"Mexico's accession to the North American Free Trade Area (NAFTA) makes it an integral part of a huge North American market and presents Australia with a new range of trade challenges and opportunity," Australian Trade Minister Bob McMullan said after the signing.

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## Kantor doubts China's readiness to enter WTO Jan 1

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JAKARTA, Nov 13: US Trade Representative Mickey Kantor said Sunday he doubted that a deal could be struck in time to allow China to join the World Trade Organization by the January 1 target date, reports AP.

The United States says China must do more to bring its economy into line with other major trading nations to qualify as a founding member of the WTO, which succeeds the General Agreement on Trade and Tariffs.

Speaking after a two-and-a-half-hour meeting with Chinese Trade Minister Wu Yi, Kantor said that while it was still possible for China to beat the January 1 deadline, "I am not persuaded that we can finish our negotiations by the end of the year. But we will make every effort."

He said US and Chinese officials would meet in Geneva early next month to pursue a deal.

Kantor said, "The pace of progress depends on China. They know exactly what is necessary."

But Wu, who emerged sounding disappointed, said it was not "a one-way street."

"We think we have arrived at the time to resolve the accession (to the WTO)," she said. "But whether we can do it or not isn't only up to us."

Kantor said the overwhelming majority of the 20-nation working committee on WTO membership "support the US position that China's offer at this point is not adequate."

Washington wants a range of commitments from China to

reform its currency and market laws in line with the free-trade principles that underpin GATT.

China maintains that it is a developing country, and that allowances should be made. The United States says China's economy and growth rate are so large that it can no longer claim the status of a developing country.

They set fire to a large paper effigy of Pepsi bottle with an Uncle Sam hat atop it, and the firecrackers stuffed inside it exploded. No violence was reported, but one demonstrator was briefly detained for carrying large firecrackers in her hands.

About 50 anti-riot police men and soldiers kept the protesters about 300 yards (metres) from the Malacanang Palace compound, where Clinton and President Fidel Ramos meet Sunday.

On Saturday night, hundreds of anti-US demonstrators carrying burning torches marched toward Clinton's hotel but were turned back by policemen firing tear gas and water cannons.

The protesters were demanding the government reject US requests to allow its warships to refuel and warehouse weapons and supplies in the Philippines.

But Sunday's protesters had a more personal demand.

In 1992, Pepsi promoted sales of its soft drink by putting lottery numbers inside bottle caps and promising grand prizes of up to one million pesos (40,000 dollars). Thousands of people claimed to win with the number 349, but Pepsi said a computer glitch had duplicated the number, and it refused to pay them.

Since then, they have filed a lawsuit against Pepsi, and on Sunday they once again asked Filipinos to boycott its sodas.

Earlier Sunday, when Clinton visited Rizal Park to lay a wreath at the monument of the national hero Jose Rizal, who was executed by Spanish colonialists, a group of children tried to approach him and hand him a letter. Police prevented that.

Protesters demand Clinton's help in lawsuit against Pepsi

MANILA, Nov 13: About 300 people demonstrated near the presidential palace Sunday to ask President Bill Clinton's help in a lawsuit they have filed against Pepsico Inc. reports AP.

They set fire to a large paper effigy of Pepsi bottle with an Uncle Sam hat atop it, and the firecrackers stuffed inside it exploded. No violence was reported, but one demonstrator was briefly detained for carrying large firecrackers in her hands.

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7 banks to operate foreign currency accounts for exporters in KL

KUALA LUMPUR, Nov 13: Malaysia's central bank has designated seven of the country's largest banks to operate for export currency accounts for exporters in a significant move to liberalise its exchange control rules, reports AFP.

This also followed the decision by the central bank to allow stronger, well-managed banking institutions to conduct new activities under a more liberal two-tier regulatory environment.

Five Malaysian and two foreign-owned banks will from next month allow exporters to maintain export proceeds in foreign currency of up to an overnight balance of five million dollars per exporter.

The move to allow exporters to hold foreign exchange besides the central bank and commercial banks represents the first major revision of Malaysia's exchange control rules since 1987.

Malaysia's exchange control rules was first announced in the 1995 budget presented by Finance Minister Anwar Ibrahim in Parliament on October 28.

Rules governing capital flows had to be changed in view of the increasing number of Malaysians now expanding business abroad in a big way, officials of Bank Negara, the central bank, said.

Previously, exporters had to repatriate proceeds in the form of ringgit back to Malaysia within a specified period.

## World Bank okays \$110m for Russia

WASHINGTON, Nov 13: A loan to Russia of 110 million dollars was approved by the World Bank on Tuesday to help clean polluted air, rivers and lakes, protect dwindling forests and cope with a myriad of other environmental disasters left from communist rule, reports AP.

World Bank headquarters described the credit as its first environment-focused loan to the Russian Federation, the world's largest country.

The aim is "to begin to reverse 70 years of fragmented and uncoordinated environmental management in Russia," it said.

Russian banks and enterprises will provide another 75 million dollar and the Russian government 9.8 million dollars. About 90 million dollars has been pledged by international donors, including the United States and the European Union — a total of 282 million dollars for what is called Russia's Environmental Framework Programme.

In Russia, 43 cities need urgent measures to reduce high levels of air pollution, 30,000 tons of banned pesticides await destruction, and 1,016 species of plants and animals are endangered, said World Bank list of Russian ecological problems.

The programme will concentrate on planning for the region of the upper Volga river, the Ural mountains and the northern Caucasus. It will deal with many forms of environmental pollution but not all. Releases of radiation are a major exception, said Roger Batstone, the bank's task manager for its loan.

The European Bank for Reconstruction and Development (EBRD) is working on nuclear safety. Norway and Finland are trying to help Russian lands on their borders and the US Agency for International Development (USAID) is concentrating on Siberia, he said.

"It's not all-inclusive, but you have to start somewhere,"

## Indian military enters civilian auto market

NEW DELHI, Nov 13: After three years of economic reforms, the market bug has even bitten the Indian military, reports AFP.

The Ordnance Factory Board became the first defence establishment to enter the civilian market Thursday by announcing that the Jonga, an army all-terrain vehicle, would be available in automobile showrooms shortly.

And products ranging from designer shirts and leather jackets to detergents and steel castings could be next in line to hit store shelves carrying a "made by the military" label, according to board officials.

Board chief Jagdish Chandra described the foray into the consumer market battle ground as a bid by the organisation to diversify its product range and customer base.

Newspaper advertisements on Thursday told "people who play with power" that the army workhorse had been restyled for city roads after serving the military in mountains, jungles and deserts.

"Today I have a surplus capacity which I want to use. That is the main consideration for entering the civilian market," he told reporters here. "We have to optimise the use of our labour force."

Increase production volume would help cut costs, also benefiting the million-strong army which will continue to be

the main customer for the Jonga, made at a factory in the central Indian city of Jabalpur.

It

comes three years after Prime Minister PV Narasimha Rao launched reforms putting India on the road to a free market economy after decades of socialist style insulation.

In

keeping with the liberalisation, the government threw hitherto off-limits military laboratories open to industry for research into new technologies.

The

military's entry into

the

market with the Jonga took the process a step further and was part of the "thrust being given by the Ordnance Factory board in the diversification efforts of its product range and customer base."

The

army's

purchases of the Jonga had fallen 40 per cent from the mid-1980s along with declining budgetary support from the government.

The

Ordnance

Factory

board

is

39

factories

employing

170,000

people,

engaged

in

turning

out

products

ranging

from

weapons

and

explosives

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