India seeks Dutch help to build infrastructure

NEW DELHI, May14: India yesterday sought Dutch help in building its inadequate infrastructural sector which has been cited by foreign firms as a deterrent to investment, despite the country's free-market reforms of 1991, says AFP.

Surface Transport Minister Jagdish Tytler told Dutch Transport Minister Jorritsma Lebbink at a meeting here that India had attracted rapid capital inflows and Dutch companies could undertake joint projects in shipping, roads, management consultancy and other infrastructure areas.

Tytler said "no power on earth" would reverse the policy of liberalisation, which had eased investment regulations, allowed foreign firms to hold 51 per cent stake in tie-ups and ended the state monopoly in several key sectors.

Lebbink told a meeting organised by the confederation of Indian industry that India should develop its riverine traffic like the Netherlands where rivers were the "arteries" of economic activity.

Overseas investors cite bureaucratic red tape and delays, labour problems and poor infrastructural facilities as impediments to investing in India which boasts a large, skilled and cheap workforce.

British trade team leaves for China

LONDON. May 14: British Secretary of State for Trade Industry Michael Heseltine left for China Friday at the head of the largest British foreign trade mission ever undertaken, says AFP.

But China was still holding out earlier Friday on confirming the agenda for Heseltines week-long tour, which includes trips to Shanghai and Guangzhou.

While a meeting with his host, Chinese foreign trade Minister Wu Yi, is scheduled for Monday, it was still unclear whether the ongoing row between London and Beijing over Hong Kong would allow for talks with Premier Li Peng, or a courtesy call on President Jiang Zemin

We have made our bids. and are still waiting for confirmation from the Chinese side," a British Embassy spokesman said.

Heseltine left London's Heathrow Airport Friday evening on board a specially chartered British airways plane bound for Beijing accompanied by 130 top executives, including some from major Hong Kong-based companies such as Swires and the Hong Kong and Shanghai Bank.

Before boarding the plane. Heseltine said the visit was "a very important mission."

"We have a very enthusiastic group of people here from a wide range of manufacturing companies and services industries. We are looking forward to a very successful trip, he

Asked what the mission could mean in financial terms, he said: "we haven't got a target because this is an on going commitment and we are building on an already strong and firm base.

"But I think you might find there will be some contracts signed over the next few days," he added

While the British side has stressed that the main focus of the trip is developing bilateral trade, the political overtones are strong amid the continuing stand-off between London and Beijing over the handover of Hong Kong to China in 1997.

The two sides have been at loggerheads over Hong Kong Governor Chris Patten's electoral reforms in the British colony in the face of stiff Chinese opposition.

US seizes Japanese fishing boats in Pacific Ocean

TOKYO, May 14: Only days after the first shots were fired in a potential US Japan trade war, the US coast guard seized two Japanese fishing boats in the Pacific Ocean yesterday, for alleged illegal fishing, reports Reuter.

The Japanese Foreign Ministry said the boats were boarded and seized southeast of the island of Minami Iwo Jima. 1.100 km (670 miles) south of Tokyo.

A total of 35 crew members from two southern-Japanbased Bonita fishing boats were detained in waters where Washington and Tokyo maintain overlapping 200 nauticalmile claims on the sea around their territories.

The waters lie between the Japanese territory of Iwo Jima and the northern Marianas islands, a Commonwealth administered by the United States.

The islands, which lie north of Guam. include US adminis-

tered Saipan, a tourist resort highly popular with Japanese. The area was the scene of flerce fighting in the final year of World War Two as US forces used the islands as stepping stones to mount direct attacks on Japan.

US forces occupied the northern Marianas in 1944, after Japan had held the former German territories for 30 years under a League of Nations mandate.

US officials in Japan could not be reached for comment.

The seizure seemed certain to put new strain on US Japan relations, soured in the past week by a US announcement of trade sanctions against Tokyo because it does not import enough American cars and car

Fishermen in Kochi prefecture on the southern Japanese island of Shikoku, where one of the boats was based, were quoted by local media as saying they could not recall a case in which boats were seized by

Americans. "But perhaps they (the Japanese) were unable to find any schools of Bonita and headed deeper out to sea,' Masaharu Myojin, 66, a captain of a Bonita boat, told Kyodo news agency.

Owners of the boats were scrambling to gather information on the detained ship and crews and preparing to send representatives to the Marianas on Sunday.

In waters north of Japan, where Tokyo has a bitter, 50year-old territory dispute with Russia, Japanese fisherman have been fired on and their boats seized for months at a

On Friday, Japan lodged a protest with Russia after a Russian patrol boat had fired at seven Japanese fishing boats in the disputed zone.

Gaza's economy sinks deeper

14: Initially buoyed by the prospect of peace and prosperity when Palestinian autonomy began on May 4. 1994. Gazans have watched with anger and despair as the economy has sunk deeper and deeper, reports AFP.

Small businesses have closed, agricultural goods rot at the gates of Gaza and workers have lost their jobs in thousands as Israel has tightened a security closure of the Strip and the West Bank.

Following suicide attacks by Palestinian radicals, fewer than 20,000 Gazans are today allowed to work in Israel, and trucks transporting goods to Israel are subject to lengthy security checks, generally lasting two days. A construction boom which

began last summer has almost ground to a halt as raw material prices have skyrocketed and investors balked at throwing in more money.

"It takes as long for goods to get to Israel from here as it does from the United States," said Khalil Abdel Aal, a clothing manufacturer who has hardly worked in the past three months.

"Now, half my workers are sweeping streets, and I am selling my wife's gold," he said, and pendant.

Like many others in the clothing industry's 2,000 factories and small workshops that employ more than 40,000 people here, Abdel Aal has been unable to send his products to Israel and the West

Since the January 22 double suicide bombing near Tel Aviv that killed 21 people, Israel has been working toward a full separation from Gaza and the West Bank.

But there is as vet no alternative to Israel for the Palestinians, and the repeated closures in the past year have reduced Gaza's gross national product to 600 million dollars a year from 800 million dollars, according to United Nations Development Programme (UNDP) officials.

The Palestinian authority estimates annual per capita earnings at 500 dollars today. or nearly 38 per cent down on

International donor aid in 1994 amounted to 240 million dollars, well below the promised 720 million dollars, only adding to the loss.

"The only thing we got with autonomy was the opportunity to manage our own lives," said the UNDP's Khaled Abdel

GAZA CITY, Gaza Strip, May producing a heavy gold chain Shafi. a German-trained economist

He said many donor projects were stopped recently because of a lack of raw mate-

"The most serious impact is that Gaza is cut off from the West Bank. Gaza is small and has a high population with few resources. It will become an economic failure if left on its

Prospects for the coming year are hardly inspiring.

The Palestinian authority won a pledge from the donors last week to finance 60 million dollars of a planned deficit of 136 million dollars on a budget of 440 million dollars for the next 12 months. Arafat's National Authority

has pledged to freeze salaries and halt recruitment, especially of police who already number 16,000 instead of the 9,000 agreed in the 1993 declaration of principles for self-rule.

But Chief Negotiator Nabil Shaath warned that unless the closure was eased; the promised aid would be used up in one month.

"The closure costs us more than the total amount of aid we got from donors so far," said Shaath, also "minister" of planning.

Regional accords bolster goal of global free trade: WTO

GENEVA: May 14: A new study by the World Trade Organisation (WTO) dismisses the idea that world trade is polarising into inward-oriented regional "blocs" and concludes that regional integration agreements bolster the objective of global free trade, according to USIS.

Some observers have warned that the emergence of regional pacts — such as the European Union (EU), the North American Free Trade Agreement (NAFTA) or the Association of Southeast Asian Nations (ASEAN) free-trade area - signalled the end of multilateralism.

In fact, postwar regional integration has complemented rather than undermined the objective of multilateral trade. according to the WTO study. Regionalism and the World Trading System," released April 27

Indeed, the WTO suggests that regional agreements may now help spearhead the next wave of integration - the harmonisation of domestic policies in areas such as investment standards, subsidies and competition policy.

Contrary to some expectations, regional agreements

have not favoured trade within regions at the expense of trade between regions, the WTO

The only exception is Western Europe, which, ac cording to the report, registered a "clear policy induced increase in the relative importance of intra regional trade."

The share of world merchandise trade that is intra-regional rose from 40.6 per cent in 1958 to 50.4 per cent in 1993, but the increase was mainly accounted for by Western Europe where internal trade grew from 53 to 70 per cent of its overall trade during this period.

Regional integration agreements multiplied during the final years of the Uruguay Round, the global trade negotiation that led to creation of the WTO. A number of countries undertook or entered such accords as an "insurance policy" in the even of failure of the round, according to the

So prevalent have such agreements become that by the time the WTO came into existence on January 1, 1995 nearly all of its members were party to at least one regional arrangement. The only two exceptions are Hong Kong. which already has zero tariffs across the board, and Japan.

The WTO study lists more 100 regional agree ments that were notified to the WTO predecessor, the General Agreement on Tariffs and Trade (GATT), between 1947 and the end of 1994 They range from multi party intra area pacts such as NAFTA and the EU to bilateral accords such as free trade agreemen between Slovenia and the Czech Republic

Most regional agreements are essentially "Little GATTs" that open market access by eliminating tariff barriers, the report says.

But the Uruguay Round will dramatically cut tariffs. thereby reducing the scope of preferences that can be exclusively offered to partners within a regional group, it

Once the Uruguay Round is fully implemented, 43 per cent of developed countries imports of industrial products from partners receiving most favoured nation treatment will be duty free, with the average tariff levelled on other imports only 6.6 per cent, according to the WTO.

Unemployment rate in US jumps in April

WASHINGTON, May 14: The US unemployment rate jumped in April, the Labour Department said yesterday, as the slower economic expansion produced a decline in non-farm payrolls for the first time in over two years, reports Reuter.

The department said unemployment stood at 5.8 per cent in the month, up from 5.5 per cent in March. and 9,000 jobs were lost from non-farm payrolls.

March nonfarm pay-rolls also were revised lower to show an increase of 177,000 compared with a previously reported 203,000.

The April decline was the first since March, 1993, when 52,000 jobs were lost.

But the latest figure was under something of a cloud since the survey contained a statistical quirk, which the department and private economists believed underestimated figure.

"There is a large range of uncertainty connected with our estimates," Katharine Abraham, Commissioner of the Bureau of Labour Statistics, said in a statement.

The estimate was well below the wall street forecast consensus figures even though private economists in recent days had been cutting their forecasts as evidence continued to pile up that the econ omy was losing steam and there was doubt about the job outlook.

The report is the government's first indication of the economy's performance in April and is anxiously awaited by financial markets for new clues on the course the economy is taking.

The slowing economy combined with little hard evidence that inflation is becoming troubling and the recent retreat of the dollar has been good news for the bond and stock market.

General Motors plans to invest more in Poland

WARSAW, May 14: General Motors Corporation is planning further investment in Poland its president said Thursday after meeting with the country's officials, reports AP.

The company, which signed a joint-venture with the state-owned FSO auto-maker in December 1993, has been assembling Open Astras in Poland since November.

As a result of studies that were conducted "the outcomes are quite positive believe it is time to expand this operation," GM President and C E D Jack F Smith Jr told reporters after meeting with Poland's Prime Minister Jozef Oleksy and Industry Ministry Klemens Scierski.

Currently Genbeal Motors Poland can produce up to 10,000 Astras a year.

GM intends to advance FSO current products and facilities. Eventuality it also plans to replace its outdated Polonez car based on technologies from mid-1970s, with a new vehicle form the Opel product line.

Smith, who declined to give any specific dates, said that in the nearest future GM will focus on upgrading the existing products: "The current Polonez can

holds a unique place on the market and sells very well It is a large, family car at a very low price. It has a great opportunity," he said.

Smith added that within the next two years General Motors plans to expand its current assembly operation by building a new body shop for the Opel car as well as welding and painting facilities.

Armenia, Iran to begin work on gas pipeline

MOSCOW, May 14; Armenia and Iran are to begin work this year on a gas pipeline that should be capable of supplying a billion cubic meters of gas annually to energy-starved Armenia within two years, says

An Armenian government spokesman quoted by Itar-Tass news agency Saturday said Armenia had already begun planning the construction of the 140-kilometer (875-mile) pipeline.

He was briefing journalists on a visit to Tehran in early May by Armenian Prime Minister Grant Bagratyan. Spokesman Vladimir

Manoyan also said the two countries had agreed build a hydroelectric power station on the Araks river, which runs along Armenia's border with

Armenian and Iranian experts were studying two plans one for an underground power station with a capacity of 210 to 220 megawatts, and one for a larger power station built around a dant.

In addition, Iran and Armenia signed accords covering the sale of Iranian liquified gas to Armenia, to take effect at the end of May, and on the construction of an electric power line to supply southern Armenia from Iran.

Armenia is suffering from chronic power shortages

The shortages are due to Armenia's problems in paying for gas imports from Russia and Turkmenistan and the conflict between Armenia and Azerbaijan over the Nagorno-Karabakh territory, which has led to regular sabotage of a gas pipeline which enters Armenia via neighbouring Georgia.

Iran, which for a long time backed Muslim Azerbaijan over the conflict, recently adopted a more balanced position after Baku refused to let Tehran join an international consortium to develop oil reserves in the Caspian Sea.

wheat at its lowest level

for 14 years LONDON. May 14: World stocks of wheat are estimated to be at their lowest for 14 years and may leave little mar gin to cover any big crop fail ure, the International Wheat

Council (IWC) said yesterday

World stock of

reports Reuter. The IWC is an authoritative producer/consumer group that coordinates data on the world grain trade.

It trimmed its forecast of wheat stocks in the crop-year to end-June 1996 by two mil tion tonnes to 108 million.

timate for stocks ending in June 1995, seen at a 14-year low of 106 million. But the IWC said the situa

This is above its latest es-

tion was still worrying.

Production in Australia, hit by severe drought this season. should recover but not as much as earlier forecast - the estimate is down 0.5 million tonnes to 15 million.

Living standard for world's poor improving: World Bank

WASHINGTON. May 14 Total global fertility rates have declined as living standards for the world's poor have climbed, according to the latest estimates by the World Bank, according to USIS.

The Bank said that fertility rates have fallen sharply from an average 6.0 births per woman in 1970 to 3.6 births in 1993. However, the decline has not been uniform, it said. Fertility in South Asia has fallen 30 per cent during this period — from 5.8 to 4.0 births but fertility rates in Sub-Sharan Africa have dipped to only 6.2 births in 1993 from 6.7 in 1970.

The data come from the, World Bank's 396-page "Social Indicators of Development", an annual statistical publication of fertility, life expectancy, illiteracy, access to health care, and spending for selected social programme in 191 economies around the world. released April 26. In aggregate, the report

suggests that living standards are improving for hundreds of millions of the world's poor. Most of the poor live in 59 low-income economies, largely in Sub-Sharan African and South Asia, with a total population of 3,100 million and an average per capita gross national product (GNP) of 380 dollar in 1993 The report shows that the

decline in fertility was accompanied by significant increases in education, especially for fe-

"In South Asia, primary school female enrollment almost doubled in 20 years, from 50 per cent of all school-age girls in 1970 to 93 per certt in 1992 and in Sub-Sharan Africa it increased almost by half from 41 per cent in 1970 to 60 per cent in 1992," the Bank said. In all low-income countries, female education increased on average by 25 per cent over the same period, it

The report noted that childhood immunisation against measles has risen from about 50 per cent in 1985 to more than 87 per cent in 1992 in all low-income economies, with the most dramatic increase in South Asia, increasing from 18 to 86 per cent. Immunisation in Sub-Sharan Africa rose from 35 per cent in 1986 to 50 per cent, but only half of the population has access to health services.

Access to health care in South Asia has nearly doubled from 54 per cent in 1981 to 96 per cent in 1992, while access to safe water in the region has increased from 31 per cent in 1975 to more than 70 per cent currently. As a result of improvements

in immunisation and access to health services and clean water, a child born in these developing countries in 1993 can expect to live, on average, 62 years, compared with 53 years for one born in 1973, the World Bank said. Despite the obvious

progress, the report cites continued significant challenges. It states that 1,100 million people in the developing world still live on less than 1 dollar a day, and at the current rate of increase, this figure will rise to 1,300 million by the year 2000. Nearly half of the world's

poor continue to live in South Asia, and more than 50 per cent of Sub-Saharan Africa's population lives below the poverty line, the World Bank

Progress is not only uneven between regions but within regions, the Bank said. While life expectancy has risen steadily over the past 20 years in Sub-Sharan Africa — from 44 years in 1970 to 52 years in 1993 -is has declined over the past decade in Uganda, Zambia and Zimbabwe because of the increased prevalence of AIDS (acquired immune deficiency syndrome). Though real GNP per-capita has shown impressive gains in Sub-Saharan Africa and in Latin America and the Caribbean, some countries in these regions for example Zambia, Niger, Guatemala, Nicaragua — are experiencing declines.

In contrast, the World Bank said, only 10 per cent of the East Asia population was in poverty in 1990, down from about one-third in 1970.

Shipping Intelligence

Chittagong port Berth position and performance of vessels as on 13.5.95 Last port Local Date of Lea-Name of vessels arrival Vcer Savarkar Rice (G) MTA Rice (P)/GI Loyal Bird 15/5 RRSA Anton Makarenko Rice (G) CCNI Daizu Maru Fu Ping Seacon Jennifer Jane R. Seed Litmond Laconian Confidence Rice (G) Rice (P) LAMS Wheat (G) Bangler Sampad Imke Wehr MPB/1 6/5 MPB/2 BDshir PSAL 15/5 Stormy Annie Mikhail Stelmakh Wheat (G) Banglar Gourab RMI. *Indian Prestige DDJ/2 A. Goncharov Banglar Shourabh Repair RM/8 OWSL 29/3 Darb CUFL 23/1 Matsu Maru Vessels due at outer anchorage: Cargo Date of Local Name of vessels agent Ancl Bulk Urea Kian Ann

Loading SSL Rice (G)/GI State of Haryana Wheat(G) Ancien Omi Columbia GI (S Coil) MSA AML Meng Yang Cement Asean Enterprise Cement Helen N Cont Fong Yun Sam'Houston Rice (G) Mad Vishva Vikram Cont Meng Lee GL attakia Mong Banglar Shobha 14/5 Bitumen 14/5 Abbas USTO Victoria Karna Tug Java Gulf Kota Bintang Banglar Kallo Rice (P) 17/5 Vehicles 16/5 Able Brigadier 4/5 BSC Cont Banglar Robi Vehicles Brava 2/5 UMTI. Bank Rice (G) Raigad Sing AML Cont Mong Kiat Cont 18/5 Banglar Moni 18/5 Cont Michail Stenko 18/5 Banglar Kakoli Cont Rice (G) SSL 20/5 Anro Fremantic Tanker due Sing MSPL Wawasan Setia Vessels at Kutubdia

> Vessels at outer anchorage Ready on

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Vessels awaiting instruction

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Scraping

Scraping Scraping Scraping

Scraping

Scraping

J/5 Tiger Sun MPB-2 Meng Lec

Scraping Wheat (Ci

Movement of vessels for 14/5/95 and 15/5/95

The above were the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Cont

Tallow

('ement

Last port Local

Baridhi

PSAL

OWSL

Seacom

LAMS

Karna

ARI

J/13 B. Sampad to J/9

Sing

Bomb

Bada Bada Suez Sing Sing Sing Sing

MBP-1 Nanka Mahapola RM-6 B. Gourabh to DOJ/1 MPB-1 Imke Wehr to DDJ/1

Date of

R/A (10/5

R/A(12.5

R/A (27.3

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MPB 2 Optima

Tug Suhalli

1575

Phaethon Professor Nebesnov Banglar Baani Al Tabith I Yamburenko

equipment and technology and assurances of access to foreign markets. But the state enterprise

wants to retain control of extraction "as we are concerned about the unnecessary destruction as a result of the lack of knowledge of our forest situation. The foreign investor could enhance Myanmar Timber Enterprise's capability by assisting in the inputs of necessary equipment."

It is clear the state wants foreign investors to be involved only in downstream processing or in setting up furniture and crafts businesses. That might not be a big enough lure. -Gemini News

Myanmar seeks foreign investment under tight control Abby Tan writes from Yangon sponsibilities. Myanmar Timbmost prized commodities central Myanmar, one foreign tion, processing and market-

Yangon wants foreign investment both to conserve and to cash in on its teak and other precious hardwoods. But it also wants to maintain tight con-

It is an irreconcilable dilemma. Something will have to give — and there is a danger it will be Myanmar's forests. Teak, the world's most prized tropical timber, and an-

other 1,200 species of hard-

woods, are found in abundance

in what was Myanmar until the

current military rulers adopted the new name. But earnings from timber and forest products declined from 400 million dollars 10 years ago to 150 million dol-

lars in 1993-94. Deputy Foreign Minister Col Aung Phone is clear about the problems: 'We have no marketing expertise, no technical knowledge, and no capital."

Regional forestry specialists point out that Myanmar has

another problem — an absence of sound forest management.

Myanmar's forests are a poor advertisement for nearly three decades of state control. They are also a poor advertisement for Thai business-

strapped junta tried to control widespread illegal felling and at the same time boost foreign exchange by signing a series of logging contracts with Thai companies. "We thought we could le-

concessions," recalls Col Aung Phone. "But it was not feasible. They took the logs from other areas. The checkpoints didn't In mid-1993 the junta cancelled nearly 50 Thai logging

Sale of teak and hardwoods

is now by tender, with the

state-owned Myanmar Timber

Enterprise controlling extrac-

concessions.

galise filegal cutting by giving

Col Aung Phone says the government ensures sustainable vields by restricting cutting to teak trees with a minimum girth of seven feet six inches and hardwoods with six From 1988, the cash-

The government, he says. adheres to limits set by the Tropical Timber Organisation. He says Myanmar cuts only 200,000 hoppus tons a year of teak (one hoppus ton is 1.8 cubic metres), against a Timber Organisation limit of

350,000 hoppus tons.

In addition, he adds, its annual cut of 400,000 hoppus tons of hardwood is below the Organisation's limit of 1.3 million hoppus tons. The policy ensures the

forests, he claims Outsiders see a huge gap between theory and practice. During a visit to a sawmill in

eternity of the country's

specialist, who asked for his name to be withheld, saw a great many small-girth logs The sawmill officers said they were the tops of trees. You know that's not true.

Theft by syndicates is widespread. "There's a lot of money because of the value of the teak," says the specialist. Smuggling is blatant, especially in border areas where ethnic or communist insur

gencies thrive. Kachin state rebel leader Bo Myo is known to be one of the biggest traders. He floats his logs down the Salween River in the In the past, government efforts to control deforestation

have been undermined by in-

surgencies. Now, ceasefire

agreements create problems.

Freed from attacks by govern-

ment troops, the rebels con-

centrate on cross-border

trade, with timber among the

'Col Aung Phone says the government is replanting in nine arid districts. Of 80,000

acres replanted a year, 40 per

cent is for fuel and 60 per cent

for teak and hardwoods. But replanting alone is not silviculture. The budget for forest management is estimated by regional experts to be only one-fifth of the sector's needs. They reckon invest-

ments of 100 million dollars a

As a result of under-spending, proper forestry management to prevent pests, fires and theft is weak. As a result, the loggers keep going back to look for smaller trees. Myanmar's forests won't be sustainable for long without

year are required.

pleted in 15 years if felling rates were maintained). Despite its enormous re-

silviculture." says one expert.

country's forests would be de-

er Enterprise lacks managerial and marketing skills, which y the government hopes to make up through foreign investmen-It wants foreign equity,

(A 1990 study warned that the