

# 28 countries agree to set up new int'l export control system

THE HAGUE, Dec 20: Senior officials from 28 countries agreed yesterday to set up a new international export control system for the post-Cold War era, reports Reuters.

The so-called Wassenaar Arrangement follows two years of negotiations on an apparatus to replace Cocom, the body set up by NATO countries in 1949 to prevent the transfer of advanced military technology to the Soviet Union, China and their allies.

Cocom was dissolved at midnight on March 31, 1994 because members felt its strict curbs on high-technology exports were preventing

former communist countries from acquiring the technology they needed to build successful market economies.

It was also increasingly seen as a bureaucratic obstacle to legitimate trade in sophisticated technological goods.

Frans Engering, the Dutch official who chaired the negotiations, said that after two years of tough talks a basic framework had been agreed which would gradually be extended.

The Wassenaar Arrangement — named after the town near the Hague where the talks were held — will be-

come operative after an inaugural plenary meeting on April 2 and 3 in Vienna where its secretariat will be located.

It is intended to be a flexible system of export controls with participating countries exchanging information to prevent countries developing threatening military capabilities.

The 28 signatory countries include all 16 NATO members except Iceland plus Russia and its former communist-bloc allies Poland, Hungary, the Czech Republic and Slovakia.

The other signatories are

Austria, Australia, Japan, Finland, Ireland, New Zealand, Sweden and Switzerland.

Two lists of restricted goods have been drawn up — one for conventional weapons and another for "dual-use" goods such as advanced computers and telecommunications equipment.

US delegate Lynn Davis told reporters there was a consensus among the participating countries that Iran, Iraq, Libya and North Korea would face export restrictions under the new system, although not all 28 were willing to say so publicly.

# \$740b Japanese budget proposed

TOKYO, Dec 20: Japan's finance ministry proposed today a budget of 75.1 trillion yen (740 billion US dollars) for the year to March 1997, up 5.8 per cent from the current year and heavily reliant on government bond issues, reports AFP.

The proposal submitted to Prime Minister Tomichi Murayama's cabinet included a record 21 trillion yen in government bond issues to offset a decline in revenue, stimulate the economy and clean up the massive bad debt of failed housing loan companies.

Under the proposal, defense spending in 1996-97 will increase 2.6 per cent from the current fiscal year

to 4.85 trillion yen, the largest rise in four years and the biggest defense budget in Asia.

Purchases of new weaponry will rise 1.2 per cent to 835 billion yen, including 11 of the costly FSX fighters Boeing jointly developed with the United States. Japan's contribution to the US bases here will total 150 billion yen.

Japan has capped the rise in official development assistance (ODA) at a record low 2.8 per cent to 1.14 trillion yen, including 940 billion yen in official yen loans, virtually unchanged from the current year.

Public works spending is set to expand to 9.72 trillion

yen, up four per cent, the biggest spending increase in the budget. The ministry said the larger outlay was part of the government's economic stimulus package announced in September to boost the flagging economy.

To make up for an anticipated shortfall in revenue, Japan will issue 12 trillion yen in so-called deficit bonds, easily exceeding the record 8.6 trillion yen in bond issues issued in 1979.

At the end of March 1997, outstanding government bond issues are expected to total 241 trillion yen, or 2.2 million yen in debt for every person in Japan.

# Walesa ordered to pay back taxes

WARSAW, Dec 20: Outgoing President Lech Walesa has been ordered to pay back taxes on one million dollars he received from Warner Bros. studios for movie rights to his life, Polish media reported Tuesday, reports AP.

Walesa, who was accused of tax evasion during the recent election campaign, has said all due taxes were paid by Warner Bros. He has also said the money he got from the US film studio in 1989 was a donation, not income, and not taxable.

But the tax office found that Walesa owed back taxes of 189,900 zlotys (75,960 dollars).

# Asian dragons to remain world economic powerhouse: OECD

PARIS, Dec 20: The six 'Asian dragons' will continue to act as major engines of world trade and economic growth over the next two years, the Organization for Economic Cooperation and Development (OECD) indicated on Tuesday, reports AFP.

But the Dynamic Asian Economies (DAEs) — Hong Kong, Malaysia, Singapore, South Korea, Taiwan and Thailand — will be growing at a somewhat more moderate combined average rates of 6.0 to 7.0 per cent, it said.

For they will be grappling with the consequences of two years of above-trend growth, the firming up of their currencies against the yen in the past few months, and lower growth in China.

Inflation pressures and rising current account deficits will remain 'key policy concerns for 1996' in several countries of the region, especially South Korea, Malaysia and Thailand, the OECD said in its year-end economic outlook.

The survey said the continued strong economic activity in the DAEs is led by brisk exports; growing domestic demand and rising foreign investment, especially from Japan.

But rapid expansion in 1994-95 — at average rates of 7.6 per cent in 1994 and an estimated 7.8 per cent this year — has caused problems of infrastructure bottlenecks and labour shortages, increasing cost pressures and boosting capital goods imports.

There were signs of a slowing down of activity in the second half of 1995 due to a tightening of monetary policy

— except in Taiwan — and because net exports were tempered as DAE currencies firmed up against the yen.

GDP growth peaked in South Korea at an annual rate of 10 per cent in the first half of 1995, boosted by brisk exports and domestic investment running at a rate of 20 per cent, particularly in plant and machinery.

The economy expanded at a more moderate pace in the second half, but South Korea will nevertheless record a 9.0 per cent jump in its GDP for the year as a whole, followed by a decline to a range of 7.5 to 7.0 per cent in 1996-97

according to OECD projections.

**'China must keep up structural reforms'**

Another report adds: China must keep up its efforts to reform economic structures as a precondition for achieving an appropriate balance between inflation and growth, the Organization for Economic Cooperation and Development (OECD) said yesterday.

The Paris-based organization in its year-end economic outlook took note of China's relative success in reducing inflation in 1995.

# FDI flow in India may reach \$ 2b

NEW DELHI, Dec 20: India's finance minister expects actual inflows of foreign direct investment (FDI) in the range of 1.5 to 2 billion dollars in the fiscal year ending next March, reports UNB.

"Last year, we had actual disbursements of 1.3 billion dollars", the Minister, Manmohan Singh, said in an interview. "This year we had projected 2 billion dollars. My own feeling is that we will be in the range of 1.5 billion dollars to 2 billion dollars."

Singh also said "there is a good chance (India) will end up (this fiscal year) with a fiscal deficit no greater than the budgeted 5.5 per cent of GDP (gross domestic product) because revenues have been stronger than expected."

Responding to market rumours that the central bank will have to intervene heavily to support the rupee, Singh said, "There is no basis for the conclusion that we will have to spend massive amounts of reserves to stabilize the currency."

But he added that India must "keep the exchange rate competitive" and that the country depends heavily on its export performance for economic growth.



P. Sen Veyas (2nd from left), Economic Minister, Indian High Commission in Dhaka, called on Redwan Ahmed, President, BGMEA (extreme left) Tuesday at the latter's office. They discussed bilateral trade issues with special reference to textile and clothing sector of Bangladesh. — BGMEA photo

# Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies with Bangladesh Taka effective date is 20th Dec '95. (Figures in Taka)

Currency	Selling		Buying		
	T.T. & O.D.	B.C.	T.T. (C)	O.D. (Sight)	O.D. (Trans.)
US Dollar	1=Tk 40.9110	40.9515	40.150	40.4545	40.3440
GBP	1=Tk 63.1563	63.2189	62.2101	61.9643	61.7950
DM	1=Tk 28.5227	28.5510	28.0152	27.9045	27.8283
F Franc	1=Tk 8.3062	8.3144	8.1558	8.1236	8.1014
C. Doll	1=Tk 29.9501	29.9798	29.4162	29.2999	29.2199
SFR	1=Tk 35.5149	35.5500	34.8769	34.7391	34.6442
Jap Yen	1=Tk 0.4053	0.4057	0.3942	0.3926	0.3916
IRS	1=Tk 1.1745	1.1833	1.1548	1.1375	
Pak Rupee	1=Tk 1.1969	1.2059	1.1767	1.1590	
Iranian Ryal	1=Tk 0.0236	0.0238	0.0231	0.0227	

A) T. T. (DOC) US Dollar Spot Buying Tk. 40.5347

30 Days 40.2602 60 Days 39.9725 90 Days 39.6848 120 Days 39.3971 180 Days 38.8217

C) US Dollar sight export bill 3 months forward purchase: Same as O.D. sight export bill buying rate.

D) US Dollar 3 months forward sale: Add cushion of Tk. 0.50 with BC selling.

Indicative Rates (B.T. for one unit of foreign currency)

Currency	Selling		Buying	
	T.T. & O.D.	B.C.	O.D. Transfer	O.D. Transfer
S Riyal	Tk. 10.9090		Tk. 10.7567	
UAE Dirham	Tk. 11.1401		Tk. 10.9836	
Kuwaiti Dinar	Tk. 25.8719		Tk. 25.7485	
D Guilder	Tk. 13.3335		Tk. 13.2476	
S Krona	Tk. 6.1706		Tk. 6.0805	
Malaysian Ringgit	Tk. 16.0826		Tk. 15.8566	
Singapore Dollar	Tk. 28.9062		Tk. 28.4855	

# Dollar, stocks up in Tokyo

TOKYO, Dec 20: The US dollar was trading higher against the Japanese yen early Wednesday, while prices on the Tokyo Stock Exchange rose, reports AP.

The dollar's strength came after the US Federal Reserve cut a key interest rate by 0.25 percentage point to 5.50 per cent on Tuesday.

Lower interest rates would typically hurt the dollar, but traders became more bullish Tuesday on two encouraging factors.

President Clinton and the Republican-controlled Congress have said they were ready to negotiate the budget impasse, and recent interest rate cuts in Europe have reduced the risk of hurting the American currency with the Fed's move.

In early trading, the dollar was traded at 102.00 yen, up 0.42 yen from late Tuesday and also above late overnight New York trading at 101.96 yen.

Meanwhile, Tokyo share prices started higher as investors were encouraged by an overnight recovery on Wall Street and a bail-out plan by the government Tuesday to solve bad debts held by major housing lending firms, dealers said.

Under the plan, the government decided to spend 680 billion yen (6.8 billion dollars) of public money to bail out debt-ridden housing loan firms, known as "jusen."

The handling of the Jusen issue has been for some time one of negative factors discouraging many investors in Japan.

The 225-issue Nikkei Stock Average was up 183.54 points, or 0.96 per cent, to 19,324.03 points in the first 30 minutes of trading. On Tuesday, the average shed 170.59 points, or 0.88 per cent, to 19,140.49.

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# Asian shipping agents meet in Seoul

Chairman of one of South Korea's biggest shipping lines Cho Yang Shipping Company Limited Park Nam-Kyu has pledged that the leading shipping line would continue to serve its thousands of clients world-wide better, says a press release yesterday.

He was addressing a general agency meeting attended by agents from Bangladesh, India, Pakistan, Japan, Hong Kong, China, Singapore, Indonesia and other Asian countries in Seoul recently. Md Abu Yousuf, Director, Intrans Limited, agent of Cho Yang, represented Bangladesh at the meeting.

Park Nam-Kyu said the Cho Yang Line is gradually expanding and adding more containers and equipments to its ever-growing fleet only to cater to the increasing needs of Asian clientele.

During the general agency meeting, problems and prospects of shipping in Asia with particular reference to Cho Yang were discussed by top executives. The deliberations were also participated by Md Abu Yousuf.

Yousuf spoke of Cho Yang's headway in Bangladesh and said despite severe congestion in the South Asian country's ports, the shipping line is trying its best to serve its clients.

# Follow more aggressive strategy: IMF to Italy

ROME, Dec 20: The International Monetary Fund (IMF) yesterday called on Italy to follow a more aggressive strategy to strengthen the economy and rebuild investor confidence in the country, says Reuters.

"We see an urgent need to re-invigorate economic policy to put the country on a path of lower inflation and sustainable growth," the IMF said in a report released by Prime Minister Lamberto Dini's office.

The report, prepared after a recent visit to Italy by a team of IMF experts, warned the government would need to introduce additional budgetary measures early next year to meet its financial targets for 1996.

The 1996 budget is battling its way through parliament and is expected to be

passed by the end of December.

Dini has said the package will trim 32.5 trillion lire (20.4 billion US dollars) off next year's budget deficit but the IMF questioned if all the money would be raised.

"We are concerned about the income from some of the measures now in the budget which could be compromised further during the parliamentary passage," it said, adding 1996 targets had to be met if the government was to boost market confidence.

"To this end, corrective (budgetary) action will be needed in the first part of next year," the report said.

The IMF said lack of confidence in Italy, which depressed the lira and pushed up interest rates, came from political pressures exerted on economic policies.

# Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 20.12.95

Berth No	Name of vessels	Cargo	L-port call	Local agent	Date of Leaving arrival
J/2	Ritz	GI/GL	Col	Cross	11/12 22/12
J/3	Banglar Kiron	GI (Bitu)	BSC	R/A	21/12
J/4	Banglar Sampad	Wheat (G)	BSC	R/A	21/12
J/5	Banglar Baani	Wheat (G)	BSC	R/A	22/12
J/6	Banglar Urmi	Wheat (G)	EASL	R/A	
J/7	Yong Jiang	GI	Xing	Prog	14/12 30/12
J/8	Hawai Splindour	GSSP	Sing	PSAL	29/11 25/12
J/9	St. of Gujrat (48)	GI/GL	Mad	BSC	8/12 21/12
J/10	Amer Asha	GI (Bitu)	Puja	ESL	8/12 25/12
J/11	Techmat Pioneer	Rice (G)	Viza	MSTPL	14/12 13/12
J/12	Mikhail Stenko	Cont	Col	Buridhi	16/12 20/12
J/13	Kota Berjaya	Cont	Sing	PIL (B)	15/12 20/12
CC/1	Fong Shin	Cont	Sing	BDShip	14/12 20/12
CC/2	Meng Lee	Cont	Sing	AML	17/12 20/12
CC/3	Consistence	Cont	Sing	RSL	17/12 23/12
RM/14	Sea World	Repair	Viet	Litmond	09/12 1/01
CCJ	Emerald Island	C.Chink	Chin	USTC	13/11 24/12
CSJ	Anangel Dignity	Wheat (G)	Kalu	RSA	12/12 22/12
TSP	Hau Woo No.2	Cement	Sing	PSAL	10/12 21/12
RM/5	Nandu Jiang	Cement	Sing	RML	14/12 20/12
RM/6	Pacific Hunter	HSD	Sing	MSPL	18/12 21/12
DDJ/1	Banglar Jyoti	Repair	BSC	R/A	23/12
ID	Al Salma	Repair	Mong	ASLL	18/10 30/12
DDJ/1	Tanary Star	Idle	Para	PSAL	7/6 30/12
RM/9	Sam Hae	Idle	Sing	USTC	13/11 22/12

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Imke Wehr	20/12	Sing	APL(B)	Cont	Sing
Morning Bright	20/12	Yoko	CI	Vehicles	
Hua He	20/12		Bright	Bright	
Ocean Crest	21/12		OWSL	Rice (G)	
Tug Java Supply-1	21/12		Arafeen		
Sea Venture	22/12		AML	Cement	
Orange SKY	22/12	Yang	EBA	Vehicles	
Dong Fang Yang	22/12	Chin	RSS	R.Phos	
Banglar Mookh	23/12	Mong	BSC		UK.CONT
Fong Soon	23/12	Sing	BDShip	Cont	Sing
Sea Express	22/12	Sing	PIL (B)	Cont	Sing
Tug Indonesia Eagle	23/12	Kari	Kama </td <td></td> <td></td>		
Amancaia	24/12		OWSS	Rice (G)	
Eufonia	24/12	Sing	CF	Vehicles	
Meng Kiat	24/12	Sing	AML	Cont	Sing
Mare	24/12		OWSLGI (Bitumen)		
Stonewall Jackson	24/12		Kama GI (Lash)		
Padma	24/12		RSL	Cont	Sing
Al Padma	25/12	Jedd	BSCPassengers		
Asia Venture	2/12	Sing	BBAGI(25 Vehi)		
Unimaine	26/12	Kaki	Cross	Rice (G)	
Vishva Parijat	27/12		SSL	GI	
Jaguar	27/12		Everett SPL	Cont	Sing
Banglar Robi (Cont)	27/12	Sing	BSC	Cont	Sing
Meng Yang(Cont)	28/12	Sing	AML	Cont	Sing

Vessels at Kutubdia

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Imaya		Sing	B.Bay	4/12
Ron Tappmeyer		Sing	B.Bay	8/12
Lady Lorraine		Sing	B.Bay	8/12
Lady Caroline		Sing	B.Bay	8/12
Tk Gloria	Wheat (G)	Kwin	Ancient	16/12
Banglar Asha	Wheat (G)		BSC	R/A

Vessels at Kutubdia/Outside Port Limit

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Imaya		Sing	B.Bay	4/12
Ron Tappmeyer		Sing	B.Bay	8/12
Lady Lorraine		Sing	B.Bay	8/12
Lady Caroline		Sing	B.Bay	8/12
Tk Gloria	Wheat (G)	Kwin	Ancient	16/12
Banglar Asha	Wheat (G)		BSC	R/A

Vessels ready

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Unimar	GI	DARB	TSL	14/12
Edward R	GI	Sing	Prog	15/12
Lydra	Cont	Sing	RSL	17/12
Kota Bintang	Cont	Sing	PIL (B)	18/12
Ocean Trader	MOP	ILCY	Litmond	7/12
Maj Sif	Cont	Sing	BDShip	18/12
Fong Yun	Cont	Sing	BDShip	19/12

Vessels awaiting instructions

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Komsomolets Arment		Mong	CT	25/11
Banglar Shourabh		BSC	R/A	18/12
Banglar Mamata	Wheat (G)	BSC	R/A	18/12
Tug Tong Liang (Inbound)		Sing	Kama	17/12
Vinta		Globe	R/A	20/12

Movement of vessels for 21.12.95

Outgoing	Incoming	Shifting
J/9 S.O Gujrat	J/12 Maj Sif	J/3 B. Kiron to GSJ
J/12 M. Stenko	J/1 Morning Bright	
GSJ A Dignity	GSJ Tk Gloria	
RM/6 P. Pioneer	DDJ/2 B. Asha	
	J/3 Unimar	
	RM/6 O. Trader	
	NB F Yun	
	J/9 Edward R	

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



M Moyeedul Islam, Chairman, Bangladesh Insurance Association, addressing the 8th annual general meeting of the organisation in the city Tuesday.

## Tender Notice

Local sealed tenders are invited by Bangladesh Power Development Board from renowned Local/Foreign Manufacturers or Suppliers for procurement of equipment/materials under Greater Khulna Power Distribution Project, Phase-II for the following:

Sl No	Tender No	Description of Equipment/Materials	Qty	Cost of Tender Document	Tender Receiving & Opening Date
1.	Pur-233/95 dt 5.12.95	11/0.4 KV, 250 KVA Distribution Transformer	20 Nos	Tk 500/-	15.1.96
2.	Pur-234/95 dt 5.12.95	11/0.4 KV, 100 KVA Distribution Transformer	15 Nos	Tk 500/-	15.1.96

A complete set of tender document may be purchased by the interested bidders from 19.12.95 on submission of written application and upon payment of Non-refundable fee for Taka mentioned above against each tender in the shape of Bank Draft/Pay Order favouring Director, Purchase, PDB, Dhaka.

$\frac{1}{2}$  Bid Bond of the offered price shall be submitted with tender.

Tender will be received up to 11.00 AM and will be opened at 11.30 AM in the prescribed date as mentioned above in presence the intending bidder or their representative, if any. No tender shall be sent by post or sold on the opening day. Offer sent by post/Telex /Fax will not be acceptable.

Biddul/Jan-794(6)95-96  
DFP-31643-18/12  
G-1924

Director of Purchase  
PDB, Dhaka.

# Insurance Assoc AGM held

The eighth annual general meeting of the Bangladesh Insurance Association, the Apex body of four life and 16 general insurance companies in the private sector, was held at the office of the association at Dilkusha C/A on Tuesday, says a press release.

The Chairman, M Moyeedul Islam presenting the annual report of 1994 highlighted the progress and problems of the private sector insurers.

The premium income of the four life insurance companies increased to Taka 906.16 million in 1994 from Taka 685.65 million in 1993, registering a growth of 32.16 per cent. The first year premium income of private sector life companies amounted to Taka 375.90 million against Taka 283.95 million in 1993.

The country's premium income from general insurance, business amounted to Taka 2721.37 million in 1994.