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**HYUNDAI**

CARS THAT MAKE SENSE

Liberian oil tanker runs aground in Wales leaking crude

SAINT ANN'S HEAD, Wales, Feb 16: Rescue services on Thursday freed an oil supertanker run aground in Wales, after it leaked tens of thousands of barrels of oil, reports AP.

The 147,000 ton Sea Empress, which sails under a Liberian flag, leaked 6,000 tonnes (42,000 barrels) of oil, said a statement from the Milford Haven coastguard. It was bearing 128,000 tonnes (896,000 barrels) of its 137,990 tonne (965,654 barrel) capacity of crude oil.

The tanker, carrying a cargo of North Sea crude oil, was apparently grounded by a steering failure as it entered the estuary, heading for a Texaco refinery. The ship's ownership was not yet known.

"The port's full pollution control plan has been put into effect," said Texaco oil emergency coordinator Phil Thompson.

"The vessel is, however, remaining in position while experts discuss next moves in the operation," said Thompson.

Coast guard tug boats took two hours to tow the ship off rocks at Saint Ann's Head in the Milford Haven estuary in western Wales.

The 20-year-old ship is registered in Nassau in the Bahamas. It is a twin steam turbine vessel nearly 400 meters (1,320 feet) in length, has a maximum speed of 15.5 knots.

The coast guard ordered all shipping to keep clear of a ten-mile (16 kilometer) radius from Saint Ann's Head while the ship was aground.

Pemex charges sabotage in oil line in Mexico

SIMON SARRAT, Mexico, Feb 16: Peasants blocking oil facilities have denied claims by the government oil monopoly that their protest nearly caused an explosion, reports AP.

The accusation was made by Petroleos Mexicanos, known as Pemex, which has been the focus of dozens of protests at its wells, pumping stations and other facilities over the past two weeks in Tabasco state.

The leftist Democratic Revolution Party, which was badly beaten in recent elections, organised the demonstrations by peasants, who blame the company for damaging their croplands and fisheries with oil spills and acid rain.

The party is seeking to use the protests to force the ruling Institutional Revolutionary Party to make concessions in talks over national political reforms.

Officials said the protests took a dangerous turn late Friday when someone closed a valve at a nearby pumping station, creating a level of pressure in oil and gas lines that could have caused an explosion.

The valve was reopened the next day without incident. But company officials had charged sabotage and called for an investigation.

On Sunday, peasants in the Escuintle oil field in Simón Sarrat, about 35 miles (55 kms) northeast of the capital of Villahermosa, said they had nothing to do with the valve. They said Pemex was capable of sabotaging its own facilities to break up the protest.

The company says it has paid millions of dollars over the years to drill in the region near the Gulf of Mexico and compensate for unavoidable environmental damage.

Oil is Mexico's most important export. Oil earnings were used as collateral against a 20 billion dollar loan by the United States last year to bail out Mexico's faltering economy.

Iraq ready to resume oil exports

BAGHDAD, Feb 16: Iraq said yesterday it was ready to resume oil exports but cautioned eager Iraqis that an oil-for-food deal with the United Nations could take time, reports AFP.

"The access routes to Iraq ports are already operational" for tankers and other ships, the official newspaper Al-Thawra said.

An Iraqi ship travelled the 30 kilometers (18 miles) from the Gulf port of Um Qasr to the Mina Al-Bakr oil terminal to determine if the waterway was clear and proper signals were set up for international shipping, the newspaper added.

And in contrast today's official news reports suggesting a deal was imminent, the Al-Iraq newspaper said: "The negotiations will last as long as is needed to reach an agreement."

Although Iraq has said its oil facilities in the south are ready, it has made no reference to the state of the Iraqi-Turkish pipeline through which most of the oil would be exported if Iraq agreed to the terms of UN resolution 986.

Before it began talks on the resolution in New York last week, Iraq complained it would have to pay taxes for the Turkish pipeline and had denounced the measure as a violation of its sovereignty.

Iraq has nonetheless raised expectations it will accept the resolution which would allow it to export up to one billion dollars of oil per quarter to buy food and medicine under strict international control.

"Iraq can in less than two weeks start exporting up to

two million barrels of oil per day," Oil Minister Amer Rashid said last month on state television.

"Iraq can in less than two years return to its (pre-war) export level, which was 3.5 million barrels of oil per day," the minister said.

The Organisation of Petroleum Exporting Countries (OPEC) set Iraq's quota at 3.14 million barrels per day before UN oil and trade sanctions were imposed on Iraq after it invaded Kuwait in August 1990.

Western diplomats here confirmed that Iraq, which repaired much of the oil installations which were damaged or destroyed during the 1991 Gulf War, is capable of resuming export quickly.

At current prices Iraq would be allowed to export around 700,000 barrels per day under resolution 986. An exception to the UN sanctions has allowed Iraq to export 70,000 barrels per day to Jordan.

Iraq has the world's second largest proven oil reserves of around 112 billion barrels. Baghdad nationalised its oil companies in 1972.

The Iraqi government said at the beginning of February it had tested the Mina Al-Bakr terminal and had prepared loading platform.

It said this terminal had a current export capacity of 1.6 million barrels a day and was ready to receive tankers immediately.

On January 31 Iraq also said its commercial ports at Um Qasr and Khor Al-Zobeir were operational and ready to receive large cargo ships as well as provide services to tankers.

Despite the embargo, Iraq has also maintained contacts with international oil companies, except those from the United States.

During a conference here attended by 200 delegates from oil firms in March, Iraq presented a 25-billion dollar investment plan to rebuild and develop its production capacity.

These projects concern the exploration and development of more than 30 oil fields capable of producing 4.5 million barrels of oil per day, according to the authorities.

Last July it also struck a deal with Russian firms to develop the oil field at Qurna in western Iraq once sanctions are lifted.

French companies Total and ELF Aquitaine are conducting negotiations with the Iraqis on developing the giant oil fields of Majnoon and Nahr Omar in Southern Iraq for when the embargo is lifted.

UN, Iraq discuss banking issues

Another report from UN says: Iraqi and UN negotiators discussed banking-related issues here yesterday at oil-for-food talks which could lead to Iraq resuming limited oil exports, a UN spokesman said.

Spokesman Ahmad Fawzi said the technical talks would resume today after the session on Thursday morning lasting about 90 minutes.

The banking issues at stake concern the setting up of an escrow account which will control the funds released from any future oil sales.

The talks here are focus-

ing on UN resolution 986, under which Baghdad would be allowed to export one billion dollars worth of oil per quarter to raise money for humanitarian supplies, under international control.

Chief UN negotiator Hans Corell informed the Security Council on Wednesday that the talks were proceeding in a "business-like" and "fruitful" atmosphere.

Both sides say that the talks which opened here on February 6 will continue until an agreement is reached, and there is no sign of an adjournment.

If successful, they could lead to sanctions-hit Iraq resuming oil exports under tight UN supervision for the first time in more than five years.

Iraq has told the United Nations that it is not seeking to amend resolution 986 which the security insists is not negotiable.

Until now, Iraq refused to implement the oil-for-food resolution claiming the text infringed on its sovereignty.

Iraq has been under a UN sanctions regime since Iraqi forces invaded Kuwait in August 1990, and a positive outcome to the oil-for-food talks would spell the first partial lifting of the trade embargo.

Iraqi delegation chief Abdul Amir Al-Anbari yesterday did not comment to reporters as he entered the UN building.

The United Nations said Wednesday it wanted to retain the confidentiality of the negotiations, after Anbari briefed eight Non-aligned Security Council members on Tuesday.

Dev aid to Third World must not slide down: OECD

PARIS, Feb 16: The world's richest countries must not allow development aid to the Third World to slide down the agenda as they focus more and more on cutting their own budget deficits, a top OECD development official said on Monday, reports Reuters.

The Organisation for Economic Cooperation and Development already sounded the alarm against aid fatigue and cuts in UN aid last year but the head of the OECD Development Assistance Committee told a news conference the outlook was still grim.

"My impression is that the budget strains continue," James Michel, Chairman of the Committee, said.

"I guess I'm concerned about the budget pressures we see in a number of countries and particularly those with a history of active participation, development cooperation may become less of an issue."

"We still have more than a billion people living in poverty — that should be intolerable to the world," he said.

Michel, who was presenting a report on his committee's statistics were still not available but he had little reason to believe things had improved since the OECD, a 26-strong forum of leading economies, made a public issue of its funding fears last April.

Total flows of official aid to developing countries directly or through multilateral agencies like the World Bank,

rose 2.8 per cent to 56.8 billion dollars in 1994 but shrank 1.8 per cent in real terms once inflation and exchange rates were accounted for.

German minister arrives today

German Minister for Economic Cooperation and Development Carl-Dieter Spranger arrives here on February 17 to discuss development cooperation between the two countries, reports BSS.

"Bangladesh is an important country for Germany being the seventh largest recipient of German assistance and looking forward to this visit with great interest," counsel-ling Ronald Graf told a press briefing here yesterday where he was accompanied by Dr Erhard Voelzki, Head of the Development Cooperation section of the German embassy.

During his 60-hour visit, the German minister will have talks with the Bangladesh side on economic cooperation and explore avenues for further cooperation.

The visit at a ministerial level for economic cooperation and development is taking place after a gap of ten years.

He will meet President Abdur Rahman Biswas, Prime Minister Begum Khaleda Zia, Foreign Minister Mostafizur Rahman, Finance Minister Saifur Rahman, main opposition leader Sheikh Hasina and State Minister for Planning Dr. A Moyeen Khan during the visit.

The drop was nonetheless less marked than in 1993, when aid levels had slumped to their lowest level in two decades.

Michel, who held the news conference to present a report on development aid work last year, highlighted once again that the United States hit the bottom of the OECD's aid league tables in 1994 in terms of donations as a proportion of national wealth.

Overall official aid has hovered around the 50 billion dollars plus mark for the last 10 years, while private investment has soared from about the same to more than double officials assistance.

Michel highlighted that the big losers in terms of private sources of money — a large part of which are commercial loans — were the countries of sub-Saharan Africa and the winners a limited number of dynamic developing economies, mainly in Asia.

"Japan now tops the world aid league, providing 13.2 billion dollars in 1994. The United States is second in absolute terms with 9.9 billion dollars but beneath everyone else in terms of how much this represents as a proportion of gross domestic product — 0.15 per cent."

Michel said the number of OECD countries raising donations was bigger than the number cutting but those increasing tended also to be the ones whose aid levels were smaller in absolute terms.



Cargo workers yesterday unload two million US dollar worth of medicines and medical supplies for transfer to Kunming, donated by the international charity Project HOPE for the victims of the Lijiang earthquake. More than 300 people died and 14000 were injured when the quake struck the region in southwestern China on February 3. — AFP/UNB photo

Asian economic ministers wrap up Asia-Europe pre-summit meeting

CHIANG RAI, Thailand, Feb 16: Economic ministers from 10 Asian countries wrapped up a meeting here Thursday, a day earlier than scheduled, after completing a joint strategy for next month's Asia-Europe summit, reports AFP.

The liberalization of trade and investment in the long term between Asia and Europe would be the main economic goal of the Bangkok summit, being held from March 1-2, Thai Deputy Prime Minister Amnuay Vi-rawan said.

Amnuay said that the implementation of the terms of the World Trade Organisation (WTO) should be given special emphasis at the summit and that existing tariff and non-tariff trade barriers on both sides be dropped.

"We have some trade barriers on both sides," said Yoshihiro Sakamoto, Vice-Minister for International Affairs in Japan's Ministry of Trade and Industry, adding

that talks on the WTO should be a priority at the summit.

"I think that not only Japan but also the member countries (of the WTO) should try to reduce or exclude those trade barriers," he said.

Eradicating trade barriers would have to be considered in efforts to promote closer economic cooperation between Asia and Europe, Amnuay said.

Many European countries — as well as the United States — have complained that Japan maintains a system of domestic business alliances which effectively keeps out foreign competition.

Asian countries have also been accused of dumping cut-rate products on the European market, but return have blasted Europe's anti-dumping regulations as being unfair and unclear.

Amnuay said discussing trade liberalisation at the summit was a key first step

in cementing stronger economic ties with Europe, but that the real work would subsequently be carried out by economic ministers and officials.

He said an agreement had been reached to hold an economic ministers meeting after the summit to follow-up on issues discussed by the leaders.

Japanese Minister for Trade and Industry Shunpei Tsukahara said Japan had offered to host the meeting and that European ministers would be invited to attend, a date has yet to be set for the meeting.

Amnuay said the 10 ministers meeting here had agreed that Asian participants at the summit should present a common stance, suggesting that a "multi-lateral approach" would help achieve their aims.

He also hinted that the Asians would like to forge with the Europeans a similar arrangement.

Dutch impressionist Van Gogh's letter sells at \$500,000

DALLAS, Feb 16: A two-page letter penned more than 100 years ago by anguished Dutch impressionist Vincent Van Gogh drew a pretty penny just before it was to go on public sale, says AP.

The correspondence, written to an art critic only months before Van Gogh committed suicide, sold for 500,000 dollars. A collector bought it as a Valentine a Day present for his wife, just hours before it was to go on public sale at a Dallas show.

"I think that's how he justified his purchase," said Joseph Maddalena, owner of Profiles in History, a broker in old documents and famous signatures in Beverly Hills, Calif.

He would not reveal the buyer's identity except to say he is a regular client from the Midwest who phoned to inquire about the letter after showing his wife publicity materials about it. Many years ago in college, the woman was an art history student whose first love was Van Gogh, he said.

The yellowing page with tattered corners, sealed in a plastic protective cover, was on display Thursday at the Tri Delta Charity Antiques show at the Dallas Convention Center in a glass case. It was surrounded by less expensive pieces of history signed by Abraham Lincoln and Charles Dickens.

Handwritten in French and dated February 1890, Van Gogh expresses his thanks to art critic Albert Aurier, who had written a glowing review of the painter's work.

"It's his whole philosophy on why he paints, impressionism and it talks about the sunflowers..." Maddalena said. "He talks about (Paul) Gauguin and he talks about Rembrandt and he's really giving this guy insights into his soul because he was no one."

During his troubled life, Van Gogh received no recognition and sold only one painting.

Decades later, works like "Starry Night" have drawn throngs to art museums. Other paintings have commanded eight figure sums.

IMF team starts talks on \$9 b loan to Russia

MOSCOW, Feb 16: Negotiations from the International Monetary Fund, looking for assurances the government is committed to economic reform, went into a round of talks with Russian officials Wednesday on a 9 billion dollar loan, reports AP.

The latest round of talks comes amid election-year spending promises by President Boris Yeltsin — which some officials fear could bust the budget — and an uproar over one a Cabinet minister's proposal for nationalizing banks, oil companies and other big businesses."

Russia needs the 9 billion dollar to help it balance its budget, and President Bill Clinton has come out in support of the loan.

So far, Russia has managed to hold to tough austerity targets in last year's 6.8 billion dollar standby IMF loan.

Tight credit mandated by the loan — the first IMF deal

Russia has successfully carried through to its conclusion — helped bring an inflation to a record low of 3.2 per cent a month in December.

The new loan would require the government to continue tight monetary and fiscal policies and take ambitious new steps to liberalize and privatize the economy.

Officials close to the talks said the IMF team was looking for a commitment to these policies from the government.

In recent weeks, Yeltsin has ousted key reformers and ordered huge increases in spending on pensions, benefits and war ravaged republic of Chechnya.

Top government officials like Interior Minister Anatoly Kulikov are talking openly about nationalizing private companies and imposing trade quotas to protect domestic industry.

Blockade of Mexican oil wells likely to end soon

AMPLIACION OJEACAQUE, Mexico, Feb 16: Protest leaders expressed optimism Thursday that negotiations could soon end the three week blockade of Mexican oil wells that has diminished production and profits of the state oil company, reports AP.

"It is likely they will reach an agreement," said Andres Manuel Lopez Obrador, state leader of the leftist opposition Democratic Revolution Party, or PRD, which is organising the protests by peasants who accuse Petroleos Mexicanos, known as Pemex, of ruining their farmland and fisheries.

"There is a favourable environment for reducing tensions," said Lopez Obrador after returning from the talks in Mexico City between his party, the ruling Institutional Revolutionary Party, and the government.

Hard hatted Pemex workers maneuvered enormous yellow joists halfway up the

steel towers of the Sen 5 and Sen 45 oil wells in Ampliacion Ojeacaque, about 25 miles (45 km) north of the State capital of Villahermosa, as a handful of armed soldiers and police guarded the metal gate leading to the wellhead.

Officials have worried that the protests could affect Mexico's ability to sell oil on the international market.

Mexico used its oil earnings as collateral on a 20 billion dollar line of credit approved by President Clinton in 1995.

The "Moby Dick," a boat belonging to the environmental organisation Greenpeace, arrived at the Tabasco port of Villa y Puerto de Sanchez Magallanes Thursday to support the protest.

Greenpeace delegation spokesman Fernando Begerano accused the government and Pemex with "wanting to bury 20 years of criminal negligence with last minute cosmetic methods."

Bangladesh envoy opens mobile branch of Pacific Bank in KL

KUALA LUMPUR, Feb 16: Bangladesh High Commissioner in Malaysia Mahboob Alam has inaugurated a mobile branch of Pacific Bank Berhad adjacent to Bangladesh High Commission here, reports BSS.

The mobile bank, inaugurated on February 8, will facilitate Bangladeshi wage earners in Malaysia to send remittances to their families in Bangladesh, particularly in Ramzan month, a press release of the High Commission said.

It said the corresponding banking relationship between Janata Bank of Bangladesh and the Pacific Bank Berhad of Malaysia was established during 1993-94 to facilitate sending taka and draft of Bangladeshi wage earners.

During the inauguration senior officials of Pacific Bank Berhad including Enik Abdul Jamel Pawanteh, senior vice president and the officials of the Bangladesh High Commission in Kuala Lumpur were present.

HK jewellery shop owner mugged

HONG KONG, Feb 16: Three armed robbers mugged a Hong Kong jewellery shop owner on Monday and stole two million Hong Kong dollars (258,740 US) worth of gold and platinum bars, a police spokesman said, reports AFP.

The 37-year-old jewellery shop owner was waylaid by the three men, two of whom were armed with beef knives, outside his office in a building in the Yau Ma Tei district in Kowloon peninsula.

The robbers reportedly ran off with 320 small gold bars and 215 small platinum bars. No arrests were made.

The rare robbery was thought to have been driven by gold fever.

Speculation over production shortages drove the price of gold to 410 US dollars an ounce last week, which was the highest price for six years.

India establishing trade centres in Central Asian republics

India is establishing diplomatic and investment centres in the newly independent Central Asian Republics, formerly part of the Soviet Union, because its policy makers are getting disenchanted with the SAARC area preferential trading arrangement (SAPTA).

The treaty is expected to revive trade and build up confidence among the members of the South Asian regional trading organization called SAARC — India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives.

If successful, analysts say, trade could be boosted up to several billion dollars in South Asia.

But admittedly, there are major political differences between India, Pakistan and Bangladesh, which slow down SAARC trade arrangements.

Central Asian Republics such as Kazakhstan have an uncertain economic future and are open to strong new influences from neighbouring countries.

Trade experts here believe that Kazakhstan efforts to build an Asian Islamic group after the collapse of the Soviet Union have failed.

Analysts say that from India's point of view, Kazakhstan is very important because it has the largest military industrial complex in the region and the largest number of defence installations, including a major test site and the Baikonur space and missile centre.

Significantly, India's defence suppliers are not all in Russia but in the various Republics. There are 10,000 defence suppliers, many of whom are located outside

Moscow. Kazakhstan is a major seller of armaments and is the world's largest producer of chromium, a mineral used in defence industries. India is competing with Pakistan in trying to revive the Islamic identity of this newly independent state.

Other Muslim countries are also attempting to build their ties with the Muslim Republics such as Kazakhstan, Uzbekistan and others.

Foreign Affairs experts say that before India can step up its trade with these Islamic countries, the historic, cultural and friendly relations with this region have to be strengthened through the expansion of economic ties.

As one analyst points out, "If you develop a new trade

route with any one of these countries, it would have a ripple effect and maintain the Indian position in the region.

Two of the major problems that stand in the way of smooth transaction and further expansion of business and economic ties between India and these states are the absence of banking and shipping links in the region.

Despite efforts to maintain the contacts in various spheres between New Delhi and Almaty, the capital of Kazakhstan, the poor air connections between the two countries are a drawback.

An agreement on air services was signed in 1993 while another on an airline is set for next year, but there has been very little progress

on this count. There are two flights a week from Kazakhstan to India, but no flight originating from New Delhi to Almaty.

The shipping route is a long one through Russia, hampered by delays of various kinds. Exporters from India have even explored the possible shipping routes through some Western ports.

There is a growing demand for Indian consumer goods because of cheaper rates and enthusiastic suppliers. About 30 Indian companies have opened representative offices in Almaty and four joint venture companies have begun operations in the country.

Trade analysts say that Indian consumer articles would be far cheaper than Western goods, which are being

dumped in the former Soviet Republics.

On the SAARC trading issue, analysts say that the continuing political differences on Kashmir are a stumbling block to promoting trade between India and Pakistan.

Ironically, Pakistan prefers to buy many consumer and industrial goods from Australia, Southeast Asia and Europe, although these are available in India and despite the lower tariff rates.

It is an intelligent sign though that Pakistan officials have ratified the SAPTA Treaty, despite their campaign against New Delhi in world forums.

Under SAPTA, each of the SAARC member countries will identify items and com-

modities which would attract concessional tariff in case of imports.

While tariff concessions applicable to one country will also apply to other countries automatically, special and more favorable treatment has been provided for in case of the less developed countries among the members — Bhutan, Bangladesh, Maldives and Nepal.

However, the SAPTA agreement is different from the Most Favoured Nation (MFN) treatment that Pakistan is to accord to India in terms of its commitment, while accepting the New General Agreement on Tariff and Trade (GATT) agreement.

Under MFN Pakistan has to accord the same treatment to trade with India as it does in case of other countries, that is, it cannot discriminate