

SAARC to discuss more liberalisation of trade

COLOMBO, Mar 12: Top officials of SAARC countries will meet here on Thursday and Friday to discuss further liberalisation of trade among the member nations, says PTI.

Two officials of the commerce ministry and one from the external affairs ministry of India are participating in SAARC Inter-Governmental Group meeting.

The SAARC countries began implementation of the South Asian Preferential Trade Agreement (SAFTA) on December eight last year to give a boost to intra-SAARC trade which currently is a small fraction of their trade with the world.

As many as 226 times have been identified for exchange of tariffs ranging from 10 per cent to 100 per cent among the seven member countries.

Of these, India has agreed to extend tariff concessions on 106 items, offering 50 per cent or more concessions on 90 items and zero duty on 13 items.

The inter-government group is meeting for the first time after the successful holding of the first ever SAARC trade fair in New Delhi in January which was attended by all trade ministers of the SAARC nations.

The IGG meeting is the follow up of the meeting of the Committee for Economic Cooperation (CEC) in Delhi recently.

The US for tougher sanctions against Nigeria

NEW YORK, Mar 12: The Clinton administration is seeking tougher sanctions against Nigeria to force the military government closer to democracy, the New York Times reported in Tuesday editions, says Reuters.

European countries have greeted the proposal, which has been announced coolly, the Times said, quoting diplomats and business officials.

The proposal calls for all industrialised countries to ban new foreign investment in Nigeria and freeze assets of Nigerian leaders, the Times reported.

The administration has decided against imposing an embargo on Nigerian oil, which supplies the government with 90 per cent of its foreign earnings. The United States is a major purchaser of Nigerian oil.

The United States waiting to announce the proposal until it measures the support of its allies, the Times said. If it attracts no support, the US might consider acting alone, an administration official told the Times.

Turkey agrees to sell water to Israel

JERUSALEM, Mar 12: Turkish President Suleyman Demirel announced Monday that his country has agreed to sell water to Israel, officials said, reports AFP.

Demirel, who arrived here Monday on a historic first official visit, said Turkey would sell 150 million cubic metres (5.25 trillion cubic feet) of water to the Jewish state over two years.

The Turkish leader informed Israeli Prime Minister Shimon Peres of his decision after Peres said Israel would not intervene in a dispute between Turkey and Syria over the waters of the Euphrates river.

Peres proposed to Demirel that Turkey sell water it did not use to other countries in the Middle East.

The issue of water must be an economic one and not a political one, Peres said.

The two leaders also discuss terrorism, two days ahead of an unprecedented anti-terrorism summit in Egypt which both men are to attend.

Thailand, China, Indonesia plan joint ventures

BANGKOK, Thailand, Mar 12: Subsidiaries of Thailand's largest cement producer will enter into joint ventures in China and one in Indonesia to make gypsum board and small diesel engines, a company official said Monday, reports AP.

Siam Cement Group will invest 2.8 million dollars for a 63 per cent stake in a small diesel engine factory in Sichuan, China, with the Sichuan Internal Combustion Engine Industry Group. The production target is 300,000 engines a year.

The company did not say when any of the projects would be operational.

Thousands riot at Freeport mine in Indonesia

JAKARTA, Mar 12: Thousands of people were rioting today in and around Indonesia's giant Freeport copper and gold mines in Irian Jaya, and the military has been put on alert, a military source at the mine base in Timika said.

The situation is getting out of hand here... the police have given up and the military is awaiting orders to take action." Corporal Zahlan of the local military unit in Timika told AFP by phone.

Captain Edi Setyadi, of the Irian Jaya military, contacted earlier by phone in Jayapura, the provincial capital, said the riots started Monday.

"Hundreds of local people rioted and pelted Freeport offices and dormitories on Monday. Today, Freeport workers were told to stay home," Setyadi said.

"It probably was a misunderstanding, where the locals were not aware of regular (hospital) visiting hours," he added.

Setyadi said it was "still unclear" how many people were injured or the amount of material damaged due to riots.

But he said Major General Dumiya, head of the military command overseeing security in Irian Jaya, had gone to Timika to monitor the situation.

The Daily Republik said the riots started Sunday and that several people had been injured.

Freeport officials were not available for comment Tuesday.

PT Freeport Indonesia, a subsidiary of US based Freeport McMoran and one of Indonesia's largest foreign investors, has been repeatedly criticized for alleged environmental and human rights issues.

Last week, the National Human Rights Commission in Jakarta said it would send a team to Irian Jaya at the request of the local Amungme tribal council to reopen investigations into alleged killings and torture in and around the Freeport mines.

Last year, following two visits to Irian Jaya, the commission held Indonesian security forces guilty of human rights violations, including 16 killings and several cases of torture.

In February, an Irian Jaya military tribunal jailed an army officer and three soldiers for between one and three years for the killings.

Last November, a statement issued in Jakarta by members of 19-non governmental organisations from seven countries, including the US, accused Freeport of "massively altering the landscape, damaging the rich biodiversity of the area, harming local indigenous communities."

In November last year the US federal agency's Overseas Private Investment Corporation (OPIC) in Washington DC, cancelled 100 million dollars in political risk insurance for PT Freeport Indonesia.

IMF chief arrives in Baku for talks on \$188m loan

BAKU, Azerbaijan, Mar 12: IMF Managing Director Michel Camdessus arrived in Azerbaijan's capital late Monday for talks on a new loan to help the former Soviet republic reform its economy, reports AP.

Camdessus is expected to announce whether he approves the loan after meeting Tuesday with President Geidar Aliev.

The ITAR-Tass news agency said the loan would be for 188 million dollars. It said the International Monetary Fund previously loaned Azerbaijan 132 million dollars.

Camdessus also is scheduled to meet with the premier, parliament speaker, finance minister and chairman of the national bank.

Thailand may seek WTO help to settle shrimp dispute with US

BANGKOK, Mar 12: Thailand will join other countries to bring a dispute on shrimp exports to the World Trade Organization (WTO) if its talks with the United States this week fail to reach an agreement, a Thai Commerce Ministry official said Monday, reports Xinhua.

Earlier reports, said the US last week listed 50 countries, including Thailand, as using shrimp catching methods that reduce the population of sea turtles.

According to Pracha Charu-trakulchai, Director General of the Foreign Trade Department of the Thai Commerce Ministry, Thai shrimp farmers are using turtle friendly technology in compliance with the international standards, although the technology may not meet the US requirement.

If the US insists on imposing import restrictions on Thai shrimps, Thailand will join other countries to bring the case to the dispute settlement body of the WTO, the official said.

The US has threatened to impose restrictions on shrimp imports beginning May 1 unless Thailand can certify that its boats are using turtle friendly technology.

The Thai government has sent a trade delegation to the US for negotiations scheduled for March 13-16.

Clinton helped secure \$3 lakh loan for Whitewater partner

LITTLE ROCK, Arkansas, Mar 12: As Arkansas governor, Bill Clinton helped secure a 300,000 dollars business loan for one of his Whitewater partners that she instead put into her personal checking account, a federal prosecutor said reports AP.

Susan McDougal had told financier David Hale that she was going to use the money for her real estate marketing company, prosecutor Ray Jahn said in his opening statement Monday. Hale later spoke with Clinton at the Capitol about the loan, Jahn said.

Jahn alleged that Mrs. McDougal, her ex-husband, James McDougal and Clinton's successor, Governor Jany Guoy Tucker, obtained nearly 3-million dollars in illegal loans from Hale in the mid-1980s.

"It was the intention of the defendants to go in, obtain the money, make their profits and sneak the money back," Jahn said. "This was nearly the perfect crime. Until David Hale came forward in 1993, the crime was undiscovered."

Neither Clinton nor first lady Hillary Rodham Clinton is charged in the case.

Defense attorneys attacked Hale's credibility and urged jurors not to believe him.

"He was a fraud from the top of his head to the bottom of his feet," said Tucker's lawyer W.H. 'Buddy' Tucker.

Tucker and McDougal are accused of arranging sales of real estate at inflated prices to funnel extra money into Hale's Capital Management Services Inc., a Small Business Administration-backed lender. McDougal faces 19 charges. Tucker 11 and Mrs. McDougal eight.

Testimony was expected to begin Tuesday, after Susan McDougal's attorney Bobby McDaniel gives his opening statement.

Jahn said everything about the loans appeared proper, but that because of plotting to overvalue property and determine who would get loans, the three broke the law, Jahn said.

"The fraud was in the lies told and the truth concealed," he said.

Clinton has called Hale's claims "a bunch of bull." Clinton is expected to testify in person, via videotape or by satellite for the defense, probably sometime in early April.

Before court convened Monday, McDougal said he declined an offer of immunity from the government in exchange for his testimony. Government lawyers denied making the offer.

Clinton, Hillary Rodham Clinton and the McDougals were partners in the Whitewater land development in northern Arkansas. The Clintons say they were only passive investors.

Opening statements were given to a nine-woman, three-man jury after US District Judge George Howard Jr. reinstated a black woman he said was improperly excluded by the prosecution.

Clinton served as governor of Arkansas before being elected US president in 1992.

Libya threatens French firms

TRIPOLI, Mar 12: Libya threatened French firms with retaliation and said it would serve French Foreign Minister Hervé De Charette for saying Tripoli was a "problem" with regard to terrorism, state television reported late yesterday, according to AFP.

The television quoted a Libyan parliamentary source as saying that representatives of French companies operating in Libya would be summoned and warned that Tripoli would be reconsidering a giant gas project involving French firms.

The project, said to be worth billions of dollars, could be postponed, the source said, adding that "the French government should realise very well that its economic interests in Libya were tied to its political positions on the Libyan Arab people and the Arab nation."

The unnamed source also said the Libyan parliament, the General People's Congress, would bring a law against the French government and specifically against the French foreign minister, for involving the name of Libya in so-called terrorism.

De Charette said on French television last Thursday that Libya, Iraq and Iran were problem countries on the question of terrorism.

But he defended the European Union's policy of "critical dialogue" with such states, criticising US demands that they should be isolated.

EU foreign ministers decided Saturday to send delegations to Libya, Iran and Syria to ask them to condemn acts of terrorism officially, ahead of next Wednesday's summit in Egypt on the problem.

De Charette said after the meeting in Palermo, Sicily, that Paris had proposed a draft European declaration for the summit, which would again single out Libya for attack.

The declaration brands as "unacceptable" statements by Libyan leader Moamer Gadhafi and the Libyan Jana news agency justifying recent bomb attacks by the Palestinian extremist movement Hamas in Israel as acts of self-defence.

Unemployment drops in US

WASHINGTON, Mar 12: Unemployment in the United States dropped to 5.5 per cent of the work force in February from 5.8 per cent in January, the Labour Department reported here Friday, according to AFP.

Analysts had predicted a February jobless rate of between 5.6 and 3.7 per cent.

The government said hourly earnings in February were down 0.1 per cent at 11.65 dollars following a revised 0.4 per cent in January.

Manufacturing employment increase by 26,000 in February after a 75,000 fall in January. Overall, non-farm employment was up 705,000 over January, when it fell a revised 186,000.

Katherine Abraham, Commissioner of the Bureau of Labour Statistics, said the February report reflected a "substantial gain in payroll following January's weather-related decline."

Much of the gain was led by an increase in employment in business services and computer industries.

Combined with January, the average monthly increase in jobs for 1996 is 259,000, she said.

More than half the increase in February was led by the service-producing sectors, the Labour Department said.

Service-producing employment increased 552,000 after falling 129,000 in January.

Government employment added 42,000 jobs in February, after losing 29,000 in the previous month.

Employment in the goods-producing sector increased by 153,000, after dropping 59,000 in January.

Construction employment rose by 121,000 jobs after falling 17,000.

In the separate household survey, the number of unemployed persons fell by 322,000 to 7.36 million in February. The civilian Labour force added 115,000 jobs to reach 133.02 million. Total employment rose by 437,000 jobs to 125.7 million.

New home sales in US up 4.2 pc

WASHINGTON, Mar 12: Sales of new homes in the United States defied predictions and surged 4.2 per cent in January to 693,000 units, the Commerce Department reported Monday, in another sign of recovering US economic momentum, reports AFP.

New home sales in December were up 0.5 per cent at 665,000 units.

The consensus forecast from Wall Street economists had been for new home sales to fall one per cent in December and to decline by a 3.5 per cent in January.

New home sales in November were down a revised 1.6 per cent, compared with an initial estimate of a 2.1 per cent fall.

For 1995 as a whole, 664,000 new homes were sold, down 0.9 per cent from the 670,000 units sold in 1994. It was the smallest annual total of home sales since 1992.

The government had been forced to delay the release of December and January data because a federal shutdown late last year brought on by a budget dispute between the White House and Congress.

Sales strengthened in all regions of the country in January except the northeast, the Commerce Department said.

The pattern was reversed in December, with sales down in all regions except for a strong rise in the northeast.



French traders pass orders (Monday) as the Paris stock exchange joined other European and world stock markets in a tumble and operators waited to see what would happen on Wall Street in the wake of 3 per cent nosedive on Friday. In Paris the CAC 40 index was down by 1.57 per cent at the opening and was off 2.08 per cent in the early afternoon to stand at 1,934.29 points as trading continued.

Taiwan draws up plan to ensure supplies to key industries

TAIPEI, Mar 12: Taiwan said yesterday it has drawn up a plan to ensure supplies to key industries and the armed forces in the unlikely event of a war with China, reports Reuters.

The plan, drawn up in response to mounting tensions with China, was announced as the island braces for Beijing's live-fire military exercises in the Taiwan Strait from March 12 to 20.

The ministry's Industrial Development Bureau (IDB) said it would choose some 500 raw materials and control their production and prices if the government announced an industrial mobilisation.

"We have discussed and prepared an industrial mobilisation plan to cope with the tensions between Taiwan and China," Ho Ming-Liang, the IDB's Deputy Director General, told Reuters.

"This is to ensure sufficient supplies of raw materials to both our key industries and for military use," Ho said.

The military would be given priority for its requirements once the mobilisation order is given.

The 14 key industries include steel, cement, cars, food, petrochemicals, media equipment, machinery, telecommunications, rubber, copper, aluminium, electrical engineering, plastics and daily necessities, Ho said.

Currently most manufacturers are operating at only 60 to 80 per cent of their production capacity, so we can call on them to expand to full capacity if there are urgent needs," he said.

Since Taiwan relies on imports of most raw materials, the rise in production would mean increased imports, Ho said.

Taiwan now imports more than 90 per cent of most commodities like corn, wheat and soybeans. Imports account for about 45 per cent of the island's raw steel.

The ministry held a meeting last Thursday and decided not to increase the island's strategic material reserves, including those of steel, oil, coal and grains, as stockpiles were sufficient.

China's military exercises in the Taiwan Strait from March 12 to 20 are reinforcing missile tests it is currently conducting in two sea areas near the island until March 15.

Beijing has viewed Taiwan as a rebel province since the nationalist government fled to the island after its collapse in the China mainland in 1949.

China has threatened to attack Taiwan if the island drops a pledge to reunify with the mainland and opts for independence. Taiwan says it does not want independence but Beijing does not believe this.

Chinese foreign minister Qian Qichen on Monday called Taiwan's first direct presidential elections scheduled for March 23 a plot to win independence.

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The huge fleet has clogged Montenegro ports and the government decided to put them on sale. Montenegro, whose coastline is no longer than 200 kilometers (125 miles), and Serbia are the only two republics that remained in Yugoslavia.

The yacht has been idle since the war started in 1991. The auction will be held Friday in the Montenegrin capital of Podgorica.

Tito's yacht to be put on auction

BELGRADE, Yugoslavia, Mar 12: A luxury yacht that belonged to Yugoslavia's late communist leader Josip Broz Tito will be put on auction for a starting price of 2 million dollars, Montenegro's government said Monday, reports AP.

The 118-meter (more than 120-yard) long yacht, Galeb (Seagull) was extensively used by Tito during his 35-year regime. It was also former Yugoslavia's main training ship for navy cadets.

It has 300 beds, two kitchens, a bakery, several luxuriously decorated salons, hairdressers and a small clinic. Its captain's log says Tito spent 324 nights on board Galeb, built 60 years ago. Tito died in May 1980.

Tito, who sailed with the yacht to Africa, Asia and South America, was well-known for his flamboyant lifestyle. He used Galeb to host cocktail parties for many foreign leaders and dignitaries.

Galeb and most of the former Yugoslavia's navy ships were swiftly transferred to tiny Montenegro from Croatian ports when the Yugoslav civil war started in the summer of 1991.

Shipping costs are bound to rise because of the high tension between China and Taiwan, and freight rates and insurance premiums will both go up if the crisis persists, industry officials said on Monday, reports Reuters.

Shipping executives around Asia said vessels have been warned to steer clear of waters around Taiwan when China's planned war games begin on Tuesday.

China began missile tests in the sea near Taiwan on Friday which were expected to last a week.

Beijing stoked the political temperature on Saturday by saying it would stage additional war games from Tuesday to March 20 in the Taiwan Strait, holding live-fire exercises.

Michael Farlie, director of the Hong Kong Shipowners' Association, told Reuters that if the military tests were to continue indefinitely shipping rates would have to increase.

Taiwan would add between eight and 10 hours of shipping time from Hong Kong to Kaohsiung, Taiwan's southern port, as ships avoid the military test zone.

China-Taiwan tension may raise shipping costs

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Rolls Royce pretax profit up 73 pc

LONDON, Mar 12: British jet engine maker Rolls Royce announced a 73 per cent rise in 1995 pretax profit on Thursday, mostly on income from asset sales and new profits from Allison Engine Co., reports AP.

Rolls Royce said pretax profit was 175 million pounds (about 269 million dollars), up from 101 million pound in 1994. Sales were 3,597 billion pounds, up from 3,163 billion.

Sir Terrence Harrison, chief executive of Rolls Royce, said that 32 million pounds of the profit gain was from the asset sales and another 30 million came from Allison Engine, which Rolls Royce bought in March 1995.

Harrison warned that while military orders looked encouraging in the near term they are beginning to thin out further ahead.

"Military projects are hellish expensive and I think governments are beginning to think again about whether they need to undertake some of their programmes."

Exchange Rates

Sonali Bank

The following are the dealing rates to public for some selected foreign currencies with Bangladesh Taka as on March 12, '96.

Table with columns: Name of Currency, Selling (T.T. & O.D., B.C., T.T. Clean, O.D. Sight, O.D. Transfer), and Buying (O.D. Sight, O.D. Transfer). Rows include US Dollar, GB Pound, D Mark, F Franc, S Franc, C Dollar, JP Yen.

W.T. (D.C.) US Dollar Spot Buying Tk. 40.7852

B) Usance Rate: 60 days 40.7852, 90 days 39.4955, 120 days 38.2058, 180 days 36.9161

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

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

Table with columns: Currency, Selling (T.T. & O.D., B.C., T.T. Clean, O.D. Sight, O.D. Transfer), and Buying (O.D. Sight, O.D. Transfer). Rows include S Riyal, U.A.E. Dirham, Kuwait Dineer, D Guilder, S Krona, Malaysia Ringgit, Singapore Dollar.

Janata Bank

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Janata Bank's selling and buying rates in cash currency for public

Table with columns: Selling, Buying, US DLR, GBP, S.Riyal, UAE.DH, Kw.Dinar.

\$800m Malaysian towers become tallest building in world

KUALA LUMPUR, Malaysia, Mar 12: The PETRONAS Towers became the tallest building in the world Monday, taking over from the Sears Tower in Chicago, says AP.

The identical towers reached a height of 451.9 metres (1,482.61 feet) above street level, 8.9 metres (29.19 feet) taller than the Sears Tower, when installation of pinnacles on top was completed, said a statement from the builders, Kuala Lumpur City Corp. Ltd.

The first 73.5-metre (241.14-foot) pinnacle was placed on PETRONAS Tower 2 on March 5 and the second on Tower 1 Monday, the statement said.

Prime Minister Mahathir Mohamad topped out the towers on Feb. 13 at the 88th story, the top level for offices.

The stainless steel pinnacles will hold beams to warn away aircraft. They were designed to allow window washing equipment to clean the external facade and cladding above the 88th floor.

Costing 2 billion ringgit (800 million dollars) the identical circular towers are owned mainly by the government's National Petroleum Corp. or PETRONAS.

Mahathir said at the topping-out ceremony that construction of the 1.7 million square-foot (18.36 million square-metre) towers was a feat since it often takes more than three years to complete 30- or 40-story buildings. The towers were completed in less than three years.

However, only the bare structure, floors and plastering have been completed. Cladding is still going on.

The building is scheduled to be completed by the end of the year and ready for occupation by PETRONAS and others in January 1997.