Iraq-UN oil talks to resume Apr 8

UNITED NATIONS, Mar 19: UN and Iraqi negotiators adjourned "oil-for-food" talks Monday until next month, and both sides said the issue of how to distribute aid to Iraqi Kurds was blocking a final agreement, reports AP.

"The ultimate decision is at the political level." chief UN negotiator Hans Corell told reporters after announcing the talks would resume here April

That means Iraqi President Saddam Hussein must decide whether to accept UN demands which his government has in the past rejected as an infringement on sovereignty.

The Security Council refuses to lift economic sanctions imposed after Iraq's 1990 invasion of Kuwait until the inspectors verify that Baghdad has stopped work on weapons of mass destruction and cooperated fully with

Those sanctions include a ban on oil exports. But the council has offered to allow Iraq to sell I billion dollars worth of oil every 90 days until international supervision to buy lood and medicine for its

ÛN spokesman Sylvana Foa said the two sides had made

to its former state of isolation.

said Kent Liu. Chairman of

Shanghai Taylor Food Co. in an

China's economy and for its

achieved through the hard

work of the last five to ten ye-

ars could turn to dust. If there

were a war. Taiwan economy

economy of the coastal areas of

tween South China, Hong Kong

due to start a third round of

war games on the southeast

coast on Monday, aimed at

warning Taiwan against moving

towards independence as it

prepares for presidential elec-

fension between Taipei and

Beijing are thousands of

Taiwan businessmen who have

showed Taiwanese signed in-

vestment contracts for 4.778

projects in China in 1995.

23.5 per cent fewer than in

investment rose by 7.1 per

cent to 5.77 billion US dollar.

although actual capital inflow

fell by 11.4 per cent to 3.0 bil-

lion US dollars, the figures

end of 1992, attracted like

other Taiwan investors by the

in Taiwan are few. China now

is like Taiwan when I was

tories, one in Beijing and one

in Shanghai, involving total in-

vestment of 3.065 million US

dollars with planned 1996

sales from the Shanghai plant

of 28 million yuan (3.37 mil-

lion US dollars), up from eight

million (960,000 US dollars)

more than 20 outlets in

Shanghai and directly to buy-

ers in four Chinese provinces.

He sells the icecream in

enormous market potential.

growing up," he said.

in 1995.

Liu came to China at the

"Investment opportunities

He runs two icecream fac-

In 1995 contracted Taiwan

invested in the mainland.

Caught in the middle of this

Chinese official figures

tions on March 23.

/ 1994.

and Taiwan would collapse."

would collapse, as would the

"The commercial links be-

China's armed forces were

That would be bad for

He added: "all that has been

interview.

ordinary people.

"considerable progress" during the latest round, which began March 11. A first round was

held in February. But the talks have so far failed to resolve the most contentious issue: how to distribute food and medicine to Iraqi Kurds who have been battling the Baghdad government for decades.

The UN offer requires that 130 million dollars to 150 million dollars of the food aid must be distributed to the Kurds. UN diplomats insist that it be clear the food is from the international community and not from the Iraqi government.

In an interview Monday with Dow Jones News Service. Iraqi chief negotiator Abdul Amir al-Anbari said UN officials objected to Iraq's plan to distribute aid to the Kurds through the government's ration programme in consultation with the UN people."

"But at the last minute. somehow they came with the idea that it would be the UN which would procure and distribute ... it free rather than use our rationing system," al-

Al-Anbari said that since the rest of the Iraqi people would have to pay a token amount for

food and medicine, distributing aid free to the Kurds would violate provisions requiring "equitable distribution."

He said the difference could not be resolved last Friday because UN Secretary-General Boutros Boutros-Ghali was abroad. UN officials said Boutros-Ghali, in Geneva, conferred Monday by telephone with Iraqi Deputy Prime Minister Tariq Aziz to arrange a new round of negotiations

next month. UN officials said the Iragis wanted to avoid any distribution system which questioned the "territorial integrity" of Iraq. The Iraqis argued that a separate distribution system for the Kurds would do just

"There is really only one basic issue, which is how to organise the distribution plan,"

al-Anbari said after the talks. Al-Anbari said he could not say whether the third round would be the last, nor whether any senior government officials would come to New York for the talks.

Corell called the distribution of food and medicine "a difficult issue."

"But I am confident that we will be able to find a solution to that issue as well," he said.

"You must realise the whole issue requires a decision at the political level, and this is what

we are waiting for." Earlier Monday, the chief UN weapons inspector, Rolf Ekeus, accused Iraq of a "pattern" of defiance by blocking his feam for entering suspected weapons storage sites five times in the past 10 days.

Ekeus briefed the council Monday on Iraq's recent moves to delay inspectors. He said his team was prevented on five occasions from entering suspected weapons sites. In each case, the Iraqis eventually relented and allowed inspectors to enter.

"I think it was a pattern." Ekeus said. "That is my judg-

He said no illegal weapons were found. At one site, however, smoke was seen rising from an incinerator, he said. Inspectors found grass inside. Ekeus said, but could not tell whether document had been burned there previously.

Ekeus insisted that the United Nations has the authority to inspect any location in Iraq suspected of containing proscribed weapons or docu-

Illegal immigrants' houses in Malaysia to be demolished

KUALA LUMPUR, Mar 19: The chief minister of Selangor state today ordered the immediate demolition of several hundred houses built by Indonesian illegal immigrants on government land, reports

"I'm reminding them that what's wrong is definitely wrong and action will be taken sooner or later." Muhammad Muhamad Taib told reporters.

He was responding to news reports Monday about mushrooming settlements built by Indonesian illegal settlements in Hulu Langat district, about 30 kilometers south of here.

Muhammad said illegal immigrants who built houses on agricultural land bought from locals would face stern action. including loss of the land. Asked how the Kampung

Malindo residents obtained electricity, water and telephone lines, state Executive Councillor Zainal Abidin Ahmad said only one official's signature is required to receive such services.

"In this case, we cannot rule out the possibility that the signatures on the application forms could be forged," added Zainal, a state assemblyman.

There are about 800,000 foreign workers with work permits in Malaysia, as well as 300,000 illegal immigrants.

The economic boom has caused a worker shortage in Malaysia.

Business briefs

BANGKOK, Mar 19: That Airways International PCL. Thailands national carrier, said Tuesday it plans to purchase six B777-300 aircraft from

lion baht (1 billion US dollars). was signed in March 1996. However, Thai Airways is awaiting cabinet approval for the purchases, as well as the green-light from its shareholders.

The first delivery is scheduled for August 1998, with further deliveries in October 1998, October 1999, November 1999, October 2000 and

said it is planning to standard ize its fleet.

Northern Territory's top official says he will meet Indonesia's president Suharto for trade talks in Jakarta, probably next week.

Chief Minister Shane Stone said the talks would center on the 230 million US dollars (300 million Australian dollars) worth of trade between the Northern Territory and Indon-

Minister, has met President Suharto since his election as chief minister in May last year.

ADELAIDE, AUSTRALIA: South Korean car producer Daewoo has confirmed plans to buy more Australian-made engines with moves to lift its total order to 1.5 million units

The company has been buying engines produced in Melbourne by the Holden Engine Co. (HEC) since 1991.

four-cylinder power plants would have been installed in Daewoo cars. But it said it expected that

number to grow even faster over the next four years, with the total likely to top 1.5 million by 2000. This year alone the value of

lion US dollars (250 million Australian dollars). Some of the engines exported to South Korea also return to Australia with the

Espero using the 2.0 liter ver-Since its local launch last year more than 2,500 Esperos

Local Daewoo officials have also declared the company on target to sell 15,000 vehicles in Australia this year after a

strong

Hull said the performance so far this year, together with Daewoo's strong launch in New Zealand recently, confirmed manufacturer's

performance in

strongest performing regions. WELLINGTON: Mobil Oil Co. has collected 2.6 million gallons (10 million liters) of uses motor oil since it began its recycling programme five years

The company has been running an oil-recovery programme through its service stations, and the 10 million

Mobil public affairs advisor Rowan Macrae said the company started the programme to encourage growth of an off-reprocessing industry and to protect the country's ecology.

The oil is reprocessed into a commercial fuel oil for heating and is marketed to a range of industrial users. Contaminants and additives are removed, leaving a recycled product that is cheaper to buy

TOKYO: Japan's NEC Corp one of the world's top hightechnology companies, is considering a joint venture in Russia to produce telephone switching devices.

Loan scandal in Japan

Authorities raid failed credit union

TOKYO, Mar 19: Tokyo prosecutors raided a bankrupt credit union and the home of its former president seeking information on alleged, illegal loans that may have contributed to its failure, news reports said Tuesday, according

Police and officials from the Tokyo District Public Prosecutors Office raided Cosmo Credit Corp., the largest credit union in Tokyo and the fifth. largest in Japan. The raid came after the

Tokyo Metropolitan government filed a breach of trust complaint Monday against its former president. Sampachi Taido, the reports said. Hiroaki Kojima.

spokesman for the Bureau of

Labour and Economic Affairs at

the metropolitan government

confirmed Tuesday that the complaint was filed. Police and prosecutors refused to comment on the ac-

National broadcaster NHK showed film of authorities entering Cosmo's headquarters Tuesday morning.

The credit union suspended operations in August after depositors rushed to withdraw their money following a newspaper report describing financial difficulties it was experi-

The collapse of the assetinflated bubble economy of the late 1980s left the institution with some 235 billion yen (2.22 billion dollars) in bad loans, mostly in real estate.

A spokesman for the Tokyo government quoted Governor Yukio Aoshima as saying in a statement he strongly hopes the truth concerning the credit union's operations as well as the responsibility of its management can be successfully investigated and ascertained through the raids. The Tokyo government has jurisdiction over Cosmo.

Under a national government plan to dissolve the credit union devised shortly after it ceased operations. Cosmo is to be taken over next week by a special institution set up last year to handle the operations of two other failed Tokyo credit unions.

Last week authorities in Osaka raided the defunct Kizu Credit Union, Japan's largest, as well as the home of its former president.

Japan's banking system has been reeling under the weight of an estimated 40 trillion ven (377 billion dollars) in bad

to build LNG

plant in Qatar

US, Japanese firms

DOHA, Qatar. Mar 19: The Ras Laffan Liquefied Natural Gas Co. said Monday it has awarded a one billion dollar contract to build an LNG plant to the JGC Corp. of Japan and M W Kellogg Co, of the United States, reports AP.

The export plant will have a capacity of about five million metric tons a year, the Qatari company said in a statement.

· Ras Laffan LNG Co. said it has executed commitment letters with several international banks to partly fund the plant. With the support of export credit agencies, the banks will finance up to 75 per cent of the project.

Work on the plant is scheduled to begin fater this month, with the first shipment of gas scheduled for August

The Qatari company is 70 per cent-owned by the state. with the remainder owned by a unit of the Mobil Corp.

It is one of two, giant LNG projects in Qatar. The other, the Qatar Liquefied Gas Co.. will be commissioned later this year and produce 10 mil-

lion metric tons of LNG a year. The JGC and Kellogg, which is a unit of Dresser Industries. are large engineering compa-

breweries account for only 14

per cent of the highly frag-

mented market, with 800 re-

gional brewers scattered

up its economy, is also another

market with potential, the re-

biggest beer market, per

capita consumption already

stands at 65 liters. The

Japanese market, dominated

by local brewers, is worth 38

billion dollars a year, the re-

Oil tanker strike

in Pakistan

Myanmar, which is opening

In Japan, the world's fourth

across the vast country.

port said.

port said.

China set to become world's top beer guzzler by 2000

SINGAPORE, Mar 9: Newly affluent Asians are fuelling growth in the global brewing industry, with China set to become the world's top beer guzzler by 2000, a regional industry convention was told here yesterday, reports AFP.

"The Asia-Pacific region is clearly the focus of tremendous growth for those in the brew drink industry," said Ton Blum, General Manager of Singapore-based Asia-Pacific Breweries Pte Ltd.

Edward Liu, an organizer of the convention showcasing the latest brewing technology, said Asia now accounts for 20 per cent of world beer consumption, with most countries in the region registering doubledigit market growth rates.

The Chinese beer market, already the world's second largest beer market after the United States, has been growing at an annual average of 22 per cent since 1983, he said. It is forecast to be the

world's largest market by 2000, when consumption is forecast to reach 25 billion liters, he said.

This is in stark contrast to

Asian brewers are furiously expanding on their own or through joint venture's to quench the region's thirst, with Western brewers and equipment makers joining the

In South East Asia, according to an industry journal, Sin-

consumption is nine liters, while Vietnam's is only half that figure, according to a report on the beer convention in the monthly Asia Pacific Food Industry Magazine.

China's per capita consumption was still a low 12 liters in

More than 50 foreign brewers are fighting it out in China, where the top 10 local

enters fourth day KARACHI, Mar 19: Pakistan's tanker truck drivers took their strike into a fourth day today and their leader said oil

products and vegetable oils were running short throughout the country. ."Their is a general shortage of palm oil, soyoil, petroleum products, fuel oil and furnace oil in almost all of Pakistan."

Mir Mohammad Yusuf Shawani. Chairman of the Oil Tankers Association of Pakistan, told

Officials could not immediately be reached for comment on the strike's impact.

The association, representing an estimated 42,000 drivers, called the strike to press the government to raise transport charges to compensate for recent increases in prices of diesel, tyres and

Shawani said the strike had cut the supply of edible oils and oil products to the capital Islamabad and other big cities such as Lahore, Peshawar, Rawalpindi, Quetta, Faisalabad,

An official at the Karachi Port Trust said at least six vessels carrying gas oil, other petroleum products and palm oil, were due to unload in the

said their own filling stations were still being supplied.

A government official said the Oil Tankers Association had been asked to send representatives to Islamabad for talks, with ministry of petroleum and natural resources

Yemen to boost

New production from the Jannah and East Shabwa blocks will add 50,000 BPD to present output of about 350,000 BPD, the Middle East Economic Survey (MEES) said

ment would help offset the decline in production from existing fields, and consolidate Yemen's reserve base.

The Jannah block is operated by a consortium of the US companies Hunt and Exxon, Total of France, Kuwait Foreign Petroleum Exploration

This concession will produce 30,000 BPD. The East Shabwa block will account for 20,000 BPD, and is operated by a joint venture of total Yemen, an Australian-US firm called Comeco Petroleum.

Dollar up against major currencies in NY

NEW YORK, Mar 19: The dollar rose against most major currencies Monday during sluggish trading bolstered late in the day by a spurt in US stock and bond markets, reports AP.

The dollar ended slightly higher against the German mark and Japanese yen amid economic and political signals similar to those of last week. when traders lacked a clear direction to base their strate-

aided Monday by a 98-point rise in the Dow Jones industrial average which closed at a record high 5,683.60. But market watchers also said Wall Street's performance was not as important as the relative strengths and weaknesses of the German and US economies along with a change in trade

Ernest Welteke, a German monetary official, noting the lack of strength in his coun-

KL plans, to permit army buy more tanks, copters **KUALA LUMPUR, Mar 19:**

Malaysia's 1996-2000 eco-

weapons systems and mobility. the army was still in an early stage of transition from a counter insurgency force to a conventional force with a respectable capability to defend the country, he said.

looked at various offers with attractive packages that include technology transfer and offset programmes, he said. Bidders include companies from Poland, Switzerland, Slo-

vakia and South Korea. Prime Minister Mahathir Mohamad is to unveil the

mentary session. Syed Hamid said the air

27 ships.

try's economy, raised the pos-

The dollar's rise against

helped the dollar.

gies on.

Analysts said the dollar was flows with Japan.

nomic plan will given the army more money to buy tanks, armoured personnel carriers. helicopters and other equipment, Defense Minister Syed Hamid Albar said Monday, re-In terms of firepower,

For battle tanks, "We have

1996-2000 Seventh Malaysia .Plan at next month's parlia-

force's development programme was nearly complete. while the navy's modernisation was on track with orders for two missile frigates from Britain and two Italian made corverttes. The government also is committed to the patrol vessel project to build up to

the plateauting performance by most European countries." Liu

gapore has the highest per capita annual beer consumption at 30 liters, followed by the Philippines at 25 liters. Thailand's per capita beer

1994, it said. The report said China was lion dollars worth of alcoholic drinks by 2000. Beer now accounts for 41 per cept of all alcoholic drinks sold there.

sets and currency less attractive to investors, so his statements hurt the mark and

the yen was abetted by a drop in the Japanese trade surplus with the United States in February. Traders interpreted the decline as a sign that efforts to get more US imports into Japan are succeeding. Also, the continuing tensions between China and Taiwan made the dollar a safe

haven vs. the yen. "There is a slight upward trend developing in the dollar," said Randolph L. Donney, director of capital markets research for the Pegasus Econometric Group. But it's been a fairly lethargic kind of market.

By 4 p.m (2100 GMT) in

New York, the dollar was

quoted at 105.99 Japanese

yen, up from 105.93 yen late Friday, and 1.4753 German marks, up from 1.4725. Welteke said Germany could use lower rates to spur investment and job growth in the country, which is suffering from its worst unemployment levels since World War Il. But he equivocated about whether the German central bank actually would lower rates. Analysts

"Generally, they are teetering on recession while we're still moseying along in moderate growth. All those things work in the dollar's favour. Donney said. Meanwhile, the Japanese

have been expecting the move

for several weeks.

government announced Monday is merchandise trade surplus fell for the eight straight month in February, dropping 46 per cent to dlrs 6.13 billion as exports declined for the first time in three years. The imbalance with the United States, Japan's largest trading partner, fell 29 per

cent.

Donney noted that Japanese interest rates are very low and trade continues in the Far East despite Chinese military exercises in the area around Tai-"All that bodes well for dol-

lar-yen," Donney said. Other late dollar rates in New York, compared with late Friday: 1.1900 Swiss francs, up from 1.1855; 5,0470 French francs, up from 5.0430; 1.561 Italian lire, down from 1,562; and 1.3690 Canadian dollars. up from 1.3636 dollars.

The British pound was quoted at dirs 1.5225, down from dlrs 1.5265.

sibility of an interest rate cut there eventually. Lower interest rates make a country's as-

spare parts.

Hyderabad and Multan.

next three days. Traffic was thin in Pakistan's biggest city and economic hub, Karachi, where many petrol stations have run dry, but executives at Pakistan state oil, Shell Pakistan and Caltex

officials.

crude oil output to 400000 BPD by '97

NICOSIA, Mar 19: Yemen will boost its crude oil output to 400,000 barrels per day (BPD) by early 1997 with the development of two fields. Nicosia-based newsletter said Monday, reports AFP.

It added that the develop-

Company (KUFPEC) and the Russian firms Machinoexport and Zarubzhgeologia.

the US firm Unocal Middle

Myung on Monday after signing an accord on increasing bilateral economic cooperation in Seoul. Moussa arrived here Sunday for a three-day official visit. Trade between Egypt and South Korea stood at 585 million dollars in 1995. Despite establishing diplomatic relations with Seoul, Egypt has maintained close ties with North Korea. -AFP/UNB photo Investor worried GM Corpn strike: Negotiations at China-Taiwan seem picking up momentum deteriorating relations DAYTON, Ohio, Mar 19: worker Bram Lanier, 56, of Bethlehem Steel Corp." Burns SHANGHAI, Mar 19: A Franklin. "When They're talk-Workers walking the picket Harbor, Indiana, mill to halt Taiwan businessman who has lines at two General Motors ing, they're talking and there shipments because of the invested in two factories in has to be something good Corp. brake plants Monday strike, and Caterpillar Inc. China said on Monday a war were pleased that negotiations coming out of the talks. which makes engines for GM between the Communist main-Joe Hasenjager, president seem to be picking up momensaid it will temporarily lay off land and Taiwan could destroy of striking United Auto Work tum, reports AP. 115 workers. the work of the past 10 years ers Local 696, said during a "Negotiations are lasting The closings resulted in the and make Beijing turn its back break that negotiators were longer and longer," said Ron lost production of 93,000 GM on the world, reports Reuter. Manos, 52, of Cincinnati. determined to resolve the discars and trucks last week, the "If there was a war. China pute. The strike has focused "Maybe a settlement will come industry journal Ward's Autowould face economic sanctions primarily on outsourcing pretty quick. motive Reports said. from the international combuying parts from outside The strike by 2,700 workmunity and China would return ers at the two Dayton plants

Egyptian Foreign Minister Amr Mahmoud Moussa (L) shakes hands with South Korean Foreign Minister Gong Ro-

manufacturers to reduce labour

"We're committed. I think both sides are," he said. "We'll continue to meet until we can resolve the issues.

don confirmed talks were continuing but declined to comment further.

ing the talks. The effect of the strike has

and production costs." "These are the guys out GM spokesman Jim Hage-

During a visit to New Orleans, President Clinton said federal mediation was not the solution to the strike as long as both sides were negotiating in good faith. Clinton, in a radio

interview with the Louisiana Network, said he was monitor-

spread to some of the companies that supply the world's largest automaker. GM told

more than 1 million people who fled the country during the war to return. "There is a lot that they too can con-

tary dictatorships that made Sierra Leone one of the world's poorest countries and prompted the civil war. The war has claimed more than 10,000 lives, and at least one-third of the country's

Some members of UAW Local 499 in Muncie, Indiana, and from UAW Local 600 in Milan, Michigan, came to Dayton Monday to show support for the strikers.

here suffering," said Pat Murphy, president of Local 600. which represents 1.250 Ford workers. "They're taking on the whole world for us. The union says outsourcing

could eliminate GM jobs. The company says it must continue the practice to stay competi-GM outsources about 30 per cent of its parts. Financial analysts have warned that is not enough, putting GM at a longterm competitive disadvantage

. Chrysler outsources about 70

talking seems to be good," said per cent. Band together for economic stability, urges Sierra Leone president-elect

FREETOWN, Sierra Leone. Mar 19: Hours after his election. Sierra Leone's presidentelect appealed Monday to war refugees to return home and urged citizens to band together for peace and economic

stability, reports AP.

has crippled the automaker's

North American operations

and idled about 150,000 GM

were closed Monday, leaving

only four of the company's 29

assembly plants operational

Seventeen parts plants are also

shuttered, and nearly 70

others are partially affected.

including at least 10 more

hours Friday and another 12

hours Saturday. A marathon

session began at 9:30 am Sun-

day and was still continuing

Monday evening, passing the

"The mere fact that they're

The talks went on for 10

added to the list Monday

36-hour mark.

Two more assembly plants

While welcoming foreign aid, Ahmed Tejan Kabbah said the real responsibility lies with the people of Sierra Leone, a once-prosperous country destroyed by civil war and decades of corruption.

"With Sierra Leone's wealth

in human and material re-

sources, I see no reason why

the ingenuity, talent and drive of our citizens should not be utilized to create a new society." Kabbah said in a statement to be read later on state radio. Late Sunday, Kabbah, leader of Sierra Leone's oldest political party, was declared the winner of a presidential runoff held Friday. Kabbah. 64, re-

ceived 59.4 per cent of the

votes to defeat John Karefa-

Smart. The two were forced

into the runoff after, being the

top vote-getters in the first round of voting Feb 26-27. Kabbah, a British-educated

lawyer and longtime United Nations official, was favored to win based on the popularity of his Sierra Leone People's Party. which was formed in 1952 when the West African country was still under British colonial rule. Neither he nor the dozen

other original candidates offered much in the way of specific ideas on how to salvage Sierra Leone, except -to promise an end to the five-year rebel insurgency and an improvement of the economy. In his address Monday. Kabbah said his government

would continue attempts launched by the outgoing military regime to bring the rebels to peace talks. On Sunday, the military government claimed the rebei army had agreed to an immediate cease-fire and future peace talks, although there was no confirmation from the rebels. Kabbah urged the rebels to accept his election, despite

their opposition to the vote saying they had a "duty" as citizens of Sierra Leone to help rebuild the country. He also appealed to the

tribute. They have nothing to fear," Kabbah said. The outgoing military ruler Brig Gen Julius Maada Bio. is to hand power to Kabbah within 14 days, ending nearly 20 years of civilian and mili-

4.5 million people have been forced to flee their homes. The civil war began in 1991. when rebels took up arms against the civilian government, which had installed a one-party state in 1978 and was accused of driving the economy to ruins through corruption and bad management.

US-based Boeing Co. The deal, worth 26.25 bil-

November 2000. Thai Airways has previously

DARWIN, AUSTRALIA: The

esia. mostly with the country's eastern provinces. The trip will be the first time Stone, a former Northern Territory Asian Relations

by the turn of the century.

It said by the end of this year more than 600,000 of the

the Daewoo business to HEC was expected to top 192 mil-

have been sold to Australian

Australia as one of the South

liter was recovered Monday.

than virgin fuel oil.

The new company would produce switching devices that could handle 300,000 circuits a year.