

Yeltsin lifts
restriction on
oil companies

MOSCOW, Nov 5: President Boris Yeltsin on Tuesday lifted a five-year restriction that limited foreign investment in Russia's oil companies to 15 per cent, reports AP.

Yeltsin's decree comes as the government is planning major privatisation sales of state oil companies and it opens the way for major foreign investment.

The decree, released by the President's press service, annuls the section of a November 17, 1992, presidential decree prohibiting foreigners from buying more than 15 per cent of Russian oil companies.

A privatisation sale of Eastern Oil has been scheduled for later this year. The government also plans to privatise Rosneft, Nors-Oil and Tyumen Oil.

Training course on garments industry held

Speakers at a function here Tuesday underscored the importance of human resource development programmes, especially for the youths, to ensure proper application of modern technology for accelerating the country's economic growth, says BSS.

They suggested proper utilisation of the technology to tap full potentials of the country's resources by upgrading the skill and said human resource development programme had no substitute in this regard.

Strict maintenance of quality, proper study on market and social condition and providing the consumers with accurate information are some of the criteria to accelerate export, they told a Bangladesh-Japan training course on "Management of garments industry" at a city hotel.

Inaugurating the week-long course as chief guest, State Minister for Youth, Sports and Cultural Affairs said the government had already taken various measures for the development of youth force in the country. At present, he said, two crore youths out of the total four crore are unemployed.

Quader called upon the Japanese government to intensify its programmes to impart training to the unemployed youths so that they could be self-employed.

Organised under the joint auspices of the Association for Overseas Technical Scholarship (AOTS), Japan, Zuki Corporation, Japan Zuki Singapore, Zuki Bangladesh.

Japan External Trade Organisation (JETRO) and Bangladesh AOTS Alumni Association (BAAS), the opening ceremony was attended by Shigebaru Maruyama, Minister, Embassy of Japan in Dhaka, as the special guest. JETRO representative in Bangladesh Yuichi Bamba, AOTS representative Dr AKM Moazzem Hussain, BAAS President ARS Md Anwarul Haq, Zuki Bangladesh Chairman M Zakaria Bhuiyan and Zuki Bangladesh Managing Director Saito also spoke.

Fifty people from different garment industries are participating in the course being conducted by Japanese experts Kimio Homma and Hiroshi Akaya.

EU may take up \$466m plan to boost job creation

BRUSSELS, Nov 5: A plan to use 420 million ECUs (466 million dollars) from the European Union budget to boost job creation by small companies will be put to EU governments here Wednesday, officials said yesterday.

The plan, drawn up by Finance Commissioner Yves-Thibault De Silguy, involves making capital available for investment by small high-tech companies. The promotion of cross-border joint ventures and a guarantee fund that would make it easier for start-up companies to raise funds from private banks.

The input from the EU's 90-billion-dollar annual budget would be spread over three years, starting in 1998.

The proposals, which are expected to prove controversial with EU states like Germany which argue job creation is a matter for national governments, are to be debated at an extraordinary meeting of EU finance ministers here.

The talks are designed to prepare the November 20-21 summit of EU leaders devoted to producing concrete initiatives to cut the bloc's 18-million jobless total.

The ministers will also review the commission's overall guidelines for a new EU job creation strategy.

These call on EU governments to commit themselves to the goals of every unemployed adult to be offered a job or training place within 12 months of becoming jobless (six months for the youth unemployed) and for the reform of social security systems to encourage people currently dependent on benefits to take up work.

G-15 summit ends: Leaders to meet again in 6 months

Call to adopt new rules on global currency trading

with poor countries also was contained in the final summit declaration by officials from

Next summit in Cairo

KUALA LUMPUR, Nov 5: The Group of 15 developing nations ended its annual summit Wednesday by saying it would meet again in six months to discuss the world's complex currency and market turmoil and its effects on G-15 economies, says AP.

The three-day meeting in Malaysia, which often focused on Southeast Asia's economic crisis, produced a five-page statement urging the world to consider adopting rules that could make volatile swings in currency and stock markets less likely.

"What is happening in Southeast Asia can happen in Senegal or elsewhere," said Senegal's Foreign Minister Moustapha Niasse.

All currencies are in some manner linked to the dollar, and "when the almighty dollar catches a cold, the other currencies sneeze," said Nigerian Planning Minister Ayu Ogunlade.

The final declaration appeared to support longstanding claims by the conference chairman, Malaysian Prime Minister Mahathir Mohamad, that global traders sometimes team up on countries such as his to profit by weakening their currencies in wild trading.

"For some reason or other, the West has resisted any change in rules of currency trading," Mahathir said in a closing speech.

A claim that rich nations often are unfair in their dealings

with poor countries also was contained in the final summit declaration by officials from

Next summit in Cairo

KUALA LUMPUR, Nov 5: The Group of Fifteen (G-15) developing countries will hold its next summit in Cairo in May next year, Malaysian Prime Minister Mahathir Mohamad announced today, says AFP.

He told a news conference at the end of the Group's seventh summit here that the Cairo talks will be followed by a summit in Jamaica in February 1999, and that the leaders may meet in between because of pressing economic issues.

There had been proposals for the group to meet less frequently because of poor attendance by leaders.

Apart from Mahathir, only five other heads of state or government were able to make it to the Kuala Lumpur talks.

The G-15 includes Algeria,

Argentina, Brazil, Chile, Egypt,

India, Indonesia, Jamaica,

Malaysia, Mexico, Nigeria,

Peru, Senegal and Venezuela.

Zimbabwe, Kenya was formally admitted Monday as the 16th member.

The G-15 also will push for detailed talks with the Group of Seven developed nations to convey their concerns. Mahathir said French President Jacques Chirac, the current G-7 chairman, already has agreed in principle to such talks.

Sharp falls in the currencies

and stock markets in countries

such as Thailand, Malaysia and

Indonesia have set back ambitious expansion programmes,

weakened their economies and

led to painful IMF-backed

balloon programmes in Thailand and Indonesia.



AKM Nozmul Haque, Managing Director of Rupali Bank Limited, addressed the branch managers' conference of Faridpur Zone held recently.

ESCAP director predicts Currency crisis may spread in Asia

MANILA, Nov 5: The currency crisis that has battered Southeast Asia in recent months could spread to the rest of Asia and the Pacific, and government should re-examine policies that have caused the turmoil, an UN official said Wednesday, reports AP.

"There is no question that it's going to create social trouble and it's our job to imagine, to examine what will happen ... and to get the governments to take various forms of prescriptive remedial action even in advance," he said.

He said the economic downturn that has resulted from the currency crisis will increase the number of impoverished people in Southeast Asia, but it will not have a "massive impact on the poverty situation" in the rest of the region. He cited the millions of still unaffected poor in South Asia and China.

One effect of the loss of jobs from the crisis is that people will look for employment abroad, and this migration could help spread ill health as AIDS and drug abuse, he added.

Van Roy said the causes of the currency crisis are still being examined, but he indicated opposition to the view in some sectors that the "fundamentals" of the Asian economies are sound.

"In Asia, they are not all that great," he said, citing widespread real estate speculation and the "free and easy attitude" toward corruption in government, which has led to policies that favor certain groups.

Currency turmoil in SEA India's diamond export may be affected

BOMBAY, Nov 5: India's exports of cut and polished diamonds will be hit by the currency turmoil in Southeast Asia, a government official said here yesterday, reports AFP.

"We will not be able to meet this year's target due to the recession in Japan as well as troubles in Thailand and other countries of the region," said SS Kulkarni, Secretary of the state-run Gem and Jewellery Export Promotion Council.

India imports small-size rough diamonds cuts and polishes them in thousands of shops across the country and then exports them all over the world.

India leads the world in the processed diamond trade. It has a 70 per cent share by volume and 40 per cent share by value.

Processed diamond exports accounted for about 15 per cent of all Indian exports in the fiscal year to March 1997.

Diamond exports totalled 4.2 billion dollars in the fiscal year to March 1997. New Delhi had set a target of 4.7 billion dollars for the fiscal year to March 1998.

Diamond trader Sanjay Kothari said the currency turmoil in Southeast Asia had come at a most "inopportune time" for the Indian diamond industry.

The United States imports about 32 per cent of India's processed diamonds. Hong Kong 23 per cent, Japan 11 per cent, Thailand about five per cent while other countries make up the rest.

India leads the world in the processed diamond trade. It has a 70 per cent share by volume and 40 per cent share by value.

IMF urges govt

Merge or close down sick financial institutions

The International Monetary Fund has asked the government to merge or close down the non-performing financial institutions as a measure to rectify the weak banking system, says UNB.

"Greater access to developed country markets, capital and technology is required to further facilitate our already significant contribution to the global economy," it said.

The Group of 15 had not been scheduled to meet again until November 1998 in Jamaica. But at the suggestion of Egyptian President Hosni Mubarak, it decided to meet in May in Cairo.

There it said, it would consider asking the World Bank and the International Monetary Fund to consider trading rules that would protect fragile economic systems when they begin to open to overseas investment and reduce tariffs to allow more imported goods.

The G-15 also will push for detailed talks with the Group of Seven developed nations to convey their concerns. Mahathir said French President Jacques Chirac, the current G-7 chairman, already has agreed in principle to such talks.

While issuing a note of warning that the government risks "substantial slippage" in budget implementation, the IMF said the overall deficit may exceed the target by more than 1/2 percentage point of GDP in 1997-98.

Significant fall in tax revenues and an increase in government expenditure due to

implementation of the national pay scale have been blamed by the IMF for the widening budget deficit.

It said despite the fact that an unusually large increase in agricultural production helped support relatively favourable output and inflation performance in 1996/97, industrial activity and investment remained subdued.

The IMF statement further observed that the attendant stagnation of imports, together with a gradual recovery of exports, helped contain the decline in official reserves.

"But a stronger and more broadly based expansion of out put and investment could be jeopardised by inflation and balance-of-payments pressures," it mentioned.

The IMF welcomed the recent increases in petroleum and fertiliser prices and water and electricity tariffs, but said additional increases were required to eliminate the losses of the affected public enterprises.

To prevent further crowding out of credit to the private sector, the IMF said prompt measures are called for to arrest and, in time, reverse the building of government debt to the banking system.

About reprivatising public expenditure, it said social expenditures and poverty-alleviation programmes, which benefit a majority of the population especially in the poorer rural areas, should be protected and a timetable for an ambitious programme of trade reform.

Court rejects fresh bail appeals by 3 Tata Tea officials

NEW DELHI, Nov 5: An Indian court Tuesday rejected fresh bail appeals by three top tea executives over their alleged links with tribal separatists in the far-eastern state of Assam, the Press Trust of India said, reports AFP.

The court, after rejecting the petitions of Tata Tea Managing Director Krishna Kumar, Director Sayeed Kidwai and Consultant K. Sridhar, ordered them to personally appear when their trial opened on Friday.

The three executives had earlier secured anticipatory bails, a provision in the Indian judiciary which allows advance protection to a suspect against possible arrest and imprisonment.

The Assam High Court said it would have no take action against the three since India's Supreme Court had ordered that their anticipatory bails should not be cancelled until November 7.

Police in Assam alleged tea firms including Tata Tea had been paying protection money to the Liberation Front of Assam (ULFA) separatist guerrillas, who are fighting a protected campaign for Assam's independence from India.

Tata Tea has refused the allegations, and accused the police of failing to control the ULFA's separatist drive in Assam, a tea-growing hilly region on the border with Bangladesh.

The police believe the ULFA has forced tea companies to pay at least 60 million dollars in recent years, during which time several tea executives have been abducted.

Tata Tea controls a quarter

of India's annual production of 780 million kilograms (1.716 million pounds).

Dollar higher against yen in Tokyo

TOKYO, Nov 5: The dollar edged higher against the yen, on Wednesday, reports AP.

In late afternoon, the dollar was trading at 122.08 yen, up 0.44 yen from late Tuesday in Tokyo, but slightly below its late New York level of 122.15 yen overnight. It ranged between 121.80 yen and 122.19 yen in Wednesday's trading.

Traders said the dollar's strength was partly based on a view among traders that Japan's government is unlikely to take strong steps to stimulate growth with tax cuts because it has promised to trim the nation's budget deficit.

Also making the yen less attractive was a suggestion by Japan's central bank governor, Yasuo Matsushita, in a seminar that the bank will keep its record-low interest rates to help the nation's economic restructuring.

The official discount rate, the key lending rate charged by the Bank of Japan for loans to commercial banks, now stands at 0.5 per cent.

The yield on the benchmark No. 182 10-year Japanese government bond fell to 1.595 per cent from 1.610 per cent Tuesday, driving its price up to 109.81 yen from 109.70 yen.

Shipping Intelligence

CHITTAGONG PORT

Berth Position and Performance of Vessels as on 5.11.97

Birth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Leaving Arrival
J/1	Banglar Maya	GI/GL	Male	BSC	30/10 5/11
J/2	Lyong Gun	GI/(COPRA)	Sing	OSA	25/10 6/11
J/4	Bong	Cement	Lans	Delmure	12/08 13/11
J/6	Sea Horse	GI (COPRA)	Sing	Seacom	31/10 9/11
J/7	Banglar Asha</td				