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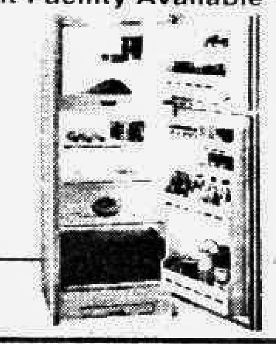
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Cambodia seeks full ASEAN membership

PHNOM PENH, Mar 6: The Cambodian government asked the Association of Southeast Asian Nations on Friday for full, formal admission into the regional group as soon as possible, says AP.

In a meeting with ambassadors from ASEAN countries, Foreign Minister Hor Nam Hong requested an admission ceremony for Cambodia as promised at the close of the group's December summit in Hanoi, according to a statement.

After disagreement among members on approving immediate admission at the summit, ASEAN countries compromised by stating that Cambodia had been accepted but that a date for the ceremony had not been set.

Wary of Cambodia's tumultuous past, several ASEAN members argued that a November coalition deal between former bitter enemies Prime Minister Hun Sen and National Assembly president Prince Norodom Ranariddh must be fully completed before full admission.

A key outstanding clause in the deal was the formation of a new upper house of parliament, or Senate, which was approved Thursday by the National Assembly.

"Now Cambodia, with no doubt, deserves its rightful participation in ASEAN," Hor Nam Hong told the ambassadors, the Foreign Ministry statement said.

Cambodia was initially scheduled to join ASEAN in 1997 along with Myanmar and Laos, but Hun Sen ousted Ranariddh as his co-premier in a bloody coup a few weeks before the admission ceremony.

Intergroup Far East liaison office opens in city tomorrow

Intergroup Far East Limited, as part of its expansion strategy in the Far East, is opening a liaison office in Dhaka.

The opening ceremony will take place tomorrow.

Patrizia Rosi, as Area Manager for Bangladesh, will manage the office, says a press release.

Rosi has a profound experience both from the wholesale business in Europe and from procurement activities in the Far East.

Intergroup Far East Limited (IGFEL) is a service organisation providing sourcing, order follow-up and quality control functions in non-food products for Scandinavian, Italian and Spanish cooperatives retailers.

IGFEL is a fully owned subsidiary of Intergroup A.m.b.a. in Denmark, which in turn is owned by Coop Italia in Italy, FDB in Denmark, Grupo Eroski in Spain, KF in Sweden, NKL in Norway as well as Tradeka in Finland.

All these companies are leading Hyper and Supermarket operators in their respective country, with a combined turnover of more than $20 billion.

Intergroup Far East Limited has its head office in Tsim Sha Tsui, Kowloon in Hong Kong but operates all over the Far East through liaison offices in Dhaka, New Delhi, Surabaya, Karachi, Bangkok and Ho Chi Minh.

New president of BCMA

Ahmed Akbar Sobhan has been unanimously elected president of Bangladesh Cement Manufacturers Association (BCMA).

The election was held at a meeting of the association held at Dhaka Club in the city on Thursday, says a press release.

Ahmed is the Managing Director of Meghna Cement Mills Ltd and Chairman of Bashundhara Group.

The meeting also elected Group Captain Shamsul Alam, Bir Uttam (Retd), Director of Confidence Cement, and Abdul Matlub Ahmad, Managing Director of Niloy Cement, vice presidents.

It also elected A K M Muhituddin, Executive Director of Modern Cement, treasurer of the association.

The elected executive committee members are: Shahidul Haque Bulbul, Director of Chittagong Clinker Grinding Co Ltd, Col Mohd Sheik Farid (Rtd), DMD of Sena Kalyan Sangstha (Mongla Cement), O K Jung, Managing Director of Hyundai Cement, Dr Ashiquzzaman, Managing Director of Ahad Cement and Michel Folliet, Managing Director of La'farge Surma Cement.

Another power plant may start operation in May

HARIPUR (Narayanganj), Mar 6 : The country is expected to have another barge-mounted power plant with 115 MW capacity in May as a result of the opening of the sector to private entrepreneurs two years ago, reports BSS.

The NEPC Consortium Power Ltd, which comprises the US-based El Paso Energy International, Ogden Energy Group and Finish Wartsila Company, are installing the 120 million dollar plant at Haripur under the Narayanganj district.

"Despite some disturbances due to hartals and some other problems earlier, the project work is now progressing fast and we hope to commission the plant by the end of May," Mahmud Mir, the Managing Director of NEPC, told reporters at the project site here.

He added that the 100 by 29-metre single-barge plant was mainly a gas-based generator with eight engines, each having the capacity of producing 15 MW power. Five per cent of the plant fuel will come from petroleum.

NEPC officials said the barge, now being constructed by Wartsila in Singapore, is expected to reach the site by the end of April.

The three partners hold an equity interest with El Paso being the major share holder. The El Paso and Ogden carry out the project's administrative and maintenance services respectively while Wartsila is the EPC contractor of the project.

The NEPC is likely to be the third private sector power plant in the country. The first one, the 110 MW Khulna Power Company Limited, went into operation last year while the other one with a 130 MW capacity is expected to be commissioned by the Malaysian Westmont in a month.

Energy Ministry officials said currently the average generation capacity of the plant is nearly 2200 MW against the minimum demand for 2400.

In a recent development, the World Bank has agreed to give Bangladesh 600 million dollars loan to support investments in the troubled power sector, ending a nine-year of suspension.

The bank credit, however, was made conditional on reforms in the power sector to improve its efficiency and curb system loss.

Officials said system loss or leakage of electricity rose to as high as 38 per cent of generation in the late 1980s, prompting the bank to stop its assistance to the sector. The loss has now been reduced to 32 per cent.

Only 15 per cent of the country's population have access to electricity.

K C Rezaul Huq, Managing Director of United Commercial Bank Ltd, addressing as chief guest the inaugural session of the course on Foreign Trade and Foreign Exchange at the UCBL Training Institute. Hamidul Huq, Deputy Managing Director, and A H M Nurul Islam Choudhuri, Principal of the Training Institute, are also seen. — UCBL photo

RIO DE JANEIRO (Brazil): Fresh produce vendor Antonio Caldas (L) adjusts a price tag as customers check various vegetables Friday at an outdoor market in Rio de Janeiro. Brazilian President Fernando Henrique Cardoso said earlier in the day that since the crops were plentiful enough, prices for consumers will remain under control. — AFP photo

'Russia won't let talks with IMF fail'

MOSCOW, Mar 6: The Russian official handling negotiations with international lenders said Friday the country could face further economic and political jolts if it cannot secure new loans, says AP.

"We are fully aware that (a failure in talks) might throw our society into a deep economic, as well as psychological and political shock, and we will do our utmost to avoid this," First Deputy Prime Minister Yuri Maslyukov said in comments carried by Russian television.

Maslyukov leads the Russian team negotiating with the International Monetary Fund and other foreign lenders.

Russia is seeking additional money from the IMF to rescue its struggling economy and pay off foreign creditors, state workers and pensioners. The IMF and other lenders froze their aid when Russia's financial markets collapsed last August.

IMF chief Michel Camdessus talked by telephone Friday with Russian Prime Minister Yevgeny Primakov, who is vacationing in southern Russia.

"It was a very lengthy, detailed and constructive conversation," Primakov told the Itar Tass news agency. "I hope we have brought our positions closer together."

But negotiations with the IMF have made little headway. Earlier this week, Maslyukov accused the IMF of demanding economic reforms from the Russian government that he said it could not possibly carry out."

But in his comments Thursday night, Maslyukov struck a far more conciliatory tone, saying a breakdown in talks was "in admissible for Russia and will never happen because of us."

Meanwhile, Deputy Finance Minister Oleg Vyugin said in Paris on Friday that the Russian government printed drs 1 billion worth of roubles in January — even as it paid off a similar amount in foreign debts in hard currency.

Analysts and traders also say that Russia has been secretly buying back government debt at prices far below face value.

Both practices are anathema to the economic stability and transparent governance demanded by the IMF.

The IMF has said it's still waiting for Russia to come up with a viable economic programme. It disagrees with a number of Russia's economic measures, including a programme to lower the value-added tax.

Maslyukov said the government may postpone the move to cut the tax until July 1. It has already been postponed from March 1 to the start of April.

New Chief Operating Officer of Leo Burnett

Roger A Haupt has become the Chief Operating Officer of Leo Burnett's global operations.

The Board of Directors of the company named him to hold the position, says a press release.

Haupt, who first joined the Leo Burnett Company in 1984, is an integral part of the executive team that is developing the long-term strategies designed to secure the company's future well into the next century.

Responsibilities on Haupt's plate currently include key management oversight on Motorola and Procter and Gamble, as well as all of Burnett's administrative, information technology and financial operations worldwide.

Sinha vows to ready apparel sector for quota-free regime

The BGMEA President-elect, Captain (retd) Anisur Rahman Sinha, pledged to lift the country's apparel sector from its persisting "bad time" and befit it with the quota-free market beyond the year 2005.

Sinha-led Forum — Sammilito Parisad won a landslide victory in the March 4 election to the country's largest trade body, BGMEA, beating the Sammilito Parisad panel led by sitting president Mostofa Golam Quddus.

Talking to UNB yesterday, Sinha said the country's highest export earning sector had long been engulfed by utter frustration and downward trend.

"They (owners) wanted a change, a dynamic leadership to come out of the bad time," he said.

"Winning an election is certainly of great pleasure," he said, but at the same time it leaves the responsibility of resolving the longstanding crisis facing the sector.

"We don't say we will solve all the problems overnight. But we will have to start working hard. Results will come slowly."

Sinha reaffirmed his commitment to improve the working condition of 1.4 million workers of the sector and ensure their well-being and housing.

He pointed to their election manifesto that spelt out a three-phase programme for workers' welfare.

"We will press the government to allocate land for the proposed 'Garments Palli' as early as possible," he said.

He felt themselves the need for raising awareness among garment owners to prepare for the quota free regime.

"Our first job is to identify the problems of the closed factories and take steps to reopen them."

Besides, he said the new leadership will take steps to face the non-tariff barriers to apparel export, which fetch 74 per cent of the country's total annual export income.

The newly-elected directors will elect the president and four vice-presidents from among them.

The senior Vice-president of the Executive Committee will come from seven directors elected from Chittagong zone and three others from the 20 directors of Dhaka zone.

Meanwhile, the incumbent BGMEA president Mostofa Golam Quddus welcomed the new leadership led by Sinha and wished them every success.

"I hope, in the greater interest of the apparel sector, the new leadership will continue their efforts to complete the incomplete tasks we had initiated," he said.

He said the new BGMEA executive body will maintain the continuity of the development work of the sector and will take necessary steps to complete the construction of the BGMEA complex and housing project for workers.

"I have much confidence in the new leadership. I hope they will do much better than me," he said.

Chinese President Jiang Zemin (C) gestures as he chats with Premier Zhu Rongji (R) and Vice Premier Qian Qichen after concluding the opening session of the National People's Congress (NPC) at the Great Hall of the People in Beijing Friday. China has been hit harder than expected by the Asian financial crisis, Premier Zhu said in his first annual work report to parliament. — AFP photo

Commodity : Weekly Roundup

Oil gets slight lift from its prolonged slump

LONDON, Mar 6: World oil prices rose slightly from their prolonged slump this week in reaction to a temporary delay in Iraqi exports after a US air raid and also a fall in US crude oil reserves.

On the International Petroleum Exchange in London, Brent, the reference North Sea crude, closed at 11.53 dollars a barrel for April delivery, up 48 cents.

On the New York Mercantile Exchange (NYMEX), reference light sweet crude for April delivery closed at 13.35 dollars a barrel, up 67 cents.

Although the market took some time to react. Prices were eventually pushed up by the US raids on February 28 and March 1 against communication centres on the Iraq-Turkey export pipeline. However by the time the market reacted, the flow in the pipeline had resumed.

The market is extraordinarily perverse, first it doesn't want to move, then in the end it rises when they announce the exports could resume," said Peter Gignoux, petroleum desk manager at Salomon Smith Barney.

Prices were also raised by a fall of 5.903 million barrels in US reserves during the last week, according to the US Institute of Petroleum.

The US Department of Energy, meanwhile, announced a 3.2 million barrel fall in oil reserves and a 1.9 million barrels fall in reserves of fuel.

Meanwhile the Organisation of Petroleum Exporting Countries is preparing for its March 23 meeting in Vienna. The Iranian foreign minister is expected to visit Venezuela, a non-OPEC member, shortly.

RUBBER: Flat. Natural rubber prices were stable this week in light trading and in the absence of new interventions by the International Organisation of Natural Rubber.

The Kuala Lumpur RSS 1 index closed at 2.56 ringgits a kilo, down from 2.59 ringgits a week ago.

The London rubber index closed at 455 pounds a tonne for March and 460 pounds for April, unchanged from last week.

COCOA: Cool. Cocoa prices fell to a two-year-low in anticipation of a plentiful harvest in Cote D'Ivoire.

August contracts on the London market fell to their lowest level since February 1997 at 865 pounds per tonne from 907 pounds last week.

Heavy rainfall in West Africa raised the prospect of a bumper mid-season crop in Cote D'Ivoire, the world's leading producer country, analysts said.

The forecasts prompted widespread speculative selling from investment funds, which in turn sparked technical selling.

Prices were further hit by selling on the part of producers, and the relative strength of sterling made pound denominated contracts relatively more expensive to overseas buyers, blighting international demand.

COFFEE: Chilled. Arabica for May delivery on the New York market fell to 103.40 cents a pound from 103.75 cents amid widespread selling from Brazilian producers after further losses in the value of the real currency.

Brazilian coffee exports surged by 70 per cent in January to 1,536,063 sacks.

Exporters have stepped up shipments to generate extra foreign currency. The real has fallen in value by 40 per cent since it was floated in January.

In contrast to Brazil, the leading producer country, countries in central America have seen their exports fall sharply in the wake of Hurricane Mitch, which ravaged the region in November.

Costa Rica saw its exports fall by 80 per cent in January to 39,430 sacks and Ecuadorian exports fell by 36 per cent to 51,152 sacks.

Robusta prices on the London market also fell as the market braced for increased supplies from West Africa.

May contracts fell to 1,575 dollars a tonne from 1,640 dollars.

TEA: Weak. Demand was generally weak in the Mombasa auction houses, the London Tea Brokers Association said.

High Quality BP1 leaves fell slightly.

SUGAR: Meltdown. Sugar prices slipped to a six-year low point in the face of extremely high export levels from Brazil after devaluation of the country's currency, the real.

August contracts on the London market fell to the lowest level seen since August 1993 at 195.90 dollars a tonne, compared with 211 dollars last week.

Dealers said that Brazilian producers had increased exports after a rise in national interest rates, which made stockpiling more expensive.

VEGETABLE OILS: Blended. US soya prices rose slightly on bargain hunting after the slide seen last week, aided further by drought that took hold of growing regions in Argentina and Brazil.

Soya prices on the Chicago Board of Trade (CBOT) rose by five cents to 4.59 dollars a bushel (of 27.2 kg, for March delivery).

On the Rotterdam market, palm for June remained unchanged at 500 dollars a tonne, sunflower for May delivery fell by 10 dollars to 490 dollars and groundnut oil fell by 15 dollars to 780 dollars a tonne.

Rapeseed oil for May delivery fell to 404 euros a tonne.

In Kuala Lumpur, palm oil prices fell further under the weight of profit-taking.

May contracts fell to 1,569 ringgits from 1,585 ringgits.

GRAINS: Jumping. US wheat prices rose in expectation of strong overseas demand and cold weather in southern growing regions, which has raised fears of frost damage there.

Maize prices followed wheat higher and gained further from drought in Argentinean plantations.

COTTON: Rise. Cotton prices rose on technical factors and bargain-hunting after recent lows.

Cash prices covered by the cotton outlook index rose to 55.90 cents a pound from 55.75 cents.

WOOL: Mixed. The world's leading wool markets were mixed this week, with prices in Australia rising slightly despite a gloomy outlook for the sector, while the British market remained flat.

In Australia, the eastern index rose by seven cents to 5.02 Australian dollars a kilo. The western index remained unchanged at 4.46 dollars a kilo.

The rise in the eastern index came in spite of huge market reserves and low demand from Asia, which is still reeling from earlier economic crisis.

Emirates Holidays' Dubai Shopping Festival now in Bangladesh

Emirates Holidays, the largest wholesale tour operator in the Gulf and Middle East, has released attractively-priced programmes to the Dubai Shopping Festival for residents in Bangladesh, says a press release.

The key advantage of Emirates Holidays programmes in the guarantee of hotel accommodation during a month when more than two million visitors are expected in Dubai and hotel rooms are hard to secure.

Emirates Holidays clients are also entitled to use Emirates' special visa entry processing service.

The airline is authorised by the Dubai Department of Immigration and Naturalisation to help in the processing of entry visas for its passengers, which enables visas to be issued within 24 hours of application.

Emirates Holidays DSF programmes, from USD166, covers three nights hotel accommodation with daily breakfasts in some of Dubai's best properties (such as the Le Meridien hotels, Sheraton Dubai and Ramada Continental), transfers and Dubai airport meet and assist services.