

No progress yet in search

Thai PM blasts US role in WTO leadership run

BANGKOK, May 20: Thai Premier Chuan Leekpai has blasted Washington over its role in the WTO leadership race, labelling US action as "unfortunate" in a strongly worded letter to President Bill Clinton, says AFP.

In the letter dated May 17, Chuan said US lobbying in support of New Zealand candidate Mike Moore was not constructive.

Moore is head to head with Deputy Thai Prime Minister Supachai Panitchpakdi in the race to become the new director-general of the World Trade Organisation (WTO).

Chuan also indicated that Asia and "a large number of concerned nations" were watching developments with concern for the future of world trade.

"I am very concerned to have learnt about recent events that have taken place in Geneva," Chuan said in the letter, a copy of which was sent to AFP.

Particularly the release of a statement on May 2, by a group of 10 countries, including the United States, to the effect that if Mike Moore is vetoed there would be no way in which Dr

Supachai (Panitchpakdi) would become the new Director-General.

Clinton gave his personal assurance to Chuan in a letter last month that Washington would not block Thailand's candidate if there was no consensus around Moore.

But Chuan said the actions of US negotiators in Geneva did not match Washington's public position.

"This unfortunate statement and other actions by your permanent representative in Geneva do not seem to be constructive," he said in the letter.

"It is my understanding, however, that these initiatives do not reflect your views nor your wishes concerning this very important issue."

Acting WTO chairman Ali Mchumo of Tanzania has tried to build a consensus behind Moore, claiming he was supported by 62 countries compared to 59 for Supachai.

Thailand however, claims that a majority of WTO members support Supachai, who for months was regarded as the frontrunner.

Supachai's backers, including Japan and most Asian na-

tions, have vowed they will continue to support him despite US opposition.

Meanwhile AP reports from Geneva: Efforts to appoint a new leader for the World Trade Organisation are at a standstill.

Three weeks after Italy's Renato Ruggiero stepped down as director-general of the trade body, the nations are no closer to selecting a successor.

And some fear that the 134 member nations are so deadlocked over two candidates that they will have to start a new to find someone, possibly delaying a decision for months, even into the fall when key trade talks are scheduled to start.

"It would be the worst possible solution," said Turkish trade ambassador Orner Ersun. "It will make a mockery of our work of the last six months if a latecomer pops out at the last moment."

The two candidates for the top job are former New Zealand Premier Mike Moore and Thai Deputy Premier Supachai Panitchpakdi, both of whom are considered highly qualified.

So far, there are no formal proposals for a third candidate to break the deadlock, although

names floating around the WTO's lakeside headquarters include former Uruguayan trade minister Enrique Iglesias, who heads the Inter-American Development Bank in Washington.

After intense negotiations, Mchumo last month proposed that Moore get the job because he had the edge over Supachai. The suggestion was welcomed by the United States and most Latin American and some European countries.

Asian nations, though, protested, saying Supachai had for months been the front-runner. They blocked Moore's appointment and demanded that Mchumo try to rally the nations around Supachai.

Since then, Mchumo has failed to narrow the gap. The WTO operates on the principle of consensus, and any move to decide the issue by a vote would meet heavy opposition.

Suggestions by New Zealand for a power-sharing deal, with Moore as the chief and Supachai in the No 2 spot have been rejected by Bangkok. Moore has let it be known he's not interested in being anyone's deputy.

Call for vote to elect WTO DG

BATAM (Indonesia), May 20: Malaysia and Indonesia want a new chief of the World Trade Organisation to be elected by vote, not by consensus, which has been the practice of the 134-member body, a high Malaysian official said Thursday, reports AP.

"We want a vote to be done for the WTO director general," said Rafidah Aziz, Malaysia's minister of international trade and industry.

Malaysia and Indonesia "are one voice on this," she said. "We don't want to make any more compromises. Enough is enough."

Rafidah was speaking to journalists on the sidelines of a meeting between the two countries' leaders on this industrialised island near Singapore.

Indonesian President BJ Habibie and Malaysian Prime Minister Mahathir Mohamad discussed border, trade and other issues during a two-hour meeting.

Vying for the WTO's leading post are Supachai Panitchpakdi, a deputy prime minister of Thailand, and Michael Moore, a former New Zealand prime minister. The four-year term of director-general Renato Ruggiero of Italy ended April 30.



Asif Ahmed (center), Business Unit Manager of DHL Bangladesh, hands over the Grand Prize of the USA First Campaign — a Dhaka-New York return ticket — to Mizanur Rahman (left), Director of Wings Air Cargo Limited, at the latter's office in Dhaka recently. Humayun Kabir, Sales Territory Manager of DHL (right), is also seen in the picture.

— DHL photo

Key UNSC powers agree to extend oil-for-food plan for Iraq

UNITED NATIONS, May 20: Key UN Security Council members agreed yesterday to extend the UN oil-for-food programme for Iraq for another six months without changes, diplomats attending a private meeting said, reports Reuters.

A full council vote is expected on Friday or Monday on the programme that allows Iraq to sell \$5.26 billion in oil every six months in order to buy food, medicine and other goods for its people. The programme expires on May 24.

The decision to roll over the oil-for-food plan was taken at an informal meeting of the council's five permanent members with veto powers — the United States, Russia, China, Britain and France.

Iraq, which says the oil-for-food plan is useless, has to agree to continue the oil sales, whose revenues go into a UN account to pay suppliers of humanitarian goods. But the diplomats said they expected Baghdad to give its consent.

The oil-for-food plan, which began in December 1996, was designed to offset the impact of stringent UN economic sanctions.



(From left) Najma Dowla, M Anis Ud Dowla, Syed Manzur Elahi and Barrister Rafique-ul-Huq at the 26th AGM of ACI held in city yesterday.

26th AGM held

ACI declares 25pc dividend

Star Business Report

Advanced Chemical Industries (ACI) Limited has declared a 25 per cent dividend for its shareholders for the financial year 1998.

The dividend was announced at the 26th Annual General Meeting of the company held in city yesterday, says a press release.

The Chairman and Managing Director of the company, M Anis Ud Dowla, presided over the meeting.

The company's sales turnover increased by 21.16 per cent to Tk 969.224 million in '98 over the previous year and the gross profit increased by 24.30 per cent to Tk 321.858 million, reflecting competitive sourcing of materials and reduction of manufacturing expenses.

Administration, selling and distribution expenses increased at a declining rate of 11.60 per cent indicating operational efficiency.

Exchange Rates

Following are yesterday's **Standard Chartered Bank**, rates of major foreign currencies against Taka.

Central Bank USD/BDT Rate: Buying-BDT 49.35/Selling-BDT 48.65

Selling	Currency	Buying
TT/OD	BC	TT Clean
48.7300	48.7700	USD
0.4019	0.4022	JPY
32.8812	32.9082	CHF
28.6563	28.6796	SGD
33.6892	33.7159	CAD
5.7819	5.7867	SEK
33.1120	33.1392	AUD
12.9439	12.9546	MYR
6.3009	6.3061	HKD
13.0636	13.0744	SAR
13.3405	13.3514	AED
0.0407	0.0408	KRW
79.8665	79.8340	GBP
52.9939	53.0374	EUR
OD Slight Doc	OD Transfer	OD Transfer
48.1599	48.0758	48.0758
0.382	0.3775	0.3775
31.8269	31.8217	31.5044
27.7542	27.6622	27.6139
32.3764	32.3764	32.2548
5.6819	5.6819	5.6700
30.7742	30.7742	30.5762
12.5573	12.5573	12.5256
6.1949	6.1949	6.1817
12.7704	12.7704	12.7380
13.0380	13.0380	13.0047
0.0402	0.0402	0.0401
76.9836	76.9836	76.7049
50.3993	50.3993	50.3113

Usance export bills

TT DOC	30 Days	60 Days	90 Days	120 Days	180 Days
48.2204	47.9228	47.5257	47.0690	46.5725	45.4605

Exchange Rates of Some Asian Currencies Against US Dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
42.36/42.46	50.18/50.26	37.42/37.52	3.7999/3.8001	8850/8925	1.723/1.724

US Dollar

Buying	Selling	USD	1 Month	3 Months	6 Months	12 Months
48.15	48.75					
48.1	48.7	GBP	65	6.34813	6	5.67531

Market Commentary
On Thursday in the interbank market demand for US dollar rose due to forward buying by some corporate clients on prospect of a devaluation. Earlier exporters appealed for a devaluation which causes clients to remain long on dollars by forward buying. US dollar traded in a range of BDT 48.6575 and BDT 48.6700. Call money rate closed lower at the range of 6.25 and 7.00 per cent.

In the korb market, cash US dollar notes traded between BDT 49.55 and BDT 49.70.

In the international market, euro fell across the board losing more than a quarter of a cent against the dollar, after a weak German business sentiment report reignited concern about the outlook for the euro zone's largest economy. West German April IFO business climate index fell to 83.7 from 90.2 in March while the business conditions index fell to 83.1 from 85.0. The euro can go even lower given the IFO report suggest that the modest recovery of the last two or three months is petering out already.

At 1545 hours local time dollar traded at 124.32/42 JPY, GBP traded at 1.6110/20 USD and EUR at 1.0650/55 USD.

UK to unveil HIPC debt relief plan

LONDON, May 20: British Chancellor of the Exchequer Gordon Brown was expected to call for a \$2 billion fund today to speed up debt relief for the world's poorest countries, the Guardian newspaper reported, says Reuters.

The Guardian said Brown would urge that the \$440 million lodged in the World Bank/IMF Heavily Indebted Poor Country (HIPC) Trust Fund be increased five-fold to meet demands from aid campaigners for urgent action on debt relief.

Brown, who is calling for relief of a nominal \$50 billion of poor countries debt, is scheduled to speak to parliament's committee on debt relief at 1030 GMT together with International Development Secretary Clare Short.

The newspaper said Britain was pressing the European Development Fund to find half of the \$2 billion fund, with other finance coming from the World Bank and International Monetary Fund and the rich countries of the West.

Brown and Short wrote to the European Commission last month suggesting the European Union should either make a contribution to multilateral funds to help poor countries meet debt servicing costs in advance of HIPC debt relief, or make a direct contribution to the HIPC Trust Fund.

The Guardian said Brown would tell the committee on Thursday that it was vital that the Group of Seven leading industrial nations come up with concrete proposals when they meet in Cologne in Germany next month.

At the IMF meeting in Washington in April, Brown said there had been a "breakthrough in attitudes" on the issue of selling gold to finance poor country debt relief.

Under Brown's proposals, proceeds from IMF gold sales would be used to finance higher payments into the fund, and these would be augmented by more generous donations from leading industrialised countries such as the United States and Japan, the newspaper said.

The International Monetary Fund, the World Bank and major donor countries agreed in Washington to reform the HIPC initiative to let more countries qualify for more debt relief.

But the IMF and World Bank made clear they would stick to strict economic reform as a condition for help.

The initiative has come under fierce criticism for offering too little relief too late for too few countries. Since it began in 1996 only Bolivia and Uganda have received HIPC help.

Mahathir says economy doing 'quite well'

KUALA LUMPUR, May 20: Prime Minister Mahathir Mohamad said today that Malaysia's economy was doing well and first quarter 1999 growth figures were on target, reports Reuters.

"From the indications, all the indices we have gathered, the economy seems to be doing quite well," Mahathir told reporters after announcing a minor cabinet reshuffle.

ONE Bank to open branch in city soon

ONE Bank Limited, one of the newly approved banks, held its first meeting of the Board of Directors on Friday.

The bank has been incorporated with the Registrar of the Joint Stock Companies and is going to open its first branch in the city soon, says a press release of the bank issued yesterday.

The meeting elected MH Chowdhury and Hefazatur Rahman Chairman and Vice Chairman of the bank respectively. The Board of Directors comprises a multi-disciplinary team of individuals based at home and abroad who have already established themselves as successful technocrats, businessmen and industrialists in their respective fields.

MH Chowdhury, Chairman of the bank, a retired senior civil servant, is well-known for his impeccable integrity and management leadership. He served the ITU Geneva as telecom expert in various overseas appointments and was the Chairman of the T&T Board.

The Vice Chairman, Hefazatur Rahman, is a reputed industrialist and Managing Director of the conglomerate, Mostafa Group of Chittagong.

Ashfaq U Chowdhury, founder and former Managing Director of Dhaka Bank Ltd, took up the massive task of organising the bank as its Managing Director. Formerly, he also held senior executive positions in different nationalised and foreign banks in the country and abroad.

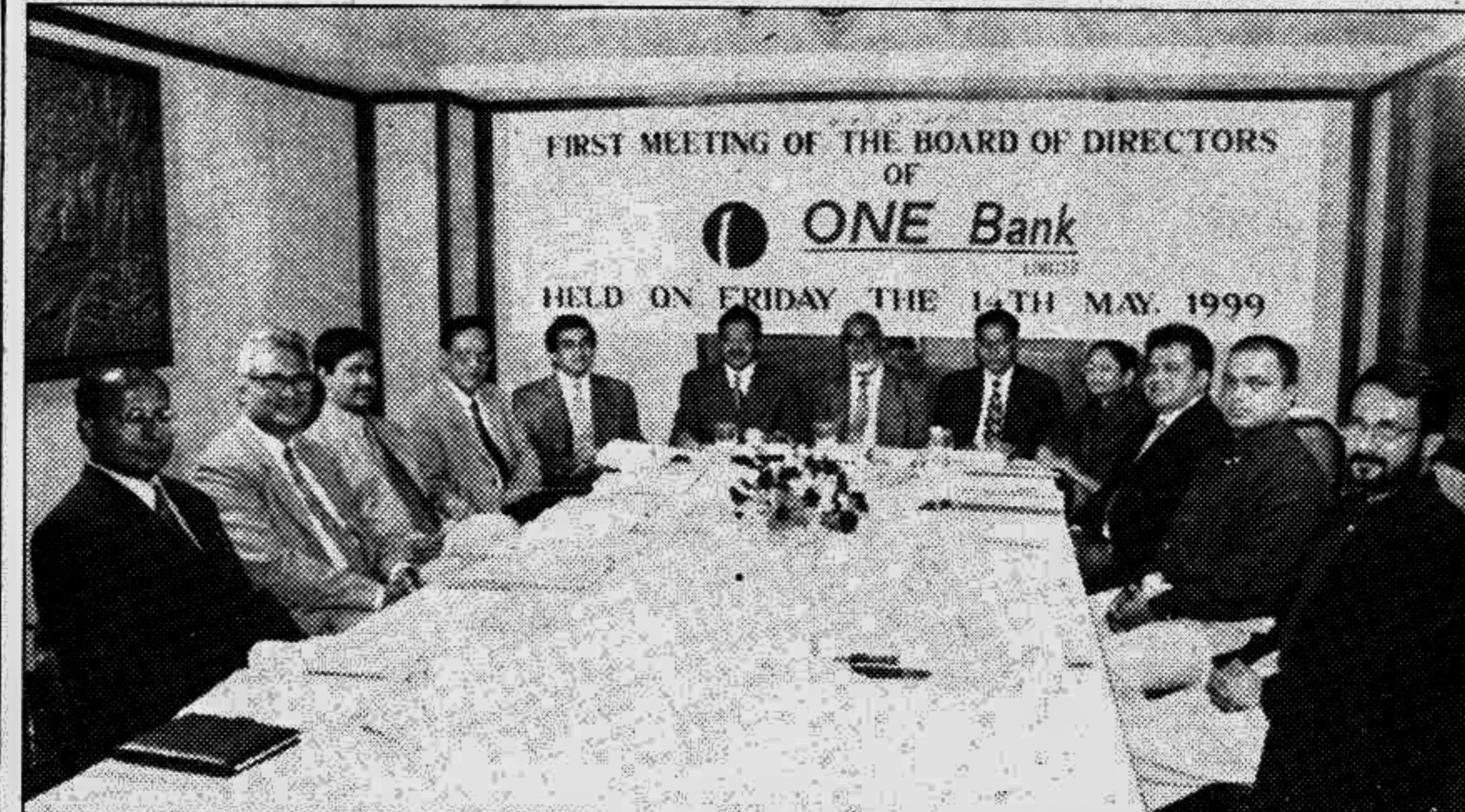
Pipeline blasts in Iran, spilling crude into rivers

CAIRO, May 20: A pipeline carrying oil from Iran's southwestern province of Khuzestan to the refinery at Isfahan exploded Friday, spilling hundreds of barrels of crude oil into the region's rivers, Iranian television reported, says AP.

The blast was contained in about two hours, but seriously damaged production equipment, according to the TV report, which was monitored by the London-based British Broadcasting Corporation.

Workers were trying to clear an area road covered with crude oil, the report said. The cause of the blast wasn't clear, it added. Further details were not available.

The region is about 350 kilometers (220 miles) south of Tehran.



The first meeting of the Board of Directors of ONE Bank held in the city Friday.

—ONE Bank photo

Foreign fund flows send Asian stock markets soaring

SINGAPORE, May 20: Foreign funds streaming back to Asia's recuperating economies lately have sent local stock markets soaring, but the amounts are a trickle compared to the cash sloshing into Japan, strategists and traders said, reports Reuters.

"Funds flowing into Japan are much bigger than the rest of Asia," Niles Jansani, regional strategist at SG Securities said. "In the month of March alone, Japan attracted two trillion yen (about \$20 billion) worth of investments."

"The investment going to the rest of Asia is minimal compared to the levels in Japan. It's not even a quarter of it," Jansani estimated.

To some extent the disparity between Japan and rest of Asian investment is not surprising given that Japan is a G3 economy with a GDP amounting to \$3.857 billion in 1998. This compares with Korea which has an estimated nominal GDP of \$298 billion and Taiwan with about \$262 billion.

But the small amounts trickling into the rest of Asia are having a major impact just because of the relatively small size of the region's share markets.

These markets, spanning Hong Kong, Taiwan, South Korea, Singapore, Thailand, Malaysia, the Philippines and Indonesia, currently add up to

about two thirds the size of Japan's benchmark Nikkei 225 index (see table below).

The combined market capitalisation of the main stock market indexes in these eight Asian stock markets is also three times smaller than the Dow Jones Industrial Average, according to Reuters Securities 3000.

But the cash which is returning to the non-Japan Asian region is headed more toward northeast Asia where economies are in better shape

and politics are relatively more stable.

"Presently, the northeast corridor of Asia is much safer for investments than in south-east Asia," a trader with a local brokerage said.

In terms of direct foreign investment, South Korea attracted \$2.0 billion in the first quarter while crisis-stricken Indonesia only managed to entice \$560 million.

"There is too much political uncertainty in countries like Indonesia," he added.

Although analysts agree that most economic fundamentals are in place to support the ongoing rally in Asia stocks, they warn these markets might get scorched if the US stock market were to fall sharply.

"Now the whole world is running on one engine — the United States, and this engine might not be that strong," Chua Soon Hock, chief strategist of Sanwa Bank Singapore said.

"Our Big Brother (the US) is flush with liquidity," one local trader said. "But if they (US stock investors) get injured, I think they're going to give us more hell here."

Another bear factor hanging over all stock markets at the moment is the fact that the 144-month anniversary of the October 1987 crash falls in October this year. The number 144 is a key Fibonacci figure which a lot of chartists monitor.

VACANCY ANNOUNCEMENTS

Strengthening Parliamentary Democracy (Project - BGD/97/003)

The Parliament Secretariat, seeks applications from Bangladeshi nationals for the following position:

1. Research Assistant (1)

Duration : 3 Working Months
Station : Parliament Secretariat

The Research Assistant will work under the direct supervision of the National Consultant for the Committee on Rules of Procedure and in close liaison with the National Project Director (NPD), Project Implementation Specialist (PIS) and International Parliamentary Expert (IPE) in performance of their duties as specified below:

Tasks:

- Conduct research on matters of parliamentary and constitutional interest specified by the National Consultant for the Committee on Rules of Procedure or IPE and prepare detailed drafts of the findings;
- Study the debates of all the seven Parliament of Bangladesh and submit reports to the National Consultant on all matters of procedural interest. This task will require completing a comparative study of similar matters in other Parliaments, particularly those in the Commonwealth countries; and
- Search and locate gazette notifications, debates in Parliament on specified matters, Acts of Parliament, Ordinances, Rules and Regulations, on an urgent basis, and provide photocopies of such documents, when necessary.

Qualifications:

The selected candidate should have at least 12 to 15 years of service in the Parliament Secretariat, preferably in its Legislative Wing and with a proven record of efficient work in matters concerning legislation, processing of parliamentary questions, call-attention notices, privilege and other motions.

A degree from a recognised university is desired, but not essential, in cases of candidates having a longer period of parliamentary service than specified above. The candidate will however be expected to be qualified to the level of HSC.

Applications should be marked confidential and include a cover letter and two copies of the applicant's curriculum vitae. No copies of references, certificates or professional papers should be submitted at this time. Applications should be sent to the National Project Director, (Ref.: BGD/97/003 - Strengthening Parliamentary Democracy Project), C/O Manager, Human Resources, UNDP, House No. 60, Road # 11A, Dhanmondi Residential Area, Dhaka 1209 no later than 4 June 1999. Only short-listed candidates will be contacted.

Note:

- Any attempt to influence the process of selection will result in the immediate termination of the candidate's application.
- Previous applicants need not apply.

WOMEN ARE PARTICULARLY ENCOURAGED TO APPLY