

FAO urges Asians to avert future food crisis

## Reduce population growth, improve land use

BANGKOK, June 14: Asians ate better in the 1990s thanks to growing economies and modern farming, but a senior UN food official warned Monday that population growth must fall and land use improve to avert food crises in the new millennium, says AP.

Prem Nath, assistant director general of the Food and Agriculture Organisation, spoke to a roundtable on food security bringing together agriculture ministers, representing half of humanity — China, India, Malaysia, Pakistan, the Philippines, Thailand and Vietnam.

"In terms of population size, Asia is responsible for a lion's share of the annual increase of the developing world's population," Prem said. "For comfort, the fertility rate must go down — and fast."

Increasing urban populations are limiting the expansion of farm land, Prem said. Meanwhile, estimates indicate that water availability per capita in Asia halved in the 30 years ending in 1980 and would fall 35 per cent more by the year 2000.

The dwindling resources are putting more and more pressure on land under cultivation and

will eventually succeed in degrading it, putting the food security of whole countries at risk.

Prem noted that the urbanisation and rising incomes due to explosive economic growth over the past two decades had changed eating patterns and given people a more reliable food supply.

Annual meat consumption in China has doubled to 20 kilograms (44 pounds), Prem said.

But the meatier diet has required a sevenfold increase in the amount of grain needed to raise livestock, Prem said. The livestock population will increasingly become "a major influence in the future state of food security."

Heavy pesticide use in rice-growing areas has worsened land and water pollution and produced insecticide-resistant pests, Prem said.

Prem said the greatest hopes for abundant food in the new millennium could be the looming revolution in biotechnology, which he said would sweep agriculture with the same speed the Internet is sweeping business and communications.

"Knowledge-intensive agri-

culture of the future will either be a boon or bane to the farmers and the cause of agricultural and rural development or degradation," Prem said.

Thailand has used its leadership as a world producer in rice, chicken and canned fish to export away some of the pain from Asia's economic crisis, and other countries are following suit.

Edgardo Angara, the Philippines' ministers, said that Manila had recently launched a five-year plan and new law to boost agricultural development, especially in Mindanao, which remains troubled by insurgency and is one of the country's poorest regions.

"In the end, agriculture sector development will bring social justice to every country in Asia," Angara said.

Soleh Solahuddin of Indonesia said that a key would be whether rich countries would open their markets to developing nations.

Lui Jain, China's vice minister, said that freer markets in China had boosted agricultural production but admitted that this had led to increased environmental strain, ultimately curbing growth.

## UN predicts

## Economic crisis just a 'blip' in Asia's development path

BANGKOK, June 14: Asia's boom years have not bypassed the poor, the United Nations said today, and predicted the economic crisis would prove to be just a "blip" in the region's development path, says AP.

The UN food and Agriculture Organisation's regional chief said a study of 88 countries showed incomes of rural poor improved during the boom and there was reason for optimism as the crisis abated.

"Contrary to popular claims, recent episodes of growth did not bypass the poor," FAO Assistant Director General Prem Nath told participants of a ministerial roundtable in Bangkok.

"Poverty, it can be seen, responded quite strongly to overall (per capita) economic growth," he said.

He said with Asia's worst economic crisis on record, which began in mid-1997, showing signs of abating, the FAO was confident it would prove to be just a "hump or blip" in the region's development.

"We dare assert with self-assurance that it is now timely and fitting to take a prospective or forward-looking stance and focus our minds on beyond the Asian crisis."

Prem Nath said although it looked at one point as if the recession would "wipe out success built up through decades of remarkable economic growth, poverty alleviation, and human development," that no longer appeared to be the case.

He said that in 77 of the 88 countries surveyed the incomes of poorer sectors had improved strongly during the boom years, but that they had suffered most during the crisis.

He said that poverty in virtually all Asian countries was a rural phenomenon and urged governments to focus on rural development in their efforts to reform.

Momentum towards more outward-looking societies and policies must be maintained, in addition to focussing on biotechnology and improved infrastructure and human resource development, Nath said.

## Cambodian PM says

## There's no choice but to push key economic reforms

PHNOM PENH, June 14: Prime Minister Hun Sen told Cambodia's aid donors today there was no choice but to push ahead with key economic reforms if the country was ever to rise from the mire of poverty, reports Reuters.

Hun Sen and his government reported progress in a reform package that included efforts to stamp out illegal logging, slash the size of the army and civil service, and revamp revenue collection in the first of its quarterly reviews with donors.

Donors agreed on a new \$470 million aid package in February but insisted on quarterly reviews to monitor government reform efforts.

Diplomats and aid officials from donor countries said the government was making progress and its programme was expected to win cautious approval.

At the meeting, Finance Minister Keat Chhion revised upwards last year's gross domestic product (GDP) growth to 1.0 per cent from the earlier assessment of zero growth.

Growth this year was expected to be 4.0 per cent, and the government targeted a rise to 6 per cent by 2002.

Inflation was expected to decline to a rate of nine per cent this year, compared with 12.6 per cent in 1998. The government targeted fall to around 5 per cent by 2002.

Keat Chhion also reported a much improved fiscal perfor-

mance in the first five months of the year.

Tax revenue was projected to rise to 7.5 per cent of GDP this year from 6.0 per cent last year. Domestic revenues increased by 4.1 per cent in the first five months compared with the same period last year, largely due to the January introduction of a 10 per cent value added tax (VAT).

The introduction of VAT has shifted Cambodia's fiscal structure from reliance on customs duties to domestic taxes," Keat Chhion said. "The new tax has become the cornerstone of Cambodia's fiscal system."

But he said the collection of non-tax revenue lagged in the first five months, reaching only 24 per cent of the annual target instead of the planned 42 per cent. This was largely due to a fall in timber royalties after a hike in the royalty rate to \$54 per cubic metre from \$14.

The government stepped up efforts against illegal logging at the beginning of the year and said on Monday there had been a 95 per cent reduction in illegal felling since then.

(\$1 = 3,700 riel)

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FRANKFURT, June 14: The German airline Lufthansa will phase out 110 managerial positions to off-set the high cost of airport check-in services in Germany, the daily newspaper Die Welt reported Monday.

Lufthansa declined to comment on the report and on the content of an internal document that Die Welt cited as its source. The document says Lufthansa's check-in costs run 15 per cent to 20 per cent higher than rival airlines.

The airline plans to reduce middle-management management by not filling positions vacated by retirees and through transfers.

DCCI Director AY Md Kamal speaks at the certificate awarding ceremony of a training course on "Export Documentation: Methodologies for perfection" organised by the Human Resources Development Programme (HRDP) in cooperation with the Business Advisory Service (BAS) Project of DCCI-GTZ Partnership Programme recently.

—DCCI photo



An electronic board flashes the current rate of the US dollar against the Japanese yen during the morning trading session at a foreign money brokerage in Tokyo 14 June 1999. The US dollar jumped against the yen after Japan's central bank intervened to buy the US currency. The greenback was quoted at 120.46-50 yen, up from 117.91 yen late 11 June in Tokyo.

## Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to clients

Currency	Selling TT & OD	Selling BC	Buying T.T. Clean	Buying OD, Sight Export Bill	Buying OD Transfer
US Dollar	48.7300	48.7700	48.3100	48.1570	48.0850
Pound Stg	78.7574	78.8221	77.5714	77.3257	77.2101
Deutsche Mark	26.4924	26.5141	25.5166	25.4348	25.3968
Swiss Franc	32.1268	32.1530	31.5310	31.4837	30.3992
Japanese Yen	0.4081	0.4085	0.4011	0.3998	0.3992
Dutch Guilder	23.5142	23.5317	22.6456	22.5738	22.5401
Danish Krone	6.9268	23.5317	22.6458	22.5738	22.5401
Australians	32.98197	32.8466	31.5464	31.4465	31.3995
Belgian Franc	1.2855	1.2855	1.2371	1.2322	1.2313
Canadian \$	33.6336	33.7112	32.6993	32.5958	32.5470
French Franc	7.8991	7.9056	7.6079	7.5838	7.5724
Hong Kong \$	6.2942	6.2994	6.2151	6.1994	6.1862
Italian Lira	0.0268	0.0268	0.0258	0.0257	0.0257
Norway Krone	6.2595	6.2646	6.1518	6.1323	6.1231
Singapore \$	28.8480	28.8717	27.9210	27.8322	27.7916
Saudi Rial	13.0277	13.0384	12.8457	12.6050	12.7888
UAE Dirham	13.3040	13.3150	13.1167	13.0751	13.0556
Swedish Krona	5.7710	6.7757	5.6958	5.6776	5.6691
Qatari Riyal	13.4224	13.4334	13.2309	13.1890	13.1693
Kuwaiti Dinar	164.9348	165.0702	153.1220	152.6371	152.4080
Thai Baht	1.3211	165.0702	153.1220	152.6371	152.4080

## Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
482112	47.9074	47.5048	47.1023	46.6997	45.8945

## US Dollar London Interbank Offered Rate (LIBOR)

Buying	Selling	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
48.0850	48.7300	USD	5.0000	5.1500	5.36750	5.58750	5.75000
48.0850	48.7300	GBP	5.12563	5.17297	5.20301	5.58750	5.75000

## Cash/TC Cash/TC Euro

48.0850	48.7300	2.6000	2.62125	2.66438	2.77781

## Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.132/43.147	51.8551.90	36.99/37.02	3.7998/3.8003	7570/7600	1169/1171

## Amex notes on Tuesday's market

Demand for US dollars was high in the interbank market. Improved supply situation kept little pressure on the USD/BDT rate which ranged between 48.6500-48.6750. Participation by the big market players in the interbank improved the situation in USD/BDT.

Call money market was very active on Monday. The call rates ranged between 9.50-11.50%.

In the Tokyo market on Monday, the dollar jumped against yen after the Bank of Japan (BOJ) intervened to buy dollars for yen and