

EU-ACP talks tumble on Lome aid level

BRUSSELS, Dec 9: The European Union and ministers from 71 African, Caribbean and Pacific countries were locked in negotiations yesterday to renew the current Lome trade and aid pact which expires in February, reports Reuters.

EU officials said talks which started on Tuesday had made progress in many areas of the wide-ranging protocol covering economic relations between the EU and ACP countries, mostly former European colonies.

However, the two sides appeared deadlocked over the size of the EU's financial contribution. The EU had proposed some 13.8 billion euros (\$14.1 billion) for the period 2000 to 2005 to come from its European Development Fund. But ACP states, some of the poorest

countries in the world, are seeking more.

"It's impossible to say if there will be an agreement. They are discussing the EDF question and without that nothing can be concluded," one official said.

The EU also wants the developing countries to sign up eventually to regional free-trade agreements instead of the current Lome umbrella accord, but ACP members are arguing for an eight-year transition period.

Whether ACP countries should move directly to new regional agreements after a transition period or whether this would be an ongoing process was also under discussion, officials said.

IRRI chief economist says

Asia still risks famine due to population boom

MANILA, Dec 9: Asia still faces the prospect of famine as rapid population growth overwhelms advances in crop yields, the chief economist of the International Rice Research Institute (IRRI) said today, reports AFP.

The fear of famine in South and Southeast Asia is still very real, and endemic poverty persists," Mahabub Hossain, IRRI economist and deputy director-general for research, said in a statement.

"To feed another 500 million new rice consumers each decade for the next 50 years, the rice plant must be fundamentally reshaped so that it can produce more."

Hossain said "the easy gains have been reaped" with the Green Revolution, which pushed production up by 116 percent with yields rising by 88

percent between 1966 and 1997. "The new technological breakthrough that would ensure abundant rice supplies of the next decades have yet to be found," and production would have to be ramped up with less land, less irrigation water and probably less people willing to work the land, he added.

Hossain said technological advances had led to the stunning drop in the real price of rice, in the past three decades, but then "most Asian countries are still growing at an astounding 1.5 to 28 percent this year" with the exception of China, Japan, South Korea and Thailand.

The continent produces and eats more than 90 percent of the world's rice production, and demand for rice in the next 25 years will rise 65 percent in the

Philippines, 51 percent in Bangladesh, 46 percent in India, 45 percent in Vietnam, and 38 percent in Indonesia, he said.

Hossain said urbanization should actually dampen the region's rice demand, but along with that demand is expected to escalate in poverty-stricken regions of Asia as the poor satify their unmet food needs."

"More mouths to feed translates into a need for one-third more 'new rice' than what is eaten today. The figures are frightening. Farmers must consistently produce an extra 6.7 million tonnes of unpeeled rice every year, without fail" — just to maintain current nutrition levels. The expert also cited the "long-term trend" of slackening rice harvests since the mid 1980s, which "could spell trouble for Asia."

Hossain also warned that with the Uruguay Round of the General Agreement on Tariffs and Trade due to be implemented, cheap rice will flood high-cost producers, taking the comparative advantage to poorer countries. However these poor countries will have trouble producing enough to export.

He said the Food and Agriculture Organization estimates that 20 million hectares (49.4 million acres) of river valleys in western and southern Africa, and an equal space available in South America, could be grown to rice.

"Rice prices must increase substantially, however, for this to become economical."

He said India's population growth could overtake that country's excess capacity in rice.

India orders 3m workers on Y2K emergency duty

NEW DELHI, Dec 9: The Indian government has asked three million employees in key departments to be on round-the-clock "emergency duty" on December 31 in case of any millennium bug mishaps, an official said today, says AFP.

"Nothing can and will go wrong," said a member of the government's 50-member Y2K Taskforce, overseeing Y2K compliance in 11 critical sectors of the economy such as banking and power.

"But the government is taking all possible steps to ensure there is no panic. We have a contingency plan in case things go awry."

The three million employees will be drawn from the state-run power department, municipalities, the police force and hospitals.

A control room in New Delhi linked to all 26 Indian states and 540 major districts would closely monitor any Y2K-induced emergencies, the official said.

The control room, to be headed by a cabinet minister, will begin operating on December 15 and be manned until the first week of January.

"We will have firefighters, troops and doctors at hand to rush to emergencies," the official said.

Anlima okays 12 pc dividend

The 4th annual general meeting (AGM) of Anlima Yarn Dyeing Ltd was held on Wednesday at the factory premises at Karnapara, Savar.

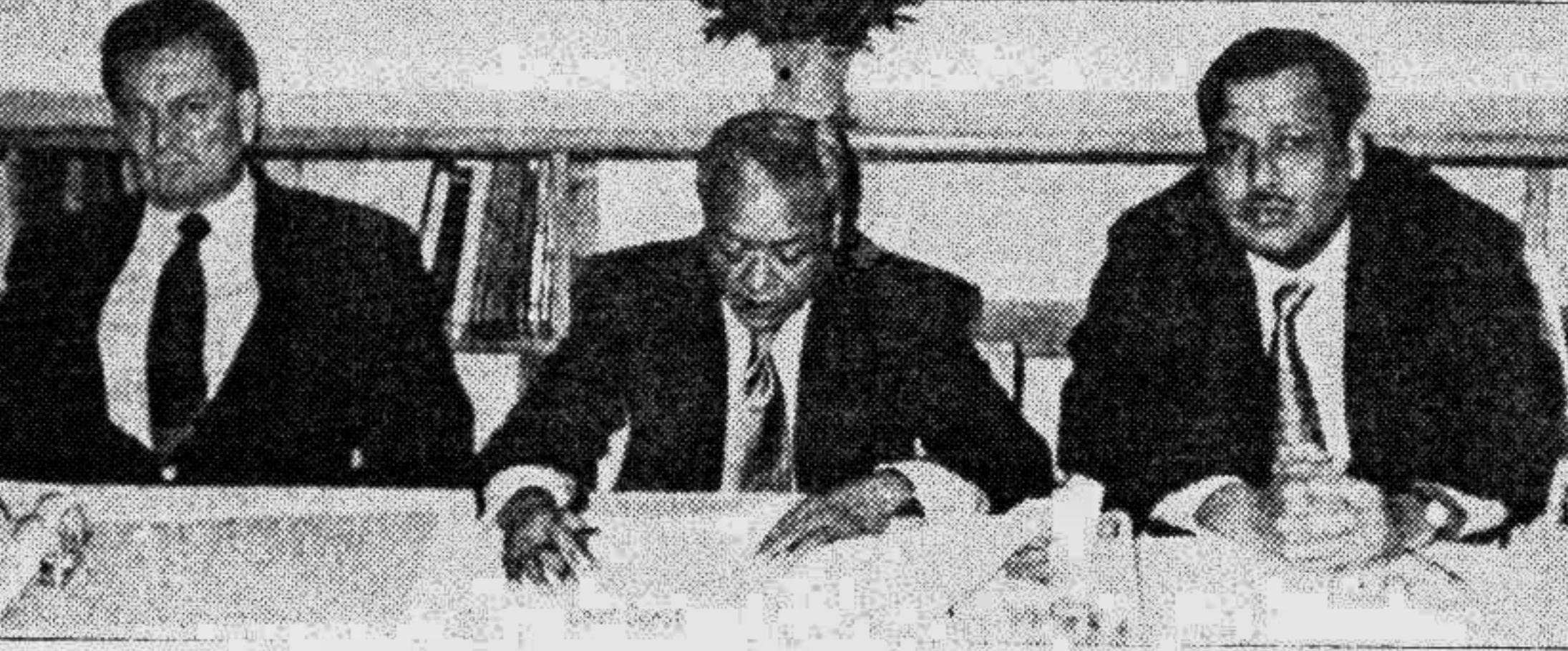
Chairman and Managing Director of the company, Mahmudul Hoque, briefed the shareholders about the operating performance of the company during the year 1998-99, says a press release.

The company has entered into its second year of commercial operation. It earned a gross profit of Tk 57.69 million and net profit of Tk 32.01 million during the year.

It was mentioned in the meeting that the company is one of the best yarn dyeing plants exporting 100 per cent of its output through knitting and weaving industries of the country. The managing director also informed that the group is in the process of establishing one state-of-the-art knitting, dyeing, finishing and garments unit which will help utilise the existing capacity thereby maximising the profit margin.

After setting off for tax holiday reserve, the company declared 12 per cent dividend which was approved in the AGM.

M Abul Kalam Mazumdar, Director of the company retired from the office as per Articles 127 and 128 of the Articles of Association of the company and was re-elected.



The inaugural ceremony of IDCOL's three-month second training course on Project Finance was held Wednesday at IDCOL office. Abdur Awal Mintoo, president, FBCI, inaugurated the course. A total of 20 participants including seven from government organisations, eight from commercial banks and one each from university, development financial institution, consulting firm, developer, and IDCOL are participating in the course.

— IDCOL photo

S Arabia says OPEC in no rush to adjust output

WASHINGTON, Dec 9: Saudi Arabia, a key architect of the OPEC production cuts that have boosted world crude oil prices to the highest level in nearly a decade, said yesterday it saw no need to adjust output until March, reports Reuters.

Crude prices have risen in recent weeks amid signs that world supplies are being depleted faster than expected and worry about Iraq's halt in oil exports to pressure the United Nations to loosen sanctions.

But Saudi oil minister Ali al-Naimi, in Washington for a two-day visit, said the Organisation of Petroleum Exporting Countries was no hurry to reconsider its output cuts.

There is no need to make any decision before March," Naimi said in response to a question if there were any scenarios under which OPEC would consider raising its production levels.

That time frame applies even if there were oil supply disruptions at the end of this month caused by Y2K computer problems, he indicated.

Likewise, Saudi Arabia sees no need to act should Iraq continue to halt its oil exports in response to the United Nations' refusal to extend for six months the country's oil-for-food programme, Naimi said.

March is when OPEC's current production cuts are scheduled to end.

Naimi made his comments during his arrival at an energy conference in Washington where he was the featured speaker.

One year ago, US crude oil prices had fallen to about \$10 and a barrel. On Wednesday, crude futures contacts traded in New York closed at \$26.62 a barrel, down slightly from recent days when they rose to the highest level in nine years.

The increase in price is due to OPEC's unusually strict adherence to a production-cutting pact agreed upon last February. That pact set a goal of slicing 4.316 million barrels per day (bpd) from the cartel's normal production level.

Last month, OPEC member pumped 26.10 million bpd, amounting to a 3.59 million bpd cut, according to a Reuters survey. The figures do not include Iraq, a member of OPEC which is not involved in the pact.

The UN Security Council was expected to renew Iraq's oil-for-food plan before the current extension expires on Saturday, US officials said on Wednesday.

Separately, US Energy Secretary Bill Richardson said late Wednesday that crude oil is to expensive but the Clinton administration will let the market take its course unless prices soar "unacceptably" higher.



Mahmudul Hoque, Chairman and Managing Director, Hubun Nahar Hoque, M Abul Kalam Mazumdar, and Abul Bashar, directors of Anlima Yarn Dyeing Ltd, are seen at the Fourth Annual General Meeting of the company held on Wednesday at the factory premises at Karnapara, Savar.

— Anlima photo

The Security Printing Corporation (Bangladesh) Ltd

Gazipur

International Re-Tender for Supply 01 (One) Set Carter Variator for Hally Numbering Machine

Sealed tenders are hereby invited for supply 1 (one) set Carter Variator for Hally Numbering Machine. Tender paper showing terms and conditions with specification will be available from the office of The Security Printing Corporation (Bd) Ltd., Gazipur and its liaison office at 16, Naya Paltan, Dhaka during all office days between 12.00 Noon to 3.00 PM. from 12.12.99 to 23.12.99 on payment of Tk. 200.00 (Taka two hundred) only (non-refundable) per set of tender schedule.

Earnest money @ 2% (Two and a half per cent) of the total tendered amount shall be deposited in the form of Bank Draft/Pay Order/Bank Guarantee along with the tender in favour of The Security Printing Corporation (Bd) Ltd., Gazipur.

The tender(s) under sealed cover addressed to the Managing Director, The Security Printing Corporation (Bangladesh) Ltd., Gazipur will be received in his office chamber upto 3.00 PM on 17.01.2000 and shall be opened at 3.05 PM on the same date at Gazipur in presence of tenderers (if any). Tenders may be sent also through Postal/Courier Services which must be reached within the scheduled time.

Shafiqur Rahman
Superintending Engineer
Rangpur O&M Circle-1
BWDB, Rangpur.

GD-1173



Quarter Master General of Bangladesh Army and Chairman of the CSD Control Cell, Major General Jalaluddin Ahmed, inaugurates the 12th outlet of Topclean Bangladesh Limited at CSD Dhaka Cantonment Wednesday. — Expressions Ltd photo

Exchange Rates

Following are yesterday's Standard Chartered Bank rates of major currencies against Taka: Central Bank USD/BDT rate: Buying-BDT 50.85/ Selling-BDT 51.15

Selling		Currency		Buying		
TT/OD	BC	TT Clean	OD Sight	OD DOC	OD Transfer	
51.2300	51.2700	USD	50.8200	50.6516	50.5631	
0.5121	0.5125	JPY	0.4791	0.4775	0.4767	
33.2080	33.2339	CHF	32.2995	32.1924	32.0751	
31.2473	31.2717	SGD	29.3797	29.4400	29.3886	
35.6209	35.6487	CAD	33.4618	33.3410	33.2171	
6.1633	6.1681	SEK	6.0521	6.0320	6.0193	
33.7350	33.7613	AUD	30.8986	30.7962	30.5907	
13.6268	13.6375	MYR	13.2327	13.1888	13.1555	
6.6407	6.6459	HKD	6.4863	6.4648	6.4510	
13.7771	13.7878	SAR	13.4469	13.4024	13.3684	
14.0637	14.0747	AED	13.7236	13.6782	13.6432	
0.0456	0.0456	KRW	0.0448	0.0446	0.0446	
84.2068	84.2725	GBP	81.9828	81.7111	81.4167	
53.3970	53.4387	EUR	51.4248	51.2543	51.1648	

Usance export bills					
TT	DOC	30 Days	60 Days	90 Days	120 Days
50.7152	50.4023	49.9846	49.9042	48.9821	48.9126
53.3970	53.4387	51.4248	51.2543	51.1648	

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Sing. Dollar
43.35	51.89	38.60	3.7995/05	7230/7250	1.6795/1.6805
43.50	51.90	38.65			

Market Commentary

On Thursday, demand for US dollar was high in the interbank market. The call money market was stable and the call rate ranged between 5.5 and 5.75 per cent. In the international markets, euro struggled to keep itself on a recovery track and failed to make much advance. Euro/USD did not respond much to positive German industrial production. A seasonal factor was also weighing on euro. Historically investors felt comfortable to park their fund on US dollar at the year-end. On the other hand, dollar edged up against yen. The market-players were said to be awaiting the Tankan survey to be released next week.

At 1640 hours time Thursday, US dollar traded at 103.20/30 against JPY. 1.0220/30 against euro and GBP at 1.6225/35 against dollar.

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