

Poor nations clamour for bigger share of wealth as UN trade meet begins

BANGKOK, Thailand, Feb 12: Poor nations left behind by rapid economic globalisation clamoured Saturday for a bigger share of the wealth, as demonstrators seeking more radical changes squared off with riot police, reports AP.

UN Secretary-General Kofi Annan called for a "Global New Deal", with rich nations extending a helping hand to poor countries.

"Can we not attempt on a global level what any successful industrialised country does to help its most disadvantaged and underdeveloped regions to catch up?" Annan asked the UN Conference on Trade and Development.

Developing nations need debt relief and open markets for their products, and wealthy nations should help countries that encourage investment and guarantee their people will share in the benefits, Annan

said in an opening speech. Activists who view globalisation as an evil phenomenon harming ordinary people and the environment while benefiting greedy multinational corporations sought to use the UNCTAD meeting as a forum for their views.

Barely two months after the collapse of World Trade Organization talks in Seattle, where street protests turned violent and overshadowed debate by trade ministers, many had been viewing the Bangkok summit as Seattle, Part II.

About 1,000 protesters — including foreign activists who had been to Seattle, Bangkok slum dwellers and landless Thai farmers — marched toward the convention centre where about 190 national delegations gathered.

They were initially stopped by barricades manned by police. There was a shoving

match, but no serious trouble broke out. The demonstrators sat at a busy intersection, blocking traffic, and a few were eventually let through. They were peaceful.

As the conference formally opened inside with a colourful Thai dance, the protesters stood outside with banners telling the International Monetary Fund, WTO and other organisations to "go to hell."

"I don't think UNCTAD is relevant to the majority of Thai people, said a laid-off factory worker who gave his name as Somsak. "What are we going to get from high technology?"

The UNCTAD meeting, held every four years, reflects a feeling among Third World leaders that globalisation led by high technology and increased power by multinational corporations is inevitable. But they want the benefits to be spread more equally.

The downside of globalisation are indeed painful," Philippine President Joseph Estrada said. "But taking the bigger pills against its ills is superior to living inside a sterile bubble."

Although UNCTAD is largely a forum for developing nations, organisers have touted this session as a chance to rebuild confidence in global trade after the WTO failed to launch a new round of talks in Seattle.

Developing nations hope the UNCTAD session will let them state their case for more input into trade rules affecting billions of people.

Japanese Prime Minister Keizo Obuchi was expected to announce that his country is willing to completely open its doors to most goods from the world's poorest countries, provided other major nations follow suit.

European nations have reacted positively to the proposal, but the United States has been less warm to the idea, Japanese officials said.

UNCTAD is meeting in the capital where Asia's economic crisis began July 2, 1997, with the devaluation of Thailand's currency, revealing major cracks in the developing world's efforts to spur ahead with fast-paced growth.

"I announced this week it would be leaving the IMF's rescue programme, a symbol that Asia is bouncing back. Growth in the region is expected average 4 per cent this year."

"The negative effects of globalisation, together with our own weakness, led to an economic crisis in our own region," Thai Prime Minister Chuan Leekpai said. "In emerging from the crisis, we're trying to put the lessons learned to good use."



Picture shows the participants on the closing day of the 18-day course on "Credit Management" organised by United Commercial Bank Ltd (UCBL) at its Training Institute Thursday. Managing Director of the bank and Principal of the Training Institute are also seen. —UCBL photo

Japan may take US steel tariff decision to WTO

TOKYO, Feb 12: Japan may bring a case before the World Trade Organisation (WTO) over the US decision to slap punitive tariffs on steel imports from it and other major steel-producing nations, Japanese media reported today, says Reuters.

"After we take a closer look at the details of the (US tariff) measures, we will look into bringing a case before the WTO," national broadcaster NHK cited a senior Japanese trade official as saying.

Masahiko Hosokawa, the head of the trade ministry's America Division told Kyodo News that he would like to see the United States exercise caution in invoking punitive measures under its trade laws.

"I don't know why the decision was made, but invoking the Section 201 provision (of US trade law) is an emergency step and, as such, is a more exceptional measure than a (safeguard) measure allowed under WTO rules," Hosokawa was quoted as saying.

Japan's trade ministry had no official comment on the US decision.

Under pressure from US steel makers and labour unions, President Bill Clinton on Friday imposed punitive tariffs on steel imports in a move that could increase trade tensions between the United States and major steel-producers including Brazil, Japan, South Korea and the European Union.

The White House said the tariffs would apply to imported line pipe, as well as steel wire rod, which is used to make hangers, cables and fasteners.

The tariffs are designed to help cash-strapped US steel makers and thousands of workers hard-hit by low-cost imports, chiefly from Asia.

Japan's trade minister warned last year that an increase in steel wire rod tariffs could spark a protectionist backlash from Tokyo, undermining US-Japan market-opening efforts.

Russia, London Club reach \$31.8b debt deal

50pc of Soviet-era debt seen getting wiped out

FRANKFURT, Feb 12: Russian and the London Club of creditor banks said yesterday they had agreed on a deal to reschedule \$31.8 billion of debt, paving the way for Russia's return to international capital markets, reports Reuters.

After nine hours of talks in Frankfurt on Friday, Russian First Deputy Prime Minister Mikhail Kasyanov announced that Russia had won a deal he said would wipe out more than 50 per cent of its Soviet-era debt.

"Yes we have a deal," a smiling Kasyanov told a hastily convened news conference at the headquarters of Deutsche Bank AG DBKGN. DE. Deutsche

hosted the talks in its capacity as chair of the London Club.

Kasyanov, who hailed the deal as a major achievement in putting Russia's relations with private sector creditors on a more normal footing, said he was now looking for similar terms from his country's creditor nations in the Paris Club.

Those countries are owed a hefty \$42 billion. Talks are due to start later this year.

A joint statement issued after the news briefing said the deal cut the debt by an average of around 36.5 per cent and stretched repayments of most of the debt over 30 years.

Under the terms of the agreement the creditor banks

will exchange Soviet-era debts of \$22.2 billion of restructured loans (PRINs)RUSPRIN RR and \$6.8 billion of interest notes from Russia's state debt agency Vneshekonombank (IANs) RUSIAN RR for new 30-year Russian Federation Eurobonds.

The Eurobonds for PRINs will be issued at a discount of 37.5 per cent while the IANs will be exchanged at a 33 per cent discount, the statement said.

The Eurobonds will have a grace period of seven years and pay an interest rate of 2.25 per cent for the first six months, 2.5 per cent for the next six months and 5 per cent in the years two through seven. Years eight to maturity would carry a rate of 7.5 per cent.

In addition, \$2.8 billion of interest due on those debts will be exchanged for a new Russian Federation Eurobond with a final maturity of 10 years and an interest rate of 8.25 per cent per annum, the statement said.

Kasyanov said he expected the exchange offer to be carried out during the second quarter of this year.

Dealers said the agreement appeared to be broadly in line with market expectations.

"It looks like the deal that the markets were pricing in. But the market is a little bit confused about the details still. I think the market needs the formal term sheet to price the deal accordingly," dealer in Russian securities at an investment bank in London said.

Soviet-era long-term bonds, known as PRINs and IANs have gained more than 30 per cent in the past week on hopes of a deal.

But PRINs did not exceed 20 on the news, a sign that the market had priced in the terms, the dealer said. PRINs were at 19-2/8 after the announcement, up from 19-1/8 before.



Peter Woicke, Executive VP of IFC and WB MD (extreme left), is seen visiting the construction site of AES's 360 MW Haripur power plant Friday. —AES photo

Iraq to buy 4 m kilos of Sri Lankan tea

COLOMBO, Feb 12: Iraq has agreed to import 4 million kilograms of tea from Sri Lanka this year under the United Nations' seventh phase of the oil for food programme, tea brokers here said today, reports Xinhua.

Under the sixth phase of the agreement, Iraq agreed to purchase only 2 million kg of tea from Sri Lanka this year. However, following bilateral discussions between the trade ministries of the two countries, Iraq has decided to import more tea from Sri Lanka.

Tea is one of Sri Lanka's main export items. The country's total tea exports last year were 268 million kilograms.

British Council strikes deal for GP phones

The British Council recently signed an agreement with GrameenPhone Limited to avail itself of the mobile telephone service under the phone provider's Corporate Sales Package initiative, says a press release.

Under the agreement, British Council will be provided with GrameenPhone's GP-GP Regular Service, which the Council will use to maintain constant contact with the personnel manning its transport pool.

Ferdousur Rahman, head of Fiber Sales of GrameenPhone, and BA Khan, Assistant Director (Management) of British Council, signed the agreement on behalf of their respective organisations.

Mahboob Hossain, Deputy General Manager (Sales) of GrameenPhone, and other officials of both the organisations were present on the occasion.

Iraq may again cut oil exports unless spares delivered

BAGHDAD, Feb 12: Iraq said yesterday it would cut its oil exports under the oil-for-food exchange with the United Nations by at least another 250,000 barrels per day if the United States kept blocking contracts for spare parts, says Reuters.

"We might extend further the reduction — that means easily another quarter million or more if we lose hope of getting holds removed from our contracts," Iraqi Oil Minister General Amir Muhammed Rasheed told CNN television.

Last export figures from the United Nations indicate that Iraq's sales have fluctuated in the past weeks, dropping to 1.4 million bpd in the week ending January 28 from 1.86 million bpd the week before.

Last week Iraqi officials said exports had fallen off because of a lack of spare parts for their dilapidated oil industry and because of poor weather at the Mina-al-Bakr terminal in southern Iraq.

With oil prices hitting a peak of \$27 a barrel and world supplies tight, any further cut in Iraqi exports could send oil prices even higher.

Early last year, when oil prices were low, Baghdad pushed production near to maximum levels, to the point of damaging its installations.

"We knew before that we were doing damage, but we considered that was a short-term damage and the process could be reversed. But to continue that was really out of the question," Rasheed said.

Under the deal with the United Nations, Baghdad is allowed to sell oil to buy food, medicine and other humanitarian goods for its people.

Iraqi officials have said Baghdad will observe a six-month \$5.25 billion ceiling on exports because it does not accept the terms of a more recent UN Security Council resolution that eliminated the limit.

The United Nations also allows Iraq to buy \$300 million worth of spare parts every six months to repair its oil industry, devastated by US-led bombing during the 1991 Gulf War as well as by the sanctions.

But the parts often have been rejected or have not won swift approval at the United Nations, Baghdad has often accused the US envoy at the UN sanctions committee of blocking contracts for parts.

APEC launches talks to push free trade agenda

BANDAR SERI BEGAWAN, Feb 12: A senior officials from economies bordering the Pacific rim kicked off a series of meetings today with the daunting task of advancing free trade and investment following a setback in liberalisation efforts on the global stage, reports AP.

Brunei is host of this year's meetings of the Asia Pacific Economic Cooperation (APEC) forum culminating in a leader's summit in the tiny oil-rich Borneo state's capital Bandar Seri Begawan in November.

Officials from the 21 APEC economies gathered at the Belalong National Park, a lush tropical forest, will spend the week-end deliberating issues ranging from lifting trade barriers to

enhancing economic cooperation.

"The jungles of Brunei will be a perfect setting for the senior officials to start work for the year," said Lim Jock Seng, a senior Brunei government official chairing the talks.

"We are aware of our heavy responsibility," he said.

With Asian economies now back on the growth path after being derailed by the regional financial crisis which struck in mid-1997, Brunei's job as chair is to consolidate efforts to strengthen the economic recovery.

"I said that because there is no room for complacency," said Lim, the permanent secretary of Brunei's foreign ministry.

APEC leaders in Auckland

last year committed to a fast tracked tariff liberalisation programme which they hoped would receive a significant boost from the launch of a new round of global trade negotiations at the World Trade Organisation (WTO), ministerial meeting in Seattle in December.

As the WTO talks failed to make a breakthrough, APEC economies will have to ensure their proposed accelerated tariff liberalisation programme is not put on the backburner.

Earlier this week, the WTO got moving again in Geneva with the announcement of negotiations from the fourth week of February to further liberalise trade in agriculture and services.



Picture shows the officials of GrameenPhone and British Council signing the agreement on providing British Council with GP-GP regular service recently. — GP photo

US co agrees to compensate Malaysians for lost jobs

KUALA LUMPUR, Feb 12: An American company was ordered by a Malaysian court to pay \$2.2 million in compensation to workers who lost their jobs when the company filed for bankruptcy last month, a news report said Saturday, reports AP.

Applied Magnetics Malaysia, a subsidiary of California-based Applied Magnetics Corp., agreed to compensate the 1,382 employees who were fired, The Star newspaper reported.

"The demands are reasonable and we have settled it amicably," the managing director of Applied Magnetics Malaysia, Joe Philips, was quoted as saying. "We hope they can get their termination benefits as soon as possible."

Telephones at the Malaysian subsidiary rang unanswered Saturday.

Civil war burdens Lankan budget

COLOMBO, Feb 12: Facing mounting defence costs in its war against Tamil rebels, the government is likely to include revenue-enhancing measures in the budget due to go to parliament Monday, says AP.

Economists said this week a small increase in the 2-year-old Goods and Services Tax, now a flat 12.5 per cent on all transactions, was possible.

"It would not be a big surprise if the rate is taken a little higher to overcome the cash shortfalls," said Chanaka Wickramasooriya, an economist at NDBS Stock Brokers.

A slowdown in the economy and a less-than-anticipated revenue is squeezing the government at a time when the war against Tamil separatists in the north and east is raging on.

The 17-year conflict, which has intensified in the last five years, has cost more than 61,000 lives.

In the last fiscal year, the government allocated 48.6 billion rupees (\$675 million), or

about 5 per cent of the gross domestic product, for defence spending.

According to the appropriations bill, defence outlays will be around 52.4 billion rupees (\$727 million) in fiscal 2000, which began Jan 1. The budget was delayed because of the presidential election held in December.

"It's going to be a cautious budget and not many surprises will be seen," Nandakumar Nair, chief economist at John Keells Stock Brokers told Dow Jones Newswires.

Analysts say they do not expect stimulus measures, such as tax breaks.

"A slowdown in corporate and economic growth will allow for very few tax concessions," said Dushyanth Wijasingha, head of equities at Indosuez WI Carr Securities.

Earlier this week, the government raised the retail prices of diesel and kerosene by 23 per cent and 48 per cent respectively.

Bangladesh Power Development Board

সমসাময়িক বিদ্যুৎ বিল পরিশোধ করুন
সরকারকে যদি দেখার বকবতা বর করুন

Tender Notice

Sealed tenders in T-2 Forms of PDB are invited from bonafide suppliers, suitable tailoring establishment and enlisted contractors/suppliers of Power Development Board and D class enlisted contractors of this Division for supplying summer, winter liveries and umbrellas for the employees of the Civil Maintenance Division of Karnaphuli Hydro-electric Station. The estimated expenditure of which is Taka 90,332/- (ninety thousand nine hundred thirty-two taka) only. Detailed description of livery alongwith terms and conditions can be purchased till 28/02/2000 from (1) CE (Transmission and Maintenance), PDB, Chittagong; (2) Deputy General Manager-1, KHYS, Kaptai; (3) Manager, Sonali Bank, Kaptai Branch and from the office of the undersigned with prior permission on payment of Tk 100/- (one hundred) taka only (non-refundable) in the form of Pay Order/Bank Draft in favour of the Deputy Director (Accounts), RAO, Kaptai. Tenders will be received till 29/2/2000 at 12:00 Noon in all the offices mentioned excepting the Manager, Sonali Bank, Kaptai Branch will be opened the same day at 12:15 PM before the tenderers present (if anyone remains present).

Plant Engineer (Executive)
Civil Maintenance Division
KHYS, PDB
Kaptai
Power/Public-1265(4)/99-2000
DFP-2690-7/2
G-255

Notice Inviting Tender of Roads & Highways Department

- Tender notice number : 52 BRD of 1999-2000 year.
- Name of work : Work of supply of stationery goods for the office of Barisal Road Division under Barisal Road Division during 1999-2000.
- Estimated money : Tk. 1,75,030/00.
- Security money : Tk. 3,501/00
- Time for completion of work : 15 (fifteen) days.
- Eligibility of contractors to submit tenders : *A* to *C* class of general categories of contractors of Roads & Highways Department, *D* class of general category of Barisal Road Circle and *E* class enlisted contractors of Barisal Road Division, Executive Engineer, R&H, Road Division, Barisal/Patuakhali/Bhola/Pirojpur/Barguna/Jhalakathi/Sub-divisional Engineer, R&H Road Sub-division 1/2, Barisal/1st Line Workshop Sub-division Barisal; on all working days excepting holidays during office hours. No tender forms will be sold on the day of opening tender.
- Last date and time of selling tender schedule : 22-02-2000 till 5:00 PM.
- Offices of the officials in which tenders will be received in sealed condition : Superintending Engineer, R&H Barisal Road Circle, Barisal/ Executive Engineer, R&H Road Division Barisal/Jhalakathi/Pirojpur.
- Last date and time of receiving tenders in sealed condition : 23-02-2000 till 12:00 Noon.
- Date and time of filing tenders in sealed condition : 23-02-2000 at 12:05 PM.
- Place, date and time of opening tender : Office of the Executive Engineer, R&H Road Division, Barisal 27-02-2000 at 11:00 AM.
- Date and time of lottery : 29-02-2000 at 11:00 AM.

Md Harunur Rashid
Executive Engineer, R&H
Barisal Road Division

Roads and Highways Department Tender Invitation Notice

- Tender notice number : 51-BRD of the year 1999-2000.
- Name of work : Making and supply of furniture on urgent basis for use by the Chinese experts who come here to initiate the construction of 5th Friendship Bridge (Gabhkan Bridge) and construction of Sagardi Sarak Bhaban under Barisal Road Division during 1999-2000 fiscal year (Head of expenditure: ATC (Gabhkan Bridge)).
- Estimated money : Tk 84,700/00
- Security money : Tk 1,694/00
- Time for completion of work : 30 (thirty) days.
- Eligibility of contractors to submit tenders : *A* to *C* class of general category of Roads and Highways Department, *D* class of general category of Barisal Road Circle and *E* class of enlisted contractors of Barisal Road Division, Executive Engineer, R&H, Road Division, Barisal/Patuakhali/Bhola/Pirojpur/Jhalakathi/Barguna/Sub-divisional Engineer, R&H Road Sub-division 1/2, Barisal/1st Line Workshop Sub-division Barisal; on all working days during office hours excepting holidays. No tender form will be sold on the day of opening tender.
- Last date and time of selling tender schedule : 22-2-2000 till 5:00 PM.
- Offices of the officials in which tenders will be received in sealed condition : Superintending Engineer, R&H Barisal Road Circle, Barisal/ Executive Engineer, R&H, Road Division, Barisal.
- Last date and time of receiving tenders in sealed condition : 23-2-2000 till 12:30 PM.
- Date and time of filing tenders in sealed condition : 23-2-2000 at 12:45 PM.
- Place, date and time of opening tender : Office of the Executive Engineer, R&H, Road Division, Barisal 27-2-2000 at 11:00 AM.
- Date and time of lottery : 29-2-2000 at 11:00 AM.

Md Harunur Rashid
Executive Engineer, R&H,
Barisal Road Division