

Red tape remains a stumbling block in post-crisis Asia

Political & Economic Risk Consultancy survey says

SINGAPORE, Mar 12: Bureaucracy remains one of the biggest problems facing Asia, although modest reforms have taken place in countries worst hit by the financial crisis that struck in 1997, a survey says, reports AFP.

Expatriates in Asian countries surveyed by the independent think tank Political and Economic Risk Consultancy (PERC) said that most of the region still needed to act on lowering red tape barriers even after the crisis sounded the call for change.

The survey noted however that some progress was evident as bureaucracies came under considerable pressure to introduce reforms.

This is what appears to be happening in many Asian countries like Thailand and Korea," it said, adding that their ratings improved this year, although they were still below average.

South Korea rated 7.5 in the survey on a scale of zero to 10,

with 10 being the worst score. This was up from 8.7 in 1999. Thailand scored 6.5, up from 8.14.

Seoul's efforts to attract foreign direct investment in the wake of the crisis was a major policy success, as it forced the government to slash the reams of red tape for which the country was infamous, PERC said.

Much still had to be done in Thailand, but the country was beginning to benefit from its reforms and the changes in attitude of government officials, particularly in government ministries and agencies handling economic management.

This year, Hong Kong topped its economic rival Singapore for the top spot with a score of 3.81, compared to Singapore's 4.00.

The better grade in 2000 "indicates that the civil service and government may be finding their footing again. At the very least, our survey reflects a perception that bureaucracy in

Hong Kong has improved in the past year."

Japan came in third with a rating of 4.5, a marked improvement from 6.88 a year ago. But the report lamented the rest of Asia's bureaucracies.

"Unfortunately, very few Asian countries have a civil service that performs its duties really efficiently, and poverty contributed to the problem of bureaucracy, it said.

"If civil servants are not paid a high enough salary, it is hardly surprising that lower and even middle-ranking civil servants often try to supplement their personal incomes and department budgets by seeking special payments from those needing their services/approvals."

The report cited Indonesia, which rated 8.0, up barely from the previous year's score, saying many senior civil servants used their positions to enrich themselves and their friends.

"In Indonesia's case, it went

beyond expensive approvals and licenses. Many senior government officials went into business themselves and used their positions to protect and promote those personal business interests."

This was bureaucracy at its worst, PERC said. In China, India and Vietnam, personal enrichment did not seem to be the prime motivating factor for the actions of senior officials.

In these countries, preservation of power was probably more important, and there was an intense desire by officials at all levels to uphold the interests of the system along with the narrow interests of the specific ministries or regions in which they were posted.

India retained its position as the country with the worst bureaucracy with a score of 9.1.

Other countries scoring lower than the average were Vietnam and China at 8.5, Malaysia at 7.5, the Philippines at 6.5, and Taiwan at 6.33.

Shrinking domestic work-force

Japan to ease rules on foreign workers

TOKYO, Mar 12: In a small but symbolic move, Japan is pushing ahead with plans to relax its tough immigration laws and allow more foreign workers into the country as it prepares to face a shrinking domestic labour force, reports Reuters.

Japan's ruling coalition is expected to approve this week a Justice Ministry report which will form the basis of Japan's immigration policy for the next five years.

According to media, the report recommends allowing foreigners to work in such fields as agriculture, hotels and marine product processing as trainees. Currently, Japan accepts foreign trainees in only 55 business areas.

The report also calls on the government to consider accepting foreign workers in the field of nursing care for the elderly, a growth business in Japan's rapidly ageing society, media reports said.

Present rules limit foreign workers to those who bring "expertise" in specified fields such as journalism, academia and some high-tech fields.

But rising demand for workers in jobs which Japanese prefer to avoid has led to an increase in the number of foreigners here including many without proper visas.

A record 1.51 million foreign nationals were registered in Japan at the end of 1998, the latest year for which data were available. About 270,000 more are believed to be here without proper visas.

While Japan's prolonged economic slump has put the immediate focus on the nation's rising jobless rate, a greying population and falling birth rate mean the labour force is expected to start shrinking a mere five years from now, government figures show.

That daunting prospect prompted a study group in the government's Economic Planning Agency last year to advise the government to consider accepting more foreign workers. In a 10-year economic plan adopted last year, Japan also made clear that it would promote steps to accept more foreign workers to revitalise the economy.

Samsung sales move

ROK creditors, Renault set for tough bargain

SEOUL, Mar 12: Creditors of South Korea's failed Samsung Motors Inc. and French auto giant Renault SA are set to start tough bargaining this week on the sale of the local car maker, officials said today, reports AFP.

An uphill battle awaits Renault, which has proposed taking over Samsung Motors for 450 million dollars, an offer rejected by local creditors which have valued the auto company at more than a billion dollars.

Hanvit Bank Samsung Motors' main creditor, said Renault's offer was unacceptably low and its proposed terms of payment was also outrageous.

"It makes no sense for Renault to pay merely 50 million dollars in cash before its takeover of Samsung Motors and 400 million dollars later within a 10 per cent of business profits," a Hanvit executive told AFP.

The bank official said a Renault delegation was expected in South Korea this week to negotiate the huge takeover price gap.

A nine-member Renault team, led by Vice President Jean-Marc Lefeuvre, will arrive here on Monday for the crucial bargaining. Seoul's Yonhap News Agency said quoting local business and industrial sources.

The French delegation — six from Renault and the three from brokerage firms — and expected to hold three to four rounds of talks with local creditors before returning home at the weekend, Yonhap said.

South Korean creditors said last week Renault would retain its exclusive negotiating rights until the end of March as agreed earlier, but warned they could seek other buyers if the bargaining fails.

Renault was granted exclusive negotiating rights for Samsung Motors for three months from December 30 and began a detailed examination of the firm's assets and liabilities in January.

It is quite certain that there is strong overseas demand for Samsung's electronics," Ng said. Strong foreign demand for electrical and electronic products continued to power Malaysian exports and accounted for 55.4 per cent of the total exports in January.

"It is a good beginning to the year. It shows that there has not been any slackening in pace," said an analyst at JP Morgan who asked not to be identified.

But he cautioned that economists would wait for the February data before projecting growth in industrial output for the rest of the year.

"The upward trajectory on the index of industrial production remains intact, leaving this 26 per cent year-on-year increase very likely to be the peak for 2000, and the rest of the following months to register year-on-year growth in the 15-20 per cent region," Standard & Poor's MMS said.

Output jumps 26 pc in Jan

Malaysian industry off

to red-hot start

KUALA LUMPUR, Mar 12: Malaysia's industrial production jumped 26 per cent in January as manufacturing outsoared, but analysts expect the blistering pace to slow down later this year, reports Reuters.

The Statistics Department said today that manufacturing output leapt by 37.4 per cent year-on-year in January spurring the stunning increase in industrial output.

The overall index of industrial production fell by 4.2 per cent from December, but market consultants Standard & Poor's MMS said the index rose 1.3 per cent month-on-month on a seasonally adjusted basis.

Analysts said January data, coming on the heels of a slowdown in exports, was better than expected and signalled a strong beginning for the year.

"It is surprisingly very strong. It has definitely crossed expectations," Kevin Ng, an economist with ABN Amro in Singapore, told the agency. Standard & Poor's MMS said the January industrial output data was above market expectations but below their forecast of 28.5 per cent.

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Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies					
Currency	Selling TT & OD	Selling BC	Buying T.T. Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	51.2300	51.2700	50.8100	50.6570	50.5950
Pound Stg	81.3123	81.3757	79.9888	79.3491	79.0000
Deutsche Mark	25.6303	25.6503	24.6304	24.5563	24.5214
Swiss Franc	30.8486	30.8707	30.2153	30.1243	30.0815
Japanese Yen	0.4867	0.4871	0.4734	0.4720	0.4713
Dutch Guilder	22.7473	22.7651	21.8599	21.7941	21.7631
Danish Krona	6.6666	6.6750	6.5272	6.5075	6.4933
Australian \$	32.0239	32.0489	30.7197	30.6272	30.5937
Belgian Franc	1.2427	1.2436	1.1942	1.1906	1.1889
Canadian \$	35.5295	35.5573	34.4966	34.3927	34.3438
French Franc	7.6420	7.6480	7.3439	7.3218	7.3114
Hong Kong \$	6.5942	6.5993	6.5145	6.4949	6.4857
Italian Lira	0.0259	0.0259	0.0249	0.0248	0.0248
Norway Krone	6.1262	6.1309	6.0259	6.0077	5.9992
Singapore \$	30.4307	30.4544	29.4636	29.3749	29.3331
Saudi Rial	13.6979	13.7096	13.5122	13.4715	13.4524
UAE Dirham	13.8666	13.9975	13.7568	13.7543	13.7347
Swedish Krona	5.8844	5.8990	5.8009	5.7924	5.7841
Qatari Riyal	14.1129	14.1240	13.9148	13.8729	13.8532
Kuwaiti Dinar	173.0159	173.1510	160.6132	160.1296	159.9000
Thai Baht	1.3555	1.3565	1.3415	1.3375	1.3356
Euro	50.1286	50.1677	48.1730	48.0279	47.9596

Bill buying rates					
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7112	50.3666	49.9632	49.5396	49.1163	48.2695

US dollar London Interbank Offered Rate (LIBOR)					
Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months
50.5950	51.2300	USD	5.99625	6.14375	6.35625
79.2963	81.3123	GBP	6.07906	6.22328	6.40848

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.575/43.585	51.8851/51.89	37.81/37.86	3.7995/3.8005	7380/7400	1119/1120

Amex notes on Sunday's market
The interbank USD/BDT market was moderately active on Sunday due to weekend in the international market. Transaction volume was low compared to last week. Major market players refrained from supply USD in the market. Average USD/BDT rate traded between 51.14-51.1450. Liquidity in the call money market is gradually drying up as the Eid days are coming. Cash withdrawal from banks by retail customers, and loan disbursement for procurement of raw hide & skin is reducing the liquidity of the market. Today average call rates have ranged between 6.00-7.00 per cent. Major market players are expecting this rate to go up from tomorrow.

The yen rose against the dollar and euro on Friday despite the threat the Bank of Japan could intervene to halt its climb, as market positioned for a key Japanese economic growth report this week. The yen was also bolstered by an upbeat economic assessment by the Bank of Japan in its monthly report, which said Japan's economy had recently started to improve, noting an improvement in capital spending, corporate sentiment and profits. The dollar slipped 0.35 per cent against the yen on Friday to close at 106.23 yen from 106.60 on Thursday. Europe's single currency, meanwhile, gave up this week's hard-fought gains against the dollar, dragged lower as it slumped back toward lifetime lows against the yen. Against the dollar, the Euro weakened 0.35 per cent on Friday to 96.28 cents from 96.62 cents on Thursday, in a day of lackluster trading with little for the market to focus on.

In New York on Friday, the major closed against US \$ at 106.25/106.33 JPY, 1.6708/1.6716 CHF, Euro at \$ 0.9631/0.9635 and GBP at \$ 1.5764/1.5772.

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 12.3.2000

Berth no	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving
J/1	Ryokoh-1	Gr	Sing	Prog	10/3	16/3
J/2	Bangla-Mamata	Rice(P)	Kara	RSA	7/3	17/3
J/3	Chalothorn Naree	C Clink	Tanj	NWSL	5/3	16/3
J/4	Orient Star	Gr/Rice(P)	Yang	Angelic	2/4	13/3
J/5	Norbuk Namir	Gr	Col	Seacom	6/3	14/3
J/6	Sarah-1	Gr (log)	Yang	SMSL	4/3	13/3
J/7	Tamdhju	Gr	Sing	MSA	8/3	20/3
J/9	Isparta	Rice	Kara	Uniship	8/3	20/3
J/10	Makmur Perkasa	Ura(G)	Zaka	BNSC	22/2	13/3
J/11	Kota Singa	Cont	Sing	Pil(BD)	7/3	14/3
J/12	Paraskevi My	Wheat(P)	Yang	Angelic	28/2	18/3
J/13	QC mallard	Cont	P Kel	QC SL	4/3	10/3
CCT/1	Orient Independence	Cont	P Kel	Bdship	5/3	12/3
CCT/2	Da Fa	Cont	Sing	RSL	5/3	13/3
CCT/3	Chu Hung	Cont	Sing	QC SL	8/3	11/3
RM/15	Sun Bright	Cement	Jaka	SBS	4/3	8/3
CCJ	All Shams	C Clink(Ruby)	Krabi	RML	1/3	15/3
GSJ	Thank God	C Clink	Pada	PSAL	2/4	25/3
TSP	TiaEstela	R Ship	B Abb	Seacom	3/3	16/3
RM/3	Pranedy Pratama	P Oil	Sing	CTPL	7/3	12/3
Bn/4	Gonio	Cdso	Pilo	Seafit	6/3	13/3
RM/6	Dan Yang	Ura(G)	Sing	BNSC	23/2	15/3
DOJ	Banglar Jyoti	C Oil	-	BSC	R/A	12/3
DD	Banlar Mookh	Repair	-	BSC	R/A	20/3
RM/9	Banglar Kakoli	-	Mong	BSC	24/2	17/3
KAFCOA	Gaz Kandla	Ammonia	VISH	BML	8/3	12/3

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Banglar Bural (Cont)	29/2	12/3	-	Bodship	Cont
Dewan-1	12/3	-	AMBL	Ureag	Sing
Century	16/3	-	Rainbow	Gr(Sl Cement)	-
Ocean Pride	16/3	-	PSAL	Gr(Malze)	-
Teresa everett (24/7/5)	13/3	Evertt	-	-	-
QC Pental (Cont) 29/2	13/3	Sing	QCST	Cont	Sing
B. Shikha (Cont) 5/3	14/3	Sing	BSC	Cont	L/Sing
Xpress Makalu (Cont) 16/2	14/3	Sing	RSL	Cont	Sing
Kota Naga	14/3	Sing	Pil(BD)	Cont	L/Sing
Peles K	14/3	-	SBS	Cement	-
Jurong Balsam(cont) 6/3	16/3	Sing	NOL	Cont	Sing
Ocean Line-2	16/3	Kara	OMSL	Rice(P)	-
Banga Biloy	16/3	-	Bdship	Cont	-
Xpress Padma(Cont) 29/2	17/3	Sing	RSL	Cont	Sing
Achleiver (Cont) 8/3	17/3	Sing	RSL	Cont	Sing
Kotachayal(Cont) 7/3	18/3	Sing	Pil(BD)	Cont	Sing
Al Muhtaba	18/3	-	Bdship	Cont	Sing
Banga Biraj	18/3	-	Bdship	Cont	Sing
Osg Argosy	19/3	-	Baridhi	Cont	Col
Orange Sky	20/3	Sing	BBA	Cont	-
San Mata	22/3	P Kel	JF	Vehi	-
Brother star	25/3	Sing	JF	Vehi	-
Ascan Express	25/3	-	Prog	G	-

Tanker due:

Petrobulk Runner	12/3	-	Sing	HSD/Jp-1
Monoroma	13/3	-	Sing	Sko

Name of vessels	Cargo	L Port call	Local agent	Date of arrival
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Vessels at Kutubdia

Energury Explorer-IV	-	-	BBAL	5/1
Isnaya	-	-	BBAL	17/8
MFB Devi Matha	-	-	BBAL	24/10
MFB Sona	-	-	BBAL	24/10
MFB Lakshmi	-	-	BBAL	24/10
SMT Lloyd-74	-	-	BBAL	R/A (6/3)
Barge Cok-6	-	-	BBAL	R/A (28/11)
Seabulk Command	-	-	IBS	R/A (27/2)
Dea Champion	-	-	Araffen	R/A (7/3)
Spiros	C Oil	Rast	BSL	11/3
Banglar Shurabhi	C Oil	-	BSC	R/A

Vessels at outer anchorage

Ready on