

# S'pore abolishes tariffs on ASEAN goods today

## Bid to provide impetus to AFTA

SINGAPORE, Dec 31: Singapore said on Friday it will abolish all import tariffs on ASEAN goods from January 1 in an attempt to give impetus to a Southeast Asian free trade area due to come into effect in 2003, reports AFP.

The small but affluent city-state, the strongest economy in the Association of Southeast Asian Nations, said it will remove import tariffs for goods under the Common Effective Preferential Tariff (CEPT) scheme of the ASEAN Free Trade Area (AFTA).

Under the AFTA schedule,

tariffs within ASEAN will fall to zero to five per cent within the region at the start of 2002.

"With effect from 1 January 2001, Singapore will accord tariff-free access for all ASEAN goods under the CEPT scheme for AFTA," the Ministry of Trade and Industry said in a statement.

"Reciprocally, Singapore companies will also be able to enjoy preferential tariffs on their exports to ASEAN under the CEPT scheme for AFTA," it added.

Singapore, which has been criticised for seeking free trade

agreements with a host of other countries outside ASEAN, said it had reviewed its AFTA tariff commitments "with the view to catalyse free and open trade in the region".

It sealed a free trade arrangement with New Zealand earlier this year, is negotiating a similar pact with the United States and hopes to start talks with Japan next year.

ASEAN hopes to complete the AFTA process by the end of 2002 for six of its more developed members - Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand -

and at a later date for Cambodia, Laos, Myanmar and Vietnam.

Under the AFTA timetable, ASEAN slashed tariffs to between zero and five per cent for 85 per cent of products in its "inclusion list" this year.

This will be raised to 90 per cent in 2001 and 100 per cent in 2002 but with some flexibility for countries wanting long protection for key products.

Average CEPT tariff rates this year fell to 4.43 per cent from 12.76 per cent in 1993 when AFTA was launched.

## \$131,000 bribe scam

# Japan's chief economic planner under fire

TOKYO, Dec 31: Japan's economic planning chief received 131,000 dollars from a scandal-hit industrial insurance provider last year, newspapers said yesterday, dealing a fresh blow to troubled Prime Minister Yoshiro Mori, says AFP.

Fukushima Nukaga, director-general of the Economic Planning Agency, received 15 million yen (131,000 dollars) in cash from the former president and founder of KSD, the Asahi Shimbun and the Mainichi Shimbun said.

The 56-year-old lawmaker received the money when he served as deputy chief cabinet secretary in the administration of the late prime minister Keizo Obuchi, the newspapers said.

Prosecutors have already

launched investigations into KSD which allegedly distributed unreported money to politicians in a bid to win government support for its projects.

Tadao Koseki, founder of KSD, now indicted on breach of trust and other charges, allegedly provided the money for Nukaga to win support for a plan to establish a university in Satama, north of Tokyo. Kyodo News Agency said.

Nukaga admitted he received the money. But he said it was returned to KSD on May 23, denying any pressure or appeal from KSD related to his political activities.

Opposition parties are expected to grill Mori over the latest scandal involving a member of his cabinet, dailies said.

## Shipping Intelligence

Chittagong Port						
Berth Position and Performance of Vessels as on 31.12.2000.						
Berth No	Name of Vessels	Cargo	Last Port	Local Agent	Date of Leaving	Date of Arrival
J-1	Southern Queen	GI (Copro)	Sing	Arka	28/11	1/12
J-2	Bay Fortune	Wheat (P)	Bomb	SMSL	22/12	7/1
J-3	Min Jiang	GI	Yang	BDSHP	24/12	1/1
J-4	Ocean-1	GI (Log)	Yang	SMSL	29/12	4/1
J-5	Topaz (Liner)	GI	Osar	Prog	22/12	2/1
J-6	Banglar Shikha	Cont	Mong	BSC	28/12	31/12
J-7	Bright Sea	C Clink	Krab	MBL	17/12	31/12
J-8	Yong Jiang	GI	S Hai	BDSHP	26/12	4/1
J-9	Banglar Umit	Wheat (G)	P Said	BSC	R/A	-
J-10	Banglar Lanka	Cont	Col	Baridhi	25/12	4/1
J-11	Kota Berjaya	Cont	Sing	PI (Bd)	19/12	3/1
J-12	Kota Naga	Cont	Sing	PI (Bd)	15/12	31/12
J-13	Jaya Mars	Cont	Col	Everbest	18/12	31/12
CCT/1	Banglar Robi	Cont	Sing	BSC	24/12	4/1
CCT/2	Oriental Independence	Cont	P Kel	BDSHP	20/12	4/1
CCT/3	Jurong Balsam	Cont	Sing	Nol	21/12	4/1
RM/14	Banglar Kallol	C Clink	Sikka	BSC	15/12	8/1
GCJ	Ocean Pride	C Clink	Krab	PSAL	11/12	-
CCJ	Paragon	Wheat (G)	P Said	Ancient	24/12	-
TSP	Iran Meadad	R Phos	Jedd	Seacom	4/1	-
DOJ	Banglar Shourabh	C Oil	-	BSC	R/A	-
RM/8	Banglar Jyoti	Repair	-	BSC	R/A	-
RM/9	Samara	GI (SI C)	-	SMSL	3/12	-

Vessels Due at Outer Anchorage						
Name of Vessels	Date of Arrival	Local Agent	Cargo	Loading	Port	
Acuria (Cont) 9/12	31/12	P Kel	QCSL	Cont	Sing	
Tia Estela	31/12	BASL	CCNL	Urea	-	
Prometheus	1/1	Kaki	Rainbow	Wheat (P)	-	
Dea Conqueror	31/12	Sing	Arafeen	P Equip	-	
Cielo Di Salerno	2/1	Sing	UMTL	Ballast	-	
Nema-F	1/1	-	Ancient	Wheat (G)	-	
Xpress Intevale (Cont) 29/12	2/1	-	RSL	Cont	Sing	
Joy Miracle (7219/12)	3/1	-	SSLL	GI (SI Coal)	-	
Bozar Capt Cook (Cont) 24/12	3/1	-	BDSHP	Cont	Sing	
Ekliche (17226/12)	3/1	-	UMTL	GI (SI Coal)	-	
Banga Bijoy (Cont) 24/12	4/1	-	BDSHP	Cont	Sing	
Ava	3/1	Yang	MTHA	Rice (P)	-	
Da Fa (Cont) 26/12	5/1	-	RSL	Cont	Sing	
Qc Teal (Cont) 26/12	6/1	-	QCSL	Cont	Sing	
Bunmoon	7/1	-	RSL	Cont	Sing	

Tanker Due						
Name of Vessels	Date of Arrival	Local Agent	Cargo	Loading	Port	
Pranedyia Dwtiya	31/12	Sing	CTPL	F Oil	-	

Vessels of Kutuddia						
Name of Vessels	Date of Arrival	Local Agent	Cargo	Loading	Port	
Energy Explorer-IV	-	-	BBAL	5/4	-	
Ismaya	-	-	BBAL	17/8	-	
Dea Champion	-	-	Arafeen	R/A (17/12)	-	
Dea Captain	P Mat	Sing	Arafeen	R/A (18/12)	-	
Seabulk Command	-	-	IBS	R/A (22/12)	-	

Vessels at Outer Anchorage						
Ready On						
Name of Vessels	Date of Arrival	Local Agent	Cargo	Loading	Port	
Osg Alpha (Cont)	Cont	Col	Everbest	25/12	-	
Arabella (Cont)	Cont	P Kel	QCSL	25/12	-	
Kuo Hsing (Cont)	Cont	FTP	QCSL	26/12	-	
Banga Bird (Cont)	Cont	Sing	BDSHP	26/12	-	
Xpress Makatu (Cont)	Cont	Sing	RSL	27/12	-	
Banglar Mori (Cont)	Cont	Sing	BSC	27/12	-	
Kota Striga (Cont)	Cont	Sing	PI (Bd)	29/12	-	
Tiger River (Cont)	Cont	Sing	Nol	29/12	-	
Jaami (Cont)	Cont	Sing	Cross	29/12	-	
Qc Pintail (Cont)	Cont	Sing	QCSL	30/12	-	

Vessels Not Ready						
Name of Vessels	Date of Arrival	Local Agent	Cargo	Loading	Port	
Hui Yang	TSP (P)	Qinz	Unique	24/12	-	
St Aubin	C Clink	Krab	Everett	21/12	-	
Banglar Mookh	Wheat (P)	Mong	MSA	24/12	-	
Erodios	Sugar	Sant	Litmond	26/12	-	
Makmur Perseja	Cement	Toba	SSTL	27/12	-	
Pavonis	Wheat (P)	Mumb	SMSL	28/12	-	
Crystalace	R Phos	Sing	Total	30/12	-	
Jaladot	HSD	Juba	ECSL	31/12	-	
Oriental Queen	C Clink	Pilok	RML	31/12	-	
Courage Venture	CDSO	Para	Seacom	31/12	-	

The above are shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied to HRC Group, Dhaka.

## FELLOWSHIP on South Asia Media Exchange Programme (SAMEX) 2000-2001

With joint collaboration of the Press Institute of Bangladesh (PIB), National Foundation for India (NFI) invites application for the fellowships on South Asia Media Exchange Programme (SAMEX) 2000-2001.

The specific aim of the fellowship is to facilitate enhanced understanding of common developmental problems in the region and to highlight how they are tackled in different countries in the region.

The research, to be done under this fellowships, could cover broad developmental topics like education, health, gender issue, poverty alleviation, human development, livelihoods, micro-credit, trafficking in women and children, HIV/AIDS, common environmental issue, food security etc.

The fellowships will involve between four to six weeks of travel and research in a counterpart country. The fellowships are open to journalists of mid-career status in Bangladesh. Upper age limit for availing the fellowship is 40 years.

Applications for the fellowships complete all respects should be submitted in English. The fellows will be selected on the basis of a proposal in about 1000 words outlining the particular thematic area in which the applicant would like to work should include details regarding the specific geographical location of the study, methodology, the relevance of theme selected, as well as the contribution it can make to the larger development debate in the country.

The applications should include the following:

- Name, present position, address, date of birth, contact phones, fax, e-mail;
- Educational Information- college, university, advanced course attended;
- Work Experience- positions held, tenure and major assignments undertaken in the past five years;
- Details of Awards and Fellowships held in the past three years, if any;
- Past Publications- 10 clippings must be sent along with the application form- five recent articles and five other articles of candidate's choice;
- Articles/Photographs must have the byline;
- Whether working for a registered newspaper;
- Three references with address and phone/fax number;
- Approval/Forwarding by employer;
- Signature, place, date;
- Proposal (In about 1000 words).

The deadline for applications to be reached to the Director General, Press Institute of Bangladesh by January 07, 2001. For more information please contact under mentioned address.

**Director General**  
Press Institute of Bangladesh  
3 Circuit House Road  
Dhaka-1000  
GD-1196

## Indian forex reserves up

NEW DELHI, Dec 31: India's foreign exchange reserves increased by 170 million US dollars to 39,807 billion dollars for the week ended December 22, 2000 as compared to the previous week, reports Xinhua.

According to the Reserve Bank of India's weekly statistical supplement, the rise in reserves was solely due to rise of 170 million dollars in foreign currency assets to 73,053 billion dollars in the reporting week.

The upsurge continued for the seventh week in a row following inflows of State Bank of India's millennium deposits proceeds into the country.

Meanwhile, gold reserves and the special drawing rights remained static at 2,752 billion dollars and 2 million dollars respectively, the supplement said.

## CIS posts GDP growth in 2000

MOSCOW, Dec 31: Almost all countries of the Commonwealth of Independent States (CIS) have recorded obvious economic growth this year, the CIS Inter-State Statistical Committee announced Saturday, says Xinhua.

The biggest GDP growth in January-November 2000 against the same period in 1999 was achieved at 11.3 per cent in Azerbaijan. In Armenia, the rise amounted to 5 per cent, in Belarus - 5.5 per cent, in Kyrgyzstan - 5.7 per cent, in Tajikistan - 5.1 per cent and in Ukraine - 5.4 per cent. In Russia, the production of basic economy sectors increased 8.4 per cent.

The other countries except Turkmenistan, which does not send its statistics to the committee, had figures only for the first nine months. In Kazakhstan, the GDP rose 10.5 per cent, in Uzbekistan 4.2 per cent, and in Moldova 4 per cent. Only Georgia reported a 0.2 per cent decline in the GDP, said the committee.

## Bad debt downs Korean credit union in Japan

TOKYO, Dec 31: Japan's third biggest credit union went under with huge bad loans Friday, adding to a run of failures among financial institutions serving the ethnic Korean community, reports AFP.

Chogin Kinki Shinyo Kumiai asked the Financial Reconstruction Commission (FRC) to replenish its depleted liquidity holdings.

FRC chairman Hakuo Yanagisawa told a news conference his commission responded by declaring Chogin Kinki insolvent and sending in government-appointed administrators.

Under Japanese laws to protect the financial system, the Kobe-based credit union is eligible for an injection of public funds to meet its obligations to refund depositors, FRC officials said.

"It is unfortunate that a financial institution, which is a pillar of a community, has collapsed," Yanagisawa said.

"We have taken the measure under Japanese law in order to help stabilise the financial system."

Chogin Kinki has 640 billion yen (5.6 billion dollars) in deposits, making it the third biggest credit union in Japan.

Its liabilities exceeded assets by 84.2 billion yen at the end of last March.

The firm was created in 1997 by the merger of five North Korea-linked credit unions in the western city of Osaka and its vicinity.

The government injected 315.9 billion yen of public funds into Chogin Kinki in May 1998 to enable it to take over the assets and liabilities of Chogin Osaka and reimburse their depositors.

## China may okay yuan fluctuation by 15pc

SHANGHAI, Dec 31: China's central bank floated the idea of a looser foreign exchange regime in 2001 in the newspaper Friday, testing the waters for allowing a yuan fluctuation of as much as 15 per cent from its fixed rate, reports AFP.

"The People's Bank of China will consider allowing a more flexible yuan exchange rate, and widening the exchange rate trading band," the PBOC's Research Bureau said in an article published in the official China Securities News.

The central bank is considering allowing the Chinese currency to float within a 10 to 15 per cent range either side of the rate set by the central bank, the paper said.

The yuan is effectively pegged to the US dollar at a rate of around 8.28 yuan, and is only tradable on the current account in exchange for goods and services.

Pundits said financial markets have been expecting a more flexible exchange rate regime in mainland China for some time but few are predicting a wide yuan trading band.

"We expect to see a widening of the trading band next year, but I don't think they will go for a band of as wide as 10 or 15 per cent, five per cent is more likely because stability is the key consideration for the Chinese leaders," said Chi Lo, head of regional treasury research at Hong Kong's Standard Chartered Bank.



Ten-year-old Amrit Shaw, a young balloon vendor, displays his wares as another boy - on an excursion to Calcutta's popular Brigade ground along with his parents (not in the picture) - tries to touch one of the balloons, yesterday. Amrit, one of the thousands of children labourer in the city, hopes to make a fast buck during the New Year's Eve celebrations with most of the parks and tourist spots in the city remaining packed with holiday-makers and revelers.

## Six Malaysian banking groups meet merger deadline

### Three in final stages

KUALA LUMPUR, Dec 31: Malaysia's central bank said today that six out of ten core banking groups met the year-end deadline for industry-wide mergers while another three were in the final stages of completing the exercise, says Reuters.

"The process of vesting orders to complete the legal mergers has been completed for six banking groups while three banking groups are in the final stages of completing their respective legal mergers," Bank Negara Malaysia said in a statement.

The Arab-Malaysian Banking Group AMMB KL, a core bank-

ing group, whose negotiations with Utama Banking Group UBGB KL fell through, has been allowed to begin talks with Danamon Nasional Bhd on merger with MBI Finance Bhd.

Malaysia had ordered its 54 banking institutions to merge into ten core banking groups by December 31.

Bank Negara said it had allowed Arab-Malaysian Banking Group and Utama Banking Group to mutually terminate their sale and purchase agreements.

It also approved the agreement between Multi-Purpose Bank Bhd MLPM KL and MBI Finance Bhd to be cancelled.

Bank Negara allowed Utama Banking Group to start merger talks with Eon Bank Bhd EONK KL, which is already an anchor bank.

"Similarly, the application by the Arab-Malaysian Banking Group to commence negotiation with Danamon Nasional Bhd on the merger with MBI Finance Bhd has also been approved," it said.

The central bank said the agreement between Malayan Banking Bhd MBMM KL, the nation's biggest bank, and PhiloAllied Bhd PLEO KL for the acquisition of PhiloAllied Bank (Malaysia) Bhd has been extended by 21 days.

## US economy heading for hard landing in '01: Experts

NEW YORK, Dec 31: Analysts with the investment bank JP Morgan Chase on Friday warned that the once high-flying US economy was heading for a hard landing in 2001, with growth in the first half of the year below one per cent, reports AFP.

"For the full year, their forecast is for US gross domestic product to expand just 1.8 per cent.

Growth came to 5.6 per cent in the second quarter of this year and 2.2 per cent in the third, according to the Commerce Department.

The team at JP Morgan

Chase said next year's dramatic slowdown would reflect a sharp reduction in capital spending, especially on new information technologies.

"Recent evidence on capital goods spending - from orders data and from the steady stream of growth warnings from prominent capital goods producers in both the 'old' and 'new' economies - suggest that this downturn is underway," the survey said.

"The motivation for forecasting outright weakness is related to the slowing in production and demand indicators over the course of the fourth

quarter."

Two other factors likely to hamper growth in 2001 are an expected slowdown in export gains and a build-up in inventory led by a decrease in demand.

"Stockbuilding is expected to shave roughly 0.5 per cent percentage points off growth next year," the analysts said.

They also foresaw aggressive monetary easing on the part of the Federal Reserve, which was seen cutting interest rates by three quarters of a percentage point in the first quarter and a further half a point in the second quarter.



The emir of Bahrain Sheikh Hamad bin Issa al-Khalifa smiles at the opening of the 21st Gulf Cooperation Council (GCC) summit in Manama Saturday. The emir opened the summit with a call for increased cooperation in the region's economy and defence.

## Asian stocks suffer millennium hangover in 2000

HONG KONG, Dec 31: Asian economies limped out of the starters' blocks in Olympic year but most share markets hobbled off in the opposite direction, reports AFP.

China's Shanghai small B-shares market was the best performer worldwide this year and Australian stocks ended about even. Elsewhere in the region, markets were awash in a sea of red ink, many ending 2000 near their lows.

New Zealand, Hong Kong, Malaysia and Bombay investors had to swallow losses of between 11 and 20 per cent.

Singapore and Tokyo suffered losses of over 20 per cent and the Indonesian and Philippine bourses dived about 35 per cent amid sluggish economies and political turmoil.

Taiwan investors quickly became disenchanted with their new government as shares racked up losses of over 40 per

cent.

In Bangkok, the sluggish pace of reforms and political uncertainty sent foreign investors packing and the rest nursing losses of nearly 45 per cent.

South Korea was in the strange position of cheering economic growth expected to be nearly 10 per cent while weeping over share losses of nearly 51 per cent, as around 166 billion dollars in market capitalisation went up in smoke.

Sharemarkets in Asia had an excellent year in 1999 but over-enthusiasm then left little room for further gains on the basis of economic growth this year. Some markets though, continued to forge ahead early in the year thanks to the technology and internet bubble.

But when the dotcom frenzy started to sour in March, the downward pressure on Asian markets was irresistible. In the

second half of the year, slowing growth in information technology industries turned the tech stock descent into a tailspin.

A strong US dollar further discouraged foreign investors who had to face likely currency losses as well as stumbling stock prices. Oil prices took off, renewing economic worries.

A common complaint from dealers was the lack of foreign money in Asian markets, particularly in some of the politically unstable nations in Southeast Asia such as the Philippines and Indonesia.

Thailand and to a lesser extent Malaysia continued to be shunned by many foreign investors because of their patchy record on economic and market reforms.

"There is no confidence in corporate governance anymore," said Mercury Securities analyst Victor Wan of the Kuala Lumpur market, adding that debt