S Korean current account surplus slips sharply

AFP, Scoul

South Korea's current account surplus shrank sharply to 11.04 billion dollars last year due to increases in imports and services account deficits, the Bank of Korea (BOK) said Monday.

The 2000 current account surplus was down from 24.48 billion dollars in 1999, the central bank said. The trade surplus fell to 16.6 billion dollars last year from 28.37 billion dollars a year earlier.

Exports rose to 175.78 billion dollars from 145.16 billion dollars, and imports were up to 159.18 billion dollars from 116.79 billion dollars.

But the current account surplus in December alone rose to 1.24 billion dollars from 1.06 billion dollars a year earlier on a slowdown in imports.

"Slower growth in imports was the main reason for the rise in the current account surplus in December," a BOK official said.

The trade surplus in December rose to 1.69 billion dollars from 1.1 billion dollars a year earlier.

Imports on a balance of payments basis grew 6.9 per cent year-on-year to 13.1 billion dollars. in December while exports rose 3.9 per cent to 14.79 billion dollars.

Nikko to sell 50pc stake in subsidiary to Citigroup

AFP, Tokyo

Nikko Securities Co. Ltd. said Monday it had decided to sell a 50 (to compete with imports) through

Nikko will sell the stake in Nikko Trust and Banking Co. Ltd., the company said in a statement.

"After the stake sale, Nikko | Trust and Banking will become a joint venture between Nikko Securities and Citigroup," it said. temporary safeguard lasting no

A Nikko spokeswoman declined to give any details about the cost or timing of the transaction.

The business daily Nihon Keizai Shimbun said the deal would involve 200,000 shares worth over 10 billion ven (86 million dollars). Nikko Securities declined to confirm the figures.

Citigroup and Nikko have had business and capital ties since June 1998 and have a major jointventure investment bank in Japan, Nikko Salomon Smith Barney Ltd.

Bank Indonesia vows to back ailing rupiah

AP, Jakaria

Indonesia's central bank said Monday it may intervene in foreign exchange markets after the national currency, the rupiah, weakened to 9,800 against the dollar - its lowest level since the Asian financial crisis.

"If needed, we will intervene in the market," said Sjahril Sabirin, Bank Indonesia's governor.

Currency traders attributed Monday's slide to the problems in Indonesia's relationship with the International Monetary Fund. The IMF has suspended dis-

bursement of a 400 million installment of its 5-billion-dollar loan to Jakarta because of disputes with the government about the pace of economic reforms, which have stalled since last year.

Indonesia's economy grew by 4.8 per cent in 2000 - the first expansion since the Asian economic downturn.

Social issues threaten world trade talks: Supachai

AFP, Hong Kong

Linking other issues to trade risks scuttling a new round of global trade talks, the next World Trade Organisation (WTO) director general Supachai Panitchpakdi warned on Monday.

He said there was a view in Washington and among Democrats that a another round of WIO talks could not be sold to the US public without linking issues such as human rights, labour rights and the environment to the talks.

call non-trade issues."

This could hamper the US ad-

to a new round of trade talks, needed by July when current-director general Mike Moore is due to finalise his agenda for the next

Supachai said unless the agenda is simple and approved by July then the WTO would have difficulty in holding the next round of trade talks, scheduled for November in Qatar.

"Major countries will have to spell out where they stand," he "They want to discuss issues I ised by the British Chamber of Commerce.

"If the US doesn't have that ministration and its commitment then I don't think any country in the WTO leadership from Moore countries," Supachai said,

with the US," Supachai added.

animal welfare and "killing an trade talks. animal with a lot of grace". These risked complicating the agenda.

up with the text by July then we would start to think it over again whether we should make a report for a launch ... come November," Supachai said.

He added such non-trade istold a business function organ-sues were "something the WTO is least capable of policing. It should be the work of somebody else."

Despite the petition by the as-

"If a series of safeguard meas

ness newspaper reported Satur

In addition to cheap towel im

are also unhappy about the rapid

growth of retailers specialising in

low-priced clothing, with their ire

focussing on the hugely successful

Uniqlo chain run by Fast Retailing

cent of its clothing from China,

has strongly opposed import

quotas, describing the move as

Uniqlo, which sources 90 per

ports, Japanese textile companies

day, quoting an industry source.

the world would want to negotiate in September 2002, said agriculture, services, e-commerce and He said other non-trade issues government transparency would include clean air, clean meat, make the agenda for the world

The environment was also a possibility. "If Mike Moore cannot come

Hopes of rekindling world trade talks followed the spectacular failure of talks in Seattle almost 18 months ago, which were carried out amid rowdy protests by demonstrators opposed to globalisa-

"It broke down because we were so far apart in the meeting Supachai, who will take over room, particularly the major

S'pore, Australia

seek to boost



A man speaks on the phone outside the Hong Kong headquarters of HSBC Holdings plc yesterday as the group announces its annual results for the year 2000. The British-based banking giant reported a rise of 22.6 per cent in net profit to 6.628 billion US-dollars.

Japanese towel makers seek restriction on cheap imports

AFP, Tokyo

government Monday to issue an tigations into the level and nature ing roughly 80 per cent of Japan's emergency quota on cheap Chi- of Chinese and Vietnamese im- total towel imports. nese and Vietnamese towel im- ports, a ministry spokesman said. ports, a member of an industry Up to six months would be sociation, some people in the ingroup said.

the Ministry of Economy, Trade quested quotas, he said. and Industry (METI), claiming that the sudden increase of cheap im- rules, we will deal with it appro- consumers by limiting the supports from the two nations had priately. (The ministry's work) will plies of cheap, quality products, damaged domestic towel makers. "We have been doing our best

per cent stake in its wholly-owned | various management strategies," trust banking subsidiary to US Yoshihide Yoshihara, head of the response to the association's refinancial services giant Citigroup | association, told reporters after quest. lodging the petition.

> of imports has made our efforts amount to nothing," he said. The quotas, officially known as "safeguards", are allowed by the World Trade Organisation as a

more than three years. Before quotas can be launched,

evaluating the potential impact of from 33,194 tonnes in 1996 to Lapanese towel makers asked the the measure as a prelude to inves- 43,840 tonnes in 1999, represent

spent on the study before Japan dustry are hesitant about govern-The Japan Towel Industrial As- entered into negotiations with ment intervention, according to sociation filed the petition with China and Vietnam on the re- news reports.

"In accordance with the WTO ures are launched, it would hurt include discussions on whether we the Nihon Keizai Shimbun busishould start investigations over the request for safeguards," the ministry said in a statement in

Japan has 457 towel makers, "The reality is, however, a flood employing 5,521 people and shipping 136.7 billion yen (1.2 billion dollars) worth of finished products, according to the ministry. Towel production in Japan fell

> to 42,798 tonnes in 1999, 13 per cent lower than in 1996, according to METI figures.

Towel imports from China

trade AFP, Singapore MITT will spend two months meanwhile shot up 32 per cent

Singapore and Australia on Monday signed an agreement to mutually recognise test results and quality certification on products traded between them in a move to boost bilateral trade.

The Australia-Singapore Mutual Recognition Agreement (A-S MRA) on Conformity Assessment was signed in Canberra within a year after talks began, the Singapore trade ministry said in a statement.

Manufacturers and exporters of electrical and electronic goods as well as telecommunications equipment and medicinal products are expected to benefit most from the agreement, which would facilitate market access.

"The A-S MRA on conformity assessment provides for the mutual recognition of test results and certification by recognised bodies in both countries."

"This obviates the need to undertake duplicative testing and certification of products in the importing country."

S'pore gets riveted on growth investment as slump looms

REUTERS, Singapore

If Singapore needed to address any questions about a slowdown in its export-driven economy, the answers came in spades last week with tax cuts, a retooling of skills and the focus on growth with an eve on inflation.

Big business, small business, pensioners, overseas investors, the Singaporean in the street – everybody got something in Friday's budget from the usually reserved finance minister Richard Hu.

But analysts said the S\$28.1 billion (\$16.1 billion) package was not as heavy on stimulus as it first appeared, with most of the tax benefits not coming through until next year and Hu sitting on a surplus of S\$4.4 billion to wield when needed.

"It reflects a certain degree of confidence the authorities in Singapore have about the economic performance this year," PK Basu, chief economist for Southeast Asia at Credit Suisse First Boston, told Reuters on Sunday.

"The main focus of the budget this year is on the longer term." he S\$6.3 billion to stress the creative said. "Clearly Singapore is using a skills needed for a knowledgegreat deal of the fiscal ammunition based economy and \$\$7 billion it has to make itself leaner and will be spent over five years on a meaner relative to it regional ri- science and technology plan. Confidence is key

With the benefits of 9.9 per cent

economic growth in 2000 already in the bank, the government could afford to be generous. But as a downturn hits the city

state's key markets in the United States and Japan - particularly demand for electronics that make up 60 per cent of its exports - Hu could scarcely afford not to be give something away. "It's bonanza time," the Busi-

ness Times newspaper said.

Hu surprised forecasters by paring the corporate tax rate from Monetary Authority of Singapore 25.5 per cent to 24.5 per cent, defied expectations of a shift in its which will benefit companies next monetary policy by sticking to its year when their 2001 taxes are tightening bias to cap inflationary assessed, as well as doling out pressures. personal income tax cuts and perks for small firms.

The Education Ministry will get Property taxes fell from 12 per cent to 10 per cent.

Hu's emphasis on social programmes, education and training capped indications last week of how Singapore expects to ride out a more difficult 2001 as it weighs up a growth/inflation dilemma. The Ministry of Trade and In-

dustry, in its Annual Economic

Survey for 2000 on Thursday, kept to its forecast for 5-7 per cent growth this year based on a "Broadly positive" outlook. After the data came out, the

The government sees inflation

at under two per cent this year.

Completion

time

Japanese automaker Mitsubishi Motors Corp. Vice President Rolf Eckrodt (R) answers questions while the company's president, Takashi Sonobe (L), looks on during a press conference in Tokyo yesterday. The troubled company announced that it would cut 9,500 jobs or 14 per cent of its total workforce in an attempt to recover from a massive recall cover-up scandal.

Bid to recover from recall cover-up Mitsubishi to slash 14pc of workforce

AFP, Tokyo

"protectionism."

Troubled Japanese carmaker Mitsubishi Motors Corp. said Monday it would cut 9,500 jobs or 14 per cent of its total workforce in an attempt to recover from a massive recall cover-up scandal.

Production capacity is to be cut by the equivalent of one factory's output, parts costs slashed by up to 30 per cent, the number of models reduced and management overhauled by fiscal year 2003, the company said in a statement. "Big changes are needed from

the bottom to the top." President Takashi Sonobe told a press conference as he announced a draft of the company's three-year drastic restructuring scheme, dubbed the MMC Turnaround Plan. "The company has had to

overcome many problems and faced many challenges. But this one is one of the greatest in Mitsubishi's history," he said. Chief operating officer Rolf

Eckrodt said the company will end production of its high-end passenger car models.

soon as possible," he said, adding lia.

that Mitsubishi aims to halve its number of platforms, without specifying the exact figure.

Mitsubishi currently has around 12 platforms. Workforce reduction will be

applied in Japan, and closure of one of four domestic assembly plants is "under consideration" the company said. "Of the four plants, we are con-

sidering scaling back production by 20 per cent, or equivalent of one plant," Sonobe said. The plant in Oe, near the central Japanese city of Nagova, was a

likely target "as this is the oldest

one, which we see with the biggest

possibility" for closure, the president added. A more concrete plan further detailing the workforce reduction was scheduled to be released at the end of March, Sonobe said.

Eckrodt did not say whether the company also plans the closure of its international operations, although some media reports suggest Mitsubishi plans to

abandon its Australian operations.

"We are interested in this mar-The company plans to "elimi- ket ... but we may need some nate unprofitable models ... as help," he said, referring to Austra-

Arabs ready action programme to fight Israeli exports The programme also provides economic commissions abroad (in

The Arab League's Central Office for the Boycott of Israel (OBI) has prepared an action programme to "fight" Israel's exports to Arab countries via third parties, the official Syrian Arab News Agency reported.

The draft will be submitted to the Arab League's next foreign ministers meeting, due on March 12 in Cairo,

Arab states in order to ban all pos- Israeli goods to Arab countries sible dealings with boycotted under fictitious company names." companies," said SANA.

Arab countries representatives to formation action programme exthe meetings held twice a year at the OBI headquarters in Damas-

cus "compulsory". . The programme also calls for

for "the reactivation of the liaison non-Arab countries) in order to offices" attached to OBI "in the uncover re-export operations of

It also provides for the setting It makes the attendance of up of an internet site and "an inplaining the goals of the boycott".

"Israel must feel that it cannot reap the fruits of peace without paying the price" of withdrawing "the reactivation of joint Arab from the Arab lands,

Notice Inviting Tender of RHD

Tenders are hereby invited in Bangladesh Form No 2911 in scaled cover.

: 11/SRD of 2000-2001. Construction of bituminous flexable pavement work at

Tender Notice No Name of work

Estimated cost

Earnest money Time allowed

Eligibility of contractor Last date of selling tender: On 13.03.2001 during office hours.

document

tender

Date and time for lottery Name of offices where tender

Date & time for opening of : On 18.03.2001 at 11.00 AM.

documents will be sold

Name of offices where tender

document will be received

: "A" to "D" general category contractor of RHD.

: As per group list.

: -do-

Last date & time for receiving : On 14.03.2001 up to 12.30 PM.

during the year 2000-2001.

On 22.03.2001 at 11.00 AM.

Divisional Commissioner, Dhaka Division, Dhaka. Executive Engineer, RHD, Road Division,

different KM of different road under Sherpur Road Division

Sherpur/Jamalpur/Mymensingh/Tangail/Kishoreganj/ Netrokona/Dhaka/Rangpur/Barisal.

Executive Engineer, RHD, Bridge Design Division 1 (East), Sarak Bhaban, Dhaka.

Executive Engineer, RHD, Planning & Design Division, Dhaka Zone, Dhaka/Chittagong Zone, Chittagong/Comilla Zone. Comilla/Rajshahi Zone.

Rajshahi/Khulna Zone, Khulna. Sub-Divisional Engineer, RHD, Road Sub-Division-

Divisional Commissioner, Dhaka Division, Dhaka. Additional Chief Engineer, RHD, Dhaka Zone/Chittagong Zone/Comilla Zone/Rajshahi Zone/Khulna Zone/Barisal Zone.

Superintending Engineer, RHD, Mymensingh Road Circle, Mymensingh/Planning, Evaluation & Monitoring Circle, Dhaka Zone, Dhaka/Dhaka Road Circle, Dhaka/Procurement & Monitoring Circle, Dhaka.

Executive Engineer, RHD, Sherpur Road Division/Jamalpur/Mymensingh/Tangail/Kishoreganj/ Netrokona/Monitoring & Evaluation Division under

Rangpur Zone. 13. Name of work and group list:-Eligibility of Earnest money Time allowed Group No Name of work Estimated cost contractor Tk 48,730/-1 (one) Construction of bituminous Tk 24,36,436/-45 (forty-five) "A" to "D" flexable pavement work at 14th days general KM of Nakla bypass road under category Sherpur Road Division during the contractor of RHD. year 2000-2001 Tk 24,36,436/-Tk 48,730/--do-2 (two) -do- -do- at 15th KM of -do--do- -do- work do- -do- at 1st (P) KM of Tk 5,96,057/-Tk 11,922/--do-3 (three) 30 (thirty) Sherpur-Sreebordi-Bakshigonj days Road under during the year 2000-

N:B: All tenders will be opened at a time in the office of the Executive Engineer, RHD, Sherpur Road Division. Sherpur of the due date & time fixed for opening after collection all tender (if any) from all tender receiving offices in sealed condition.

DFP-4526-20/2 G-382

Md Shafiqul Islam Executive Engineer, RHD, Sherpur Road Division

Description of work

Construction of service line/ subfeeder line

Selling time of tender documents

Where tender documents will be

Place, date and time of tender

Date & time of tender opening

available

receiving

BG-204/Feb'01

DFP-4664-22/2

Bakhrabad Gas Systems Limited

(A Company of Petrobangla)

গ্যাসের অপচয় ব্লোধ করুন এবং নির্ধারিত সময়ে বিল পরিশোধ করুন।

cost

Re-Tender Notice

150 days & 900 Nos. Riser (MS&MDPE) in 9.95,748.73 Chittagong Northern Area (Phase:North-10) Eligibility Enlisted contractors with BGSL for Category 1.3/1.4 for the current year. Contractors of ongoing project/work are not allowed to participate if they have not completed 75% of their work in proportionate with schedule time. In this connection an uptodate

Chittagong

Departmental Head) must be submitted along with the offer. 25/02/2001 to 12/3/2001.

clearance certificate from competent authority (Concern

a) Accounts Department, Head Office Complex, BGSL Chapapur, b) Accounts Section, 137/A. CDA Avenue, Sholashahar,

Cost of tender document

(Non-refundable)

Tk. 1,000.00 per set

c) Liaison Office, BGSL, House No. 3, Road No. 2/A, Banani Dhaka a) Accounts Department, Head Office Complex, BGSL Chapapur

Administration Section, 137/A, CDA Avenue, Sholashahar,

c) Liaison Office, BGSL, House No-3, Road No-2/A, Banani,

Dhaka on 13/3/2001 upto 12:00 Noon. 13/3/2001 at 12:15 PM

US asks UN to change Iraq's oil sales programme

AFP, Nicosia

Washington has asked the United Nations to change the way Iraqi crude is sold to cut down on the middlemen who have emerged since Iraq's decision to levy a surcharge, Middle East Economic Survey (MEES) reported Monday.

"The United States has sent a letter to the sanctions committee seeking fresh ideas from the UN overseers on how to change the current Iraqi oil sales programme with a view to reducing the number of middlemen that have proliferated since December," the Cyprus-based industry newsletter

and Jordan," it said. Iraq increased oil production by 500,000 barrels per day (bpd) in

and traders, who pay the sur-Other end users in Korea, Singapore and, lately, Europe have also started buying Iraqi crude.

embargo since its 1990 invasion of "Several proposals are under Kuwait, decided on January 18 to consideration, but it is unlikely cut the surcharge, aimed at cirthey will secure the agreement of cumventing UN control of its other members of the sanctions revenues, from a flat 40 cents a committee or the Iraqis," MEES barrel to between 25 and 30 cents. according to MEES.

"The United States and Britain are also trying to stop the flow of Iraqi oil to Syria, but it is doubtful if they can succeed in doing so while turning a blind eye to the cross-border trade with Turkey

US market, started snapping up most of its UN-authorised oil exports through small companies

January as end users, mainly in the

Iraq, which has been under