

Americas free trade pact won't allow undemocratic nations

79 injured in police-protesters clash near summit venue

AFP, Quebec City
Pan-American leaders Saturday agreed that only democratic countries will be allowed to join a proposed hemispheric trade pact after their first full day of meetings as violent protests continued in the streets here.

Leaders from North, South and Central America -- excluding Cuba -- agreed to a democracy clause in a final summit statement to be released Sunday, Canadian Prime Minister Jean Chretien said after meetings here.

"The benefits of any agreements we reach will flow only to those nations who abide by our democratic clause. The clause will cover all elements of the summit

process, including the Free Trade Areas of the Americas," Chretien said.

The proposed FTAA would eliminate trade barriers from the northern reaches of Canada to Cape Horn in Chile and become the largest trading bloc in the world once implemented.

Meetings began here early Saturday with a discussion by the 34 leaders on democratic progress in the Western Hemisphere as new clashes between anti-trade protesters and riot gear-clad police erupted outside.

"The single most important thing" the assembled leaders will do here is to back a declaration that "this summit is a gathering of, and for, democracies and only

democracies," US President George W. Bush said at the opening session.

His counterparts in the Americas, including Mexico's Vicente Fox and Argentina's Fernando de la Rúa, also stressed that democracy was vital for the hemisphere's integration.

Meanwhile not more than half a mile from where they gathered, a contingent of protesters attempted to tear down another section of a three-meter (10-foot) high, 3.8-kilometer (2.4-mile) long wire-fenced security perimeter. On Friday, they successfully ripped down a 160-meter section of the fence in nearly the same spot.

Police sprayed them with water cannons and lobbed tear gas at the 50 or so protesters on Boulevard Rene Levesque early Saturday, arresting a few of them outside the security perimeter, dubbed the "wall of shame" by protesters.

Seventy-nine people were injured, including 34 police officers -- five of which were brought to the hospital by ambulance, said police spokesman Robert Poeti.

The aggressive, and sometimes violent, tug-of-war between protesters and the 6,700 police on hand waged on throughout the day in various spots along the fence, which was erected Thursday hours ahead of schedule.



Picture shows the distribution of crest and certificate of appreciation among the visitors of Ethiopia at a conference held in the city on Saturday. Dr Atiur Rahman, Chairman of Janata Bank and chief guest of the conference, is also seen in the picture.

CURRENCY

Following are yesterday's Standard Chartered Bank rates of major currencies against Taka:

Central bank buying and selling band of USD: BDT 53.85/BDT 54.15

| TT/OD | Selling | | Currency | | Buying | |
|---------|---------|----------|----------|---------|---------|----------|
| | BC | TT Clean | OD Sight | Doc | OD | Transfer |
| 54.2800 | 54.3100 | USD | 53.8300 | 53.6614 | 53.5929 | |
| 49.8058 | 49.8927 | EUR | 48.0092 | 47.8258 | 47.7492 | |
| 78.7311 | 78.7731 | GBP | 77.2481 | 76.9816 | 76.9270 | |
| 28.4448 | 28.4694 | AUD | 27.3750 | 27.2826 | 27.2024 | |
| 0.4467 | 0.4469 | JPY | 0.4354 | 0.4352 | 0.4342 | |
| 32.4086 | 32.4331 | CHF | 31.6328 | 31.5383 | 31.4538 | |
| 5.4174 | 5.4226 | SEK | 5.3262 | 5.3095 | 5.2926 | |
| 35.2840 | 35.3085 | CAD | 34.7155 | 34.6219 | 34.5387 | |
| 6.9639 | 6.9652 | HKD | 6.9006 | 6.8829 | 6.8655 | |
| 30.016 | 30.0377 | SGD | 29.5914 | 29.5476 | 29.4330 | |
| 14.9002 | 14.9178 | AED | 14.5283 | 14.5064 | 14.4879 | |
| 14.5888 | 14.6072 | SAR | 14.2446 | 14.2079 | 14.1897 | |

Usance export bills

| TT Doc | 30 Days | 60 Days | 90 Days | 120 Days | 180 Days |
|---------|---------|---------|---------|----------|----------|
| 53.7190 | 53.3876 | 52.9451 | 52.4363 | 51.8833 | 50.6444 |

Exchange rates of some Asian currencies against US dollar

| Indian Rupee | Pak Rupee | Thai Baht | Lankan Rupee | Indo Rupiah | NZ Dollar |
|--------------|-------------|-------------|--------------|-------------|-------------|
| 46.76/46.86 | 61.08/61.18 | 45.60/45.70 | 87.70/88.20 | 11700/11850 | 041180/4125 |

US dollar LIBOUR

| Cash notes | Buying | | Selling | | Months | 1 | 3 |
|------------|---------|---------|---------|----------|--------|---|----------|
| | 53.5929 | 54.2800 | USD | 4.52625% | | | |
| TC | 53.5929 | 54.2800 | GBP | 5.3750% | | | 5.35266% |



Picture shows (from left) Habibullah N Karim, President, Technohaven Group, Rofiqua Binte Zahed, Centre Co-ordinator, AMA-Technohaven CLC, Prof M Lutfar Rahman, Founder Chairman of the Computer Science Department, University of Dhaka, and Danilo G. Morgia, Faculty Head & COO, AMA-Technohaven CLC, at the certificate-awarding ceremony of AMA Technohaven CLC held on Saturday

IMF extends \$253m to Lanka, calls for speedy privatisation

AFP, Colombo
The International Monetary Fund has asked Sri Lanka to accelerate privatisation and improve public services after extending a 253 million dollar rescue package for the island, officials said Sunday.

The IMF which approved the 14-month stand-by credit on Friday and insisted that the country cut subsidies on fuel, electricity and transport and press ahead with the privatisation of state enterprises.

Five days before the IMF money was pledged, the Colombo government increased diesel prices by about 12 percent. The move is expected to trigger across the board prices increases as the public transport sector uses diesel.

The IMF did not specify the state organisations it wanted immediately privatised, but said there was an urgent need among other things to strengthen the "integrity of the banking sector."

International lending institutions have for some time asked for the "re-structuring" of Sri Lanka's state-owned People's Bank and the Bank of Ceylon which together account for over 50 percent of banking business here.

The IMF said it was offering the credits to help Sri Lanka rebuild its dwindling foreign exchange reserves and ensure

growth.

"The program aims to restore macroeconomic stability through an improvement in the financial position of the public sector and the rebuilding of official reserves, supported by a flexible exchange rate," the IMF quoted its deputy managing director Shigemitsu Sugisaki.

The IMF said it expected the government to reduce its 2000 budget deficit which was 9.8 percent of GDP to about 8.5 percent of GDP in 2001 and further reductions to about 5.0 percent in the medium term.

"The budget target is to be achieved through increased tax revenue by widening the tax base and increasing tax rates, as well as lower security-related spending and strict expenditure controls," the IMF said.

Officials here said the government has already moved to prune state spending by asking ministries and other departments not to make any new non-essential purchases this year.

However, politically it would be difficult to keep state expenditure down as the government prepared to add another five deputy ministers to the record 44-member cabinet which already has 39 deputy ministers, officials said.

President Chandrika Kumara-

ratunga appointed the jumbo 44-member cabinet after narrowly winning the October 2000 elections and forming a coalition government with the help of two minority allies.

The government also has little control over defence spending aimed at fighting Tamil Tiger guerrillas in the island's north-east. Despite Norway's attempts to broker peace in the past two years, the defence budget has risen to nearly a billion dollars.

The government has however, slapped a 40 percent surcharge on customs duties since February in a bid to discourage imports in a backdrop of foreign reserves falling to a dangerously low level of 950 million dollars in January.

The imports were sufficient to finance less than 1.5 month's imports, the IMF said.

The IMF gave credit to Sri Lanka's economic managers saying that had framed a program focusing on fiscal consolidation and the rebuilding of reserves, supported by restrained monetary policy and a flexible exchange rate.

At the same time, the IMF warned Sri Lanka to swallow a bitter pill by undertaking politically unpopular measures such as increasing tax rates, cutting state jobs and pruning pensions.

CDF organises microfinance experience sharing confce

The thirteen-member Ethiopian team has completed its two-week exposure visit to renowned micro-finance NGOs of Bangladesh under CDF's management support.

The team shared their experiences, learning and concerns about microfinance industry of Bangladesh at the microfinance sharing conference 2001 held in the city on Saturday, says a press release.

About 50 microfinance practitioners from the donor agencies, banks, government and non-government organisations attended the conference.

The Credit and Development Forum is the only networking organisation of micro-finance institutions in Bangladesh. It works as a common platform for sharing information and exchange experiences related to micro-finance technology, both at home and abroad.

Dr Atiur Rahman, Chairman of Janata Bank, was the chief guest while Gabriella Spilli, Deputy Resident Coordinator of SDC, was the special guest.

Mustafizur Rahman, DGM of Sonali Bank, and Md Enamul Haque, Chairman of CDF Governing Body spoke on the occasion.

Md Abdur Rouf Bhuiyan, Executive Director of CDF, welcomed the participants in the conference and facilitated the programme.

SIBL MD visits Khulna branch

The Managing Director of Social Investment Bank Ltd. (SIBL) Golam Mustafa, visited SIBL's Khulna Branch recently.

During the visit, he addressed a gathering of local elites and businessmen organised by the branch at a local hotel.

Renowned industrialists, businessmen and social elites were present on the occasion and appreciated the bank's different activities.

In his speech the managing director explained the steps taken by the bank for development. He sought wholehearted co-operation of all for the development of the bank.

GCC-EU free trade deal talks today

AFP, Manama
A senior Gulf Arab official has voiced optimism over efforts to reach a free trade agreement with the European Union (EU), ahead of talks in the Bahraini capital on Monday.

The Gulf Cooperation Council (GCC) and EU are "optimistic" the talks will help "pave the way to the development of a free trade area ... bolstering cooperation in all areas", Bahraini Foreign Minister Sheikh Mohammad bin Mubarak al-Khalifa said Sunday.

Sheikh Mohammad, whose country holds the GCC presidency, told Bahrain's official news agency GNA that the optimism was "based on the progress made by the two sides following the decision of the GCC leaders to unify customs tariffs by 2005".

The six-nation GCC approved plans for a customs union in November 1999.

Sweden's Deputy Prime Minister Lena Hjelm-Wallen, whose nation is the EU's current president, will lead the delegation in meetings with the GCC foreign ministers.

EU Trade Commissioner Pascal Lamy, who on Saturday held talks in Riyadh on Saudi Arabia's campaign to join the World Trade Organisation, is also expected in Manama along with British Foreign Office Minister Brian Wilson.

The GCC, which groups Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, has long pushed for a trade deal with Europe.

The bloc is critical of high taxes levied by the EU on its refined oil products and Gulf aluminium, as well as its massive trade deficit with Europe which hit 18 billion dollars in 1998.

But even if an agreement can be reached, it will not be implemented before the GCC launches the Gulf-wide customs union. The Gulf states have pledged to work toward making their tariffs uniform ahead of the 2005 target.

A GCC official has said the Manama meeting would also cover "the dangerous developments which have happened in the region and the possibility of Europe playing a more active role to give impetus to the Middle East peace process."

"The situation in the Gulf region, Iraq and Iran will also be on the agenda," the official added.



Golam Mustafa, Managing Director of Social Investment Bank Ltd, addresses a meeting of the elites and businessmen in Khulna recently.

Asian electronic exports face testing times

AFP, Singapore
Asia's all important electronic exports, already reeling from a global slump, have received a grim report from industry analysts who say conditions have yet to hit rock bottom.

The latest round of profit warnings and job cuts by some of the world's leading technology companies, such as US networking giant Cisco Systems and Swedish mobile phone maker Ericsson, indicate the severity of the downturn, they say.

"Recent warnings by Cisco indicate the near-term outlook is weak," said Eddie Lee, a regional economist at Vickers Ballas brokerage house.

"Within the electronic sector, it is starting to emerge that the communications and networking segments are still weak."

When Asia staged a spectacular recovery after the 1997 financial meltdown it was thanks to a boom in the global telecommunications sector and a then buoyant US economy hungry for cheap electronic goods.

But those conditions no longer exist and latest trade figures from some countries with a huge dependency on electronic exports suggest the current downward

view -- when you go on leave or resign -- it is one and the same thing. Daim should not take leave," he said.

"I appeal to him to return."

But an economist with the National Economic Action Council (NEAC) downplayed the impact of Daim going on leave.

The primary task of the NEAC is to restore confidence in the economy following the 1997 Asian financial crisis. Daim is the executive director and it is chaired by Mahathir.

An influential think-tank Tuesday cut its forecast for Malaysia's economic growth this year amid a worsening US slowdown.

The independent Malaysian Institute of Economic Research (MIER) said it had reduced the gross domestic product growth forecast to 4.0 percent from 5.0 percent for 2001 but was maintaining the 6.0 percent prediction for 2002.

MIER said confidence, a major factor affecting investments and consumption decisions, was weakening sharply.

Daim is considered Mahathir's most trusted lieutenant and is treasurer of Malaysia's dominant political party, the United Malays National Organisation (UMNO).

The 62-year-old was born in the same village as Mahathir. He was finance minister from 1984

down its economic growth target for the year from 5-7 per cent to 3.5-5.5 per cent -- a long way from last year's 9.9 per cent.

The prognosis is not looking too healthy either for Malaysia, which joins Singapore as the most export-dependent economies in the Association of Southeast Asian Nations.

"As 60 per cent of Malaysia's export earnings are contributed by manufacturers of electronic and electrical products, the recent downturn will continue to weigh down the country's export performance," Dutch bank AIBN Amro said in a report.

"This will generate a negative multiplier effect, hitting domestic demand," the bank said.

In the Philippines, electronics component imports, the raw material for the country's leading electronics exports, fell 45.2 per cent in February. Half of the country's exports come from the electronics sector.

Even the benefits expected from the US Federal Reserve Board's surprise decision last Wednesday to cut interest rates a further half-a-point to 4.5 per cent take time to be felt, economists said.

Finance minister's 2-month leave 'may hit Malaysia'

AFP, Kuala Lumpur
The decision by Finance Minister Daim Zaimuddin to go on leave for two months may erode business confidence and hurt Malaysia's fragile economy, a labour chief and an opposition leader said yesterday.

Zainal Rampak, president of the Malaysian Trades Union Congress (MTUC) said Daim's decision to take a two-month leave of absence amid a slowdown in the US economy could "hurt market sentiments and lower business confidence."

"Remember he is the finance minister. It is a very important post -- only second to the prime minister. He should not go on leave now," Zainal said yesterday.

The MTUC has about 170 affiliates representing 750,000 workers.

Prime Minister Mahathir Mohamad had denied Daim was resigning, saying that he was just "tired."

"He is not leaving in the first place. Just going on leave," Mahathir told reporters when asked about any resignation plans by Daim.

"He's only not attending cabinet meetings and UMNO (ruling party) supreme council meetings."

But Zainal said the market would interpret Daim's move as tantamount to resignation.

"From the market's point of

view -- when you go on leave or resign -- it is one and the same thing. Daim should not take leave," he said.

"I appeal to him to return."

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SHIPPING

Chittagong port

Berth position and performance of vessels as on 22.4.2001.

| Berth No | Name of Vessels | Cargo | L Port Call | Local Agent | Date of Arrival | Leaving |
|----------|---------------------|------------|-------------|-------------|-----------------|---------|
| 1/1 | Southern Queen | GI (Copra) | Sing | Aeka | 28/11 | - |
| 1/2 | Pns Tipu Sultan | - | Col | MMI | 19/4 | 22/4 |
| 1/3 | Pns Shushuk | - | Col | MMI | 19/4 | 22/4 |
| 1/4 | Bosowa Delapan | Wheat (P) | Tuti | Total | 2/4 | 23/4 |
| 1/5 | Ascan Premier | GI | Sing | Prog | 13/4 | 23/4 |
| 1/7 | Zara | GI (Y Ma) | Sanlo | Angelic | 12/4 | 2/5 |
| 1/8 | San Mateo (Roro/24) | Vehi | Sing | JF | 20/4 | 22/4 |
| 1/9 | Alam Selar | R Seed | Kemb | Litmond | 4/4 | 2/5 |
| 1/10 | Sonahi | C Clink | Kant | RML | 14/4 | 26/4 |
| 1/11 | Kota Cahaya | Cont | Sing | Pil(BD) | 16/4 | - |
| 1/12 | Artemis | Cont | P Kel | TTL | 15/4 | 24/4 |
| 1/13 | Xpress Renown | Cont | Col | Everbest | 13/4 | 24/4 |
| CCT/1 | Kota Bintang | Cont | Sing | Pil (BD) | 12/4 | 22/4 |
| CCT/2 | Banga Bonik | Cont | Sing | BDSHIP | 14/4 | 23/4 |
| CCT/3 | Banga Bijoy | Cont | Col | Baridhi | 16/4 | 22/4 |
| RM/14 | Huang Yun | GI | Kawa | Jaycee | 17/4 | 29/4 |
| RM/15 | Ocean Pride | Repair | Yang | PSAL | 28/3 | 29/4 |
| GSJ | Banglar Moni | Wheat (G) | Mong | SSST | 14/4 | 22/4 |
| TSP | Bombay | R Phos | Mali | RML | 14/2 | 24/4 |
| RM/3 | Monalisa | Cpo Olien | Tuba | Seacom | 21/4 | 23/4 |
| RM/4 | Urengoy | CDSO | Braz | Seacom | 18/4 | 22/4 |
| RM/6 | Eminence | HSD | Juba | ECSL | 17/4 | 23/4 |
| DOJ | Pns Moawin | - | Col | MMI | 19/4 | 22/4 |
| DDJ/1 | Banglar Jyoti | Repair | - | BSC | R/A | 30/4 |
| DDJ/2 | Dea Captain | P Mat | K Dia | Arafeen | 22/4 | - |

Vessels due at outer anchorage

| Name of Vessels | Date of Arrival | L Port Call | Local Agent | Cargo | Loading Port |
|----------------------------|-----------------|-------------|-------------|-----------|--------------|
| Andhikha Rainbow(72) | 24/4 | - | ASA | GI (S/G) | - |
| Exceed-2 (48)12/04 | 26/4 | Sing | Everest | GI (S/G) | - |
| Triumph Hong Kong(72)12/04 | 22/4 | Yang | RML | GI (S/G) | - |
| Banglar Robi (Cont)17/4 | 2/5 | Sing | BSC | Cont | Sing |
| Mawlamyine | 23/4 | Yang | MTA | Rice (P) | - |
| Mariam | 23/4 | P Said | KSA | Wheat (G) | - |
| QC Lark (Cont)15/4 | 23/4 | P Kel | QCSL | Cont | Sing |
| Bay Bonanza | 24/4 | PN | Everest | Urea | - |
| Xpress Resolve(Cont)15/4 | 24/4 | P Kel | RSL | Cont | Sing |
| Jaami(Cont)17/1 | 25/4 | Sing | Cross | Cont | Sing |
| Banglar Shikha (Cont)18/4 | 27/4 | Sing | BSC | Cont | Sing |
| Apl Colombo (Cont)16/4 | 24/4 | - | NOL | Cont | Sing |
| Ahuja (Cont)16/04 | 25/4 | - | Everbest | Cont | Sing |
| Asian Splendor(72)19/4 | 24/4 | - | Everest | GI (S/G) | - |
| Brisa Azul (72)19/4 | 25/4 | MGL | Everest | GI (S/G) | - |
| Orient Lilac(72)19/4 | 26/4 | Sing | Everest | GI (S/G) | - |
| Leopard-1 | 25/4 | Koshi | ASL | C Clink | - |
| Sung Ri San-9 | 26/4 | Tuban | ANCL | Cement | - |
| QC Teal (Cont) 8/1 | 26/4 | P Kel | QCSL | Cont | Sing |
| Leona (Liner) | 26/4 | - | Prog | GI | - |
| Kota Singa (Cont) 17/4 | 27/4 | Sing | Pil (BD) | Cont | Sing |
| Banga Lanka (Cont) 17/4 | 27/4 | - | Baridhi | Cont | Col |
| Acuria (Cont) 16/1 | 28/4 | - | QCSL | Cont | Sing |
| Salzach (Cont) 18/4 | 28/4 | - | BDSHIP | Cont | Sing |
| Xuan Cheng (Liner) | 29/4 | - | BDSHIP | GI | - |
| Jaya Mars (Cont) 3/4 | 30/4 | - | RSL | Cont | Sing |
| Da Cheng(Liner) | 1/5 | - | BDSHIP | GI | - |
| Yong Jiang(Liner) | 4/5 | - | BDSHIP | GI | - |

Tanker due

| Name of Vessels | Cargo | Last Port | Local Agent | Date of Arrival |
|--------------------|-------|-----------|-------------|-----------------|
| Energy Explorer-IV | - | - | BBAL | 5/4 |
| Ismaya | - | - | Arafeen | 17/8 |
| Dea Champion | - | - | Arafeen | R/A (12/4) |
| Seabulk Command | - | - | IBS | R/A (20/3) |
| Danat Qatar | C Oil | Jebe | USS | R/A |
| Banglar Shourabh | C Oil | - | BSC | R/A |

Vessels at outer anchorage

Ready on

| Name of Vessels | Cargo | Last Port | Local Agent | Date of Arrival |
|---------------------------|-------------|-----------|-------------|-----------------|
| Dewan-1 | Rice(P) | Kara | OWSL | 5/4 |
| Da Fa (Cont) | Cont | Col | Everbest | 17/4 |
| Arabella (Cont) | Cont | P Kel | QCSL | 17/4 |
| Orient Independence(Cont) | Cont | P Kel | TTL | 17/4 |
| Wood Link | Wheat(P)/GI | Cont | Yanc | Mutual |
| QC Pintail (Cont) Flag | Cont | P Kel | QCSL | 17/4 |
| Kota Berjaya(Cont) | Cont | Sing | Pil (BD) | 19/4 |
| Kota Naga (Cont) | Cont | Sing | Pil (BD) | 19/4 |
| OSC Alpha(Cont) | Cont | Sing | RSL | 19/4 |
| Kuo Hsiung(Cont) | Cont | P Kel | QCSL | 20/4 |
| Banga Biraj(Cont) | Cont | - | BDSHIP | R/A (19/4) |
| Pacific Emerald | GI (Copra) | Danya | Allseas | R/A (20/4) |

Vessels not ready

| Name of Vessels | Cargo | Last Port | Local Agent | Date of Arrival |
|-----------------------|-----------|-----------|-------------|-----------------|
| Mergui | Rice (P) | Yang | MTA | 7/4 |
| Banglar Kakoli | Rice | Kara | BSC | 11/4 |
| Thank God | R Phos | Hamr | Seacoast | 12/4 |
| Diana | C Clink | L Way | Seacom | 17/4 |
| Lestariutama-II | Cement | Durb | SSTL | 19/4 |
| Chol San Bong Nyon Ho | C Clink | Lang | NWSL | 19/4 |
| Banglar Kallol | Ballast | Mong | BSC | 20/4 |
| Bright Star | Wheat (P) | Momb | MSA | 20/4 |
| Oriental Queen | C Clink | Thas | BSL | 21/4 |

Vessels awaiting instruction

| Name of Vessels | Repair | Local Agent | Date of Arrival |
|-----------------|--------|-------------|-----------------|
| Banglar Urm | Repair | BSC | R/A (18/4) |
| Qrient Star | Repair | RSA | R/A (19/4) |

Vessels not entering

| Name of Vessels | C Clink | Sing | SETL | 13/4 |
|-----------------|---------|-------|------|------|
| Paulina | C Clink | Koshi | RML | 9/4 |