

Bangladesh to help Nepal use Mongla port

UNB, Dhaka

Bangladesh has assured Nepal of improving the infrastructure of Banglabandha land port shortly to help the land-locked Himalayan kingdom use Mongla port as its gateway to external trade through Indian corridor.

Commerce Minister Amir Khasru Mahmud Chowdhury gave this assurance to his Nepalese counterpart Purna Bahadur Khadka while meeting him informally in Doha Sunday, according to a message received here yesterday.

Khasru, who has been in the Qatar capital to attend the five-day WTO ministerial meet, hoped that improved port facilities would greatly contribute to expansion of bilateral trade between Bangladesh and Nepal.

He assured the Nepalese trade minister of Bangladesh's firm support to Nepal's accession to the World Trade Organisation.

The Bangladesh minister agreed to the Nepalese proposal for holding bilateral talks and suggested that official talks at commerce secretary level

may take place sometime in December before ministerial meeting ahead of Katmandu SAARC Summit set for January 4-6.

Khasru mentioned the attitude of Begum Zia's government to see regional trade, economic and political relations with a fresh look. "Nothing should stand in way to improving Bangladesh's relations with Nepal," he said.

Stressing the need for increased bilateral and regional trade, the Bangladesh Commerce Minister observed that strong and unhindered flow of regional trade is an important indicator of the strength of the economy of any region.

He referred to the ASEAN and EU and said while countries belonging to these blocs benefit from intra-regional trade that accounts for 40-60 per cent of their total trade, South Asian countries internal trade amounts to only 4-5 per cent of their total.

The Bangladesh minister also had meetings with Indian Commerce Minister Sunday and Pakistan Commerce Minister the day before, on the sidelines of the WTO meet in Doha.

First pvt CNG conversion plant opens in city

8 vehicles can be converted a day

STAR BUSINESS REPORT

The country's first private sector compressed natural gas (CNG) conversion company went into operation with a view to providing quick and high quality services.

"With technical cooperation from Italy, we have set up a workshop to convert up to eight vehicles per day," said Manoranjan Bhakta, Managing Director of Southern Automobiles Limited (SAL), at a press conference held at Dhaka Reporters Unity (DRU) auditorium in the city yesterday. Andrea Pasquali, an expert from Tartarini Auto SPA of Italy, was present at the press conference.

At the initial stage, the company's target is to convert at least 200 vehicles per month. "First

time we have also made arrangements for converting electric fuel injection (EFI) engines with EFI kits. Besides EFI, carburetor engine cars will be converted in our workshop," Bhakta stated.

The company would charge Tk 34,000 for converting 1200 cc to 2000 cc cars while Tk 27,000 for 800 cc to 1000 cc cars. SAL has also taken steps to import kits for converting auto rickshaws and it would charge between Tk 18,000 and Tk 20,000 for converting one baby taxi, the MD went on.

SAL has imported 60-litre capacity cylinders from Argentoil of Argentina. For small cars of 800 cc to 1000 cc capacity, it has arranged 40-litre cylinders.

The company has invested around Tk 3.50 crore in the project. "We have imported CNG

conversion kits from Tartarini Italy. Conversion of vehicles will be done under direct supervision of Italian experts," Bhakta mentioned.

Apart from bettering the environment, the CNG-driven vehicles would reduce fuel cost by 70 per cent and also lead to less engine maintenance cost, he said.

Six CNG refueling stations are now in operation in Dhaka city and more stations are going to be installed. "We have a plan to start another workshop as well as a refueling station in Chittagong very soon," the MD added.

He said CNG cylinders are far safer than ordinary petrol tanks.

WTO negotiators advance on health, struggle on other fronts

AFP, Doha

WTO ministers inched closer Monday to an accord on access to anti-AIDS drugs in poor countries but were still battling to overcome other obstacles to expand global trade.

World Trade Organisation negotiators at a luxury hotel on the shores of the Gulf were racing against a Tuesday night deadline to find an overall agreement on a new agenda to lower trade barriers.

"I can see light at the end of the tunnel and I am confident there will be a new round," said Brazilian Trade Minister Sergio Silva do Amaral.

Ministers' efforts are being spurred by the need to head off a

global economic slide following the September 11 suicide attacks that toppled New York's World Trade Centre and shattered consumer confidence.

But while some progress was reported in resolving the emotional dispute over medicines for AIDS and other 21st century scourges, ministers ran up against European refusal to dismantle farm export subsidies.

Negotiators are desperate to throw off the demons that derailed their last attempt to draw up a trade liberalisation agenda two years ago in Seattle.

Besides agriculture, they must surmount smouldering resentment by developing countries over the meagre rations they have received from previous trade

accords.

Ministers are also bedevilled by Japanese resistance to US punitive anti-dumping measures and objections by poor countries to a European campaign to include safeguards on the environment and human rights in trade deals.

Negotiators haggled into the early hours to satisfy the demands of developing countries for a statement allowing them to override patents to provide their people with cheaper generic drugs in health crises.

A source close to the talks said negotiators were closing in on agreement to a revised interpretation of the WTO copyright agreement -- known as trade related aspects of intellectual property rights (TRIPS).

"Many developing countries are being pacified on this issue," one Nigerian delegate added, speaking on condition of anonymity.

"We are very optimistic about a good resolution."

Ministers had yet to find a final agreement, however.

US negotiators had "received calls from Washington" saying the proposed deal reached overnight was unsatisfactory, said one diplomatic source, who asked not to be named.

A drugs industry representative expressed dissatisfaction with the latest draft proposal he had seen, which said TRIPS "shall not prevent (WTO) members from taking measures to protect public health."

AB Bank cuts lending rates

Arab Bangladesh Bank Limited has revised and reduced its interest rates on lending ranging from 1 to 3 per cent in various categories of loans to adhere to the recent government policy and boost-up the economy of Bangladesh, says a press release.

The Bank has also introduced interest on foreign currency deposits being maintained in current account.

The revised rates will come into force with immediate effect.

Daewoo Motor plant in India faces liquidation

AFP, Seoul

The Indian plant of South Korea's ailing Daewoo Motor Co. faces liquidation with its capital already eroded by losses, a South Korean newspaper said Monday.

Daewoo Motor's creditors and sister company Daewoo Corp. may take on 1.05 billion dollars in costs associated with the possible liquidation of Daewoo Motor India Ltd (DMIL), the Seoul Economic Daily said, citing diplomatic documents.

DMIL's operating losses of 120 million dollars have eroded 77 per cent of its capital as of end-October, it said. The Indian company has an annual capacity of 72,000 automobiles.

If DMIL is liquidated under Indian regulations, South Korean creditors should pay 800 million dollars in penalties, and Daewoo Corp. would have to repay 250 million dollars it guaranteed for the company to Indian financial firms, it said.

Daewoo Corp. holds a 91.6 per cent stake in DMIL.

The newspaper said DMIL had asked the South Korean government to extend financial support, and to encourage US auto giant General Motors Corp. to take it over.

General Motors signed a two billion-dollar agreement in September to take over Daewoo Motor's three plants in South Korea and two of its 12 overseas factories, in Vietnam and Egypt.

City bank signs health ins contract with Pragati Ins

The City Bank Limited has signed a Group Hospitalisation Insurance Scheme agreement with Pragati Life Insurance Limited. Abbas Uddin Ahmed, Managing Director of The City Bank Limited, and M Shefaqe Ahmed, Managing Director & Actuary of Pragati Life signed the contract on behalf of the respective organisations in the city recently, says a press release.

Under the contract, Pragati Life will provide health insurance coverage to the employees of The City Bank Limited.

The main feature of the scheme is that when an employee will be hospitalized due to sickness or accident, Pragati Life will bear the cost of Room rent, Consultation fee, Diagnosis costs, Medicine bills, Surgical Charges and Ambulance fare.

A H M Nazmul Quadir, Deputy managing Director, M Shafiqul Alam, Executive Vice President (Common Services Division), Nurul Akbar Khan, Executive Vice President (International Banking Division) and Quazi Mozaher Ali, Senior Vice President of The City Bank Limited, and Munshi Md Monirul Alam, Vice President & Dr A K Aziz Hassan, Assistant Vice President of Pragati Life Insurance Ltd, along with other executives and officers of both the organisations were present on the occasion.



Business Review and Marketing Conference of the branch managers and executives of Southeast Bank Limited was held at a city hotel on Saturday. Yussuf Abdullah Harun, Chairman, and Ragib Ali, Vice Chairman of the Board of Directors of the bank, are, among others, seen in the picture.

No headway on farm subsidies as EU stands firm

AFP, Doha

World Trade Organisation ministers meeting here have made no headway in efforts to reach common ground on the future of farm export subsidies, European Union Agriculture Minister Franz Fischler said Monday.

"There is no progress. Talks are continuing," he told AFP as he was about to confer with Singapore Trade Minister George Yeo, head of an agricultural working group.

The future of farm subsidies is a major obstacle blocking agreement at the WTO conference here, called to forge an agenda for a new round of multilateral talks to lower trade barriers.

Earlier in the day French Trade Minister Francois Huwart stressed that the European Union is holding fast to its rejection of any WTO agreement that calls for an end to agricultural export subsidies.

"The European Union is firm on this question," he told a press briefing.

"Others must understand that in negotiations, concessions have to be two ways, not just one way."

Brazilian Agriculture Minister Marcus Pratinhi de Moraes late Sunday said the EU's refusal to give up export subsidies had left it isolated at a World Trade Organisation ministerial conference here.

Brazil and Canada -- members of a farm trading interest group known as the Cairns Group -- and the United States insist that language in a draft text before the ministers make clear that a new round of trade liberalisation talks will include provisions for the elimination of the subsidies.

The European Union resists any such wording, insisting that some level of support is necessary to preserve rural culture. The EU in

addition argues that it has a timetable of its own to reform the agricultural sector.

"The unanimous decision of the Cairns Group is not to change" the language in the draft text, which calls for the "phasing out" of all forms of export subsidies, de Moraes said.

"That was confirmed today (Sunday) by the Cairns Group, by the United States and by Japan at meeting with (European Union Agriculture Commissioner) Franz Fischler," he added.

"We told the European Union that we don't plan to change the text ... concerning agriculture such as it is at the moment," de Moraes said.

Huwart criticized what he said had been an attempt by Washington to cast the European Union as the villain in the debate over subsidies.



Abbas Uddin Ahmed, Managing Director of The City Bank Limited, and M Shefaqe Ahmed, Managing Director of Pragati Life Insurance Limited, shake hands after signing an agreement on Group Hospitalisation Insurance Scheme agreement in the city recently. A H M Nazmul Quadir, Deputy Managing Director, M Shafiqul Alam, Executive Vice President (Common Services Division), Nurul Akbar Khan, Executive Vice President (International Banking Division), Quazi Mozaher Ali, Senior Vice President (Personnel & Administration) of The City Bank Limited, and Munshi Md Monirul Alam, Vice President, and Dr A K Aziz Hassan, Assistant Vice President of Pragati Life, along with other executives and officers of both organisations are also seen in the picture.

WTO strikes compromise 'in principle' on access to drugs

AFP, Doha

WTO ministers meeting here early Monday agreed in principle on a compromise over access to cheaper drugs for developing countries, a source close to the negotiations said.

The text drawn up by a ministerial working group states that the WTO's intellectual property rights accord known as TRIPS "shall not prevent (WTO) members from taking measures to protect public health".

It also affirms that the agreement will be "interpreted and implemented in a manner consistent with WTO member's right to protect public health, and in par-

ticular, to ensure access to medicines for all."

A senior US trade official, speaking to journalists on condition of anonymity, said they were approaching a deal.

"It does not mean a declaration is complete but I think the belief was, by last night, there was a closer agreement on a number of different issues and the group is planning to meet and continue to work through the day," the official said.

The deal -- if confirmed -- would be the first breakthrough at a meeting here in the Qatari capital of World Trade Organisation (WTO) ministers, called to draft an agenda and timetable for a new round of trade liberalisation negotiations.

The compromise would still have to be formally agreed by the WTO's plenary session on Tuesday.

An Egyptian delegate said agreement had been reached on "95 per cent" of a compromise text on patents and medicines.

News of the reported deal was welcomed by World Health Organisation expert German Velasquez, who told AFP that the text was "something very positive which goes in the direction of what had been proposed by developing countries".

The public health issue could technically be accepted independently, regardless of whether ministers agree on a new trade round, he said.

Asian ISP market to reach \$ 38b in 2005

AFP, Singapore

Asia's internet service provider (ISP) market is forecast to top 38 billion US dollars by 2005 from 12 billion dollars this year, an industry monitor said Monday.

As competition drives subscription costs down, revenues will increasingly come from fee-based value-added services and "bundled services" in the case of providers owned by telecommunications companies, International Data Corp. (IDC) said in a report.

It said the Asia-Pacific market, excluding Japan, "will grow to more than 12 billion US dollars by end-2001 and to exceed 38 billion US dollars by 2005, representing a compound annual growth rate of 34 per cent."

The regional ISP market was valued at 8.8 billion dollars last year.

"With the intensification of downward pressure on Internet access fees, IDC believes that service differentiation, additional revenues from value-added services and bundled services will become key factors to continue profitability and growth in this marketplace," said Gary Hong product manager, communications research.

"More attention is expected to be paid towards improving the quality of provider/subscriber relationships, which will be key to any ISP's potential to up-sell and cross-sell services and to earn from advertising, e-commerce or some other additional revenue source," Hong said.

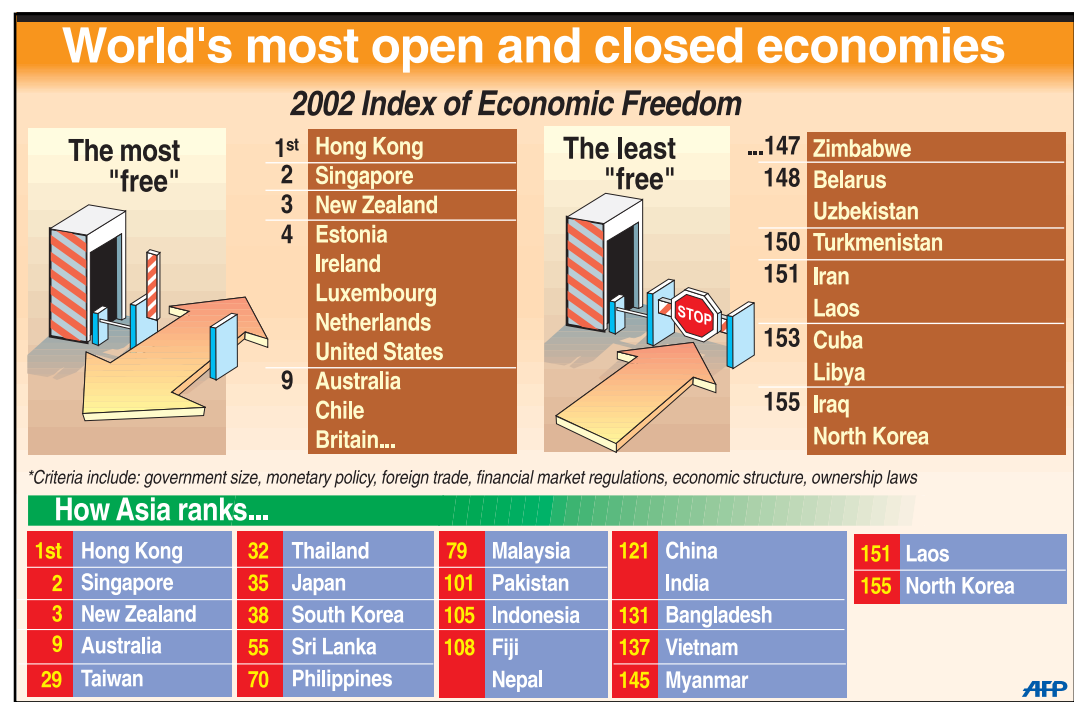
Growth in subscribers of broadband Internet access, which allows for faster and broader access than the current dial-up process, is expected to increase as fees are reduced due to more competition.

BaNEx appoints agents in N dists

Bangladesh Express Co. Ltd. (BaNEx), licence of Federal Express Corporation Ltd. (FedEx) has appointed some agents in eight northern districts of Bangladesh as its authorised shipping centres, says a press release.

This is the first phase of establishing BaNEx Authorised Shipping Centres throughout the country to ensure that customers have easy accessibility for international express services and shipping needs.

M Tanveer Madar, Managing Director of BaNEx, signed the agreement with BaNEx agents in the city recently.



'Rules on textiles most difficult to implement'

AFP, Doha

A WTO agreement on textile trade drawn up seven years ago and due to come into force in 2005 remains among the most difficult to implement, Swiss Economy Minister Pascal Couchepin said Sunday.

"It's taking some tough bargaining to get it applied, since some 50 points must be implemented immediately (in Doha) and others are negotiable," Couchepin, who heads up a WTO working group on the textile industry, told a press conference.

"We're waiting on an attempt to change a certain number of articles in the text," he said, adding that some states were seeking addi-

tional concessions while differences on implementation also existed among developing countries.

He was speaking at a World Trade Organisation ministerial meeting where delegates are trying to hammer out an agenda for a new round of multilateral trade liberalization talks.

Another subject that "stirs a lot of emotion" is the subsidy that allows certain developing countries, notably in the Caribbean, to maintain free zones, which some states see as a trade distortion, Couchepin added.

Developing countries argue that textile importing WTO mem-

bers in the developed world have not lived up to the liberalising spirit of the WTO agreement, which was worked out under the earlier Uruguay Round of trade talks.

Trade sources said that the United States and Canada would not accept a new method proposed for the application of the WTO's Agreement on Textiles and Clothing that is scheduled to come into effect in January 2005.

Under the accord members of the global trade body have committed themselves to remove quotas and to integrate the sector fully into fair and non-discriminatory trade rules by January 2005.



M Tanveer Madar, Managing Director of BaNEx, signs accord in the city recently with agents of 8 northern districts for setting up of BaNEx Authorised Shipping Centres.