

Singapore, US open up free trade pact to ASEAN states

AFP, Singapore

Singapore and the United States are opening up a planned free trade agreement (FTA) to other Southeast Asian countries in a bid to boost trade and investment and promote reforms and economic integration in the region.

An industrial zone in the Indonesian island of Bintan will become the first beneficiary of the innovative accord, expected to be completed this year, and officials say the deal is to be extended to other parts of Indonesia and Southeast Asia.

But membership will come with a price -- countries must meet stringent criteria on customs, labour and tariff standards.

US Trade Representative Robert Zoellick, Washington's chief commercial negotiator, has proposed a tempting rider in the US-Singapore FTA called the Integrated Sourcing Initiative.

Under the initiative, information technology (IT) products made by foreign and local companies in Bintan, or any other country included in the future, will be accorded the same tariff and non-tariff benefits as products made in Singapore when they enter the US market.

For starters, more than 100 categories of IT products from Bintan will be covered, Zoellick said.

Already, the offer has prodded Indonesia to take steps to carry out reforms such as slashing tariffs, cutting red tape, reducing customs paperwork and improving working conditions in factories -- all of which would have taken time on the negotiating table if there were no incentives.

Officials hope that other ASEAN countries -- most of which have the US as their major export market -- would take the same steps after they see the benefits.

"Several issues have been taken by the government of Indonesia to make Batam and Bintan more attractive for investors," Indonesian Minister of Industry and Trade Rini Suwandi told reporters at the weekend in Bintan.

A team will be formed to manage Bintan as an industrial zone, with inputs from international advisers, she said.

For Batam, another industrial region near Singapore, a bill has been drafted for submission to parliament making the island a free trade area, Suwandi added.

Bintan hosts 35 light and medium industries ranging from electronics, electrical, textile and garments and plastic mouldings, and employing 13,000 people. In 2001, total exports from these companies were valued at 283 million US dollars.

Only 110 hectares (272 acres) of the 500-hectare industrial estate -- about 75 minutes away by boat from Singapore -- has been developed. The industrial zone in turn is just a 45-minute drive from five-star resorts on the island.

The Association of Southeast Asian Nations (ASEAN) has launched a free trade area covering a market of 500 million people, and while tariffs on most goods have been lowered to between zero and five per cent, analysts said there was a need to tear down non-tariff barriers.

Zoellick, visiting Bintan with Suwandi and Singaporean Trade Minister George Yeo over the weekend, said the US-sponsored initiative "is expected to facilitate trade and regional integration."

In an interview with AFP in February, European Trade Commissioner Pascal Lamy said regional integration goes beyond tariffs. It involves the harmonisation of trading rules, transport agreements, technical standards, as well as food safety standards.

However, efforts to harmonise such rules in ASEAN have been hampered by the uneven states of development of its 10 members nations ranging from centrally planned economies like Myanmar and Vietnam to more affluent Singapore and Malaysia.

Singapore's Yeo said he hopes the inclusion of more countries under an FTA with the US will improve ASEAN's competitiveness against China, which has grabbed the bulk of foreign direct investments in Asia.

Japan banks mull new lending rates

AFP, Tokyo

Japan's Sumitomo Mitsui Banking Corp. will revamp its lending rates for corporate borrowers in proportion to their credit standings to help restore its financial health, a press report said Sunday.

The leading business daily Nihon Keizai Shimbun said the annual rate differential would be as wide as about four per cent between companies in good business condition and those that are struggling.

The new system is expected to spread among Japan's top four banking groups, which are believed to have suffered net losses in the year to March 31 due to massive bad loans, the daily said.

Interest rates will be divided into five levels and even large companies will be charged between one and three per cent higher interest if their credit ratings are low, the report said.

The profit margin on loans is very low for banks in Japan, compared with that for US and European banks, the report said.

With many companies struggling financially, the new lending system could meet with considerable resistance, it added.

But Sumitomo Mitsui, the world's third largest commercial bank in terms of assets, intends to seek corporate customers' understanding because it will offer an advisory service on how to improve their managerial efficiency and credit standings.

An interest rate on a one-year non-collateral loan to a company in average condition will be 2.5 per cent per annum, the report said.

On Friday, Sumitomo Mitsui estimated its net loss for the year to March 31 at 480 billion yen (3.6 billion dollars) after it accelerated bad loan write-offs.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank.

Selling		Currency		Buying		
TT/OD	BC		TT Clean	OD Sight/Doc	OD Transfer	
58.5500	58.5800	USD	57.4000	57.2314	57.1629	
52.1917	52.2786	EUR	49.6544	49.4710	49.3944	
84.3351	84.3771	GBP	81.1301	80.8636	80.8090	
31.9076	31.9322	AUD	29.7486	29.6561	29.5760	
0.4434	0.4435	JPY	0.4386	0.4284	0.4274	
35.3882	35.4127	CHF	34.2046	34.1101	34.0256	
5.7463	5.7514	SEK	5.5372	5.5196	5.5036	
37.3180	37.3426	CAD	36.1868	36.0931	36.0099	
7.5142	7.5155	HKD	7.3549	7.3372	7.3198	
32.067	32.0881	SGD	31.1685	31.1247	31.0101	
16.0710	16.0886	AED	15.4925	15.4706	15.4521	
15.7369	15.7553	SAR	15.1905	15.1538	15.1356	

Exchange rates of some currencies against US dollar

Indian Rupee	Pak Rupee	Lankan Rupee	Thai Baht	Nor Kroner	NZ Dollar	AUD
48.81	60.15	95.95	43.55	8.71205	0.4375	0.5306

The local interbank foreign exchange market was subdued on Sunday. Demand for dollar was sluggish. Demand for BDT for overnight borrowing at call was steady and the call rate ranged between 11 and 11.5 per cent for the day.

The Bangladesh Bank Treasury Bill auction was held on Sunday. The international markets were closed for the weekend.

At New York closing on Friday, euro traded 0.8772/78 against dollar, pound sterling at 1.4253/59 and yen traded at 132.79/85 against US dollar.

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SHIPPING

Chittagong port

Berth position and performance of vessels as on 7.4.2002.

Berth No.	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving	Imprt disch
J/1	Safinaz	GI (Log)	Yang	Royal	5/4	13/4	-
J/2	Al Faihaa	RS/MS	Mumb	Mutual	16/3	8/4	X
J/3	Mergui	Rice (P)	Yang	Total	1/4	11/4	X
J/4	Togo Charm	Gypsum	Krab	SSA	20/3	10/4	1125
J/5	Kengtung (Liner)	GI (St C)	Yang	Everett	4/4	8/4	1836
J/6	Maria-K	C Clink	Kohst	SSA	19/3	8/4	500
J/7	Weddell Sea	C Clink	Cla	OLM	27/3	8/4	1185
J/8	Eco Challenge	GI (D,Peas)	Sing	US	31/3	10/4	1105
J/10	Banglar Doot	Rice (P)	Yang	BSC	28/3	8/4	878
J/11	Sinhai	Cont	Sing	BSC	5/4	9/4	139/96
J/12	Suisen	C Clink	Kanta	PSAL	2/4	11/4	-
J/13	Kota Naga	Cont	Sing	Pil (BD)	4/4	8/4	305/16
CCT/1	Banga Brnk	Cont	P Kel	BD Ship	5/4	10/4	149/16
CCT/2	QC Teal	Cont	P Kel	QCSL	5/4	9/8	314/66
CCT/3	Banga Barta	Cont	Col	Baridhi	4/4	8/4	77/19
RM/15	Banglar Gourab	Repair	Pipa	BSC	28/3	13/4	-
CCJ	Africa	C Clink	Sing	SSA	30/3	8/4	-
GSJ	Banglar Kallol	Idle	B ABB	BSC	10/3	10/4	-
TSP	Blue Lady	R Phos	Zhen	Seacoast	24/3	15/4	-
RM/4	Vincita	CDSO	Durb	Seacom	1/4	10/4	-
RM/5	Dalong	HSD	Sing	ECSL	4/4	9/4	-
DOJ	Banglar Jyoti	C Oil	K Dia	BSC	R/A	8/4	-
RM/9	Banglar Mamata	Idle	Viza	BSC	13/2	10/4	-
RM/10	AA Venture	Repair	Col	CLA	9/3	8/4	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Perak (Cont) 21/3	7/4	Sing	Pil (BD)	Cont	Sing
QC Dignity (Cont) 27/3	7/4	P Kel	QCSL	Cont	Sing
Jaami (Cont) 30/3	8/4	Hal	Evebest	Cont	Col
Banga Bijoy (Cont) 31/3	8/4	CBO	Baridhi	Cont	Sing
Flores Sea	7/4	Shang	RKShip	Scraping	-
Argo	8/4	-	RSSHIP	Demolition	-
Triumph Hongkong	8/4	Yang	RML	GI	-
Chahaya Star	10/4	Yang	Uniship	GI (Log)	-
Alpha Venture	9/4	-	Oil	-	-
Liberty Wave	9/4	P Land	Lams	Wheat(G)	-
Agios Fanourios	8/4	-	RSL	MOP(P)	-
Ally	8/4	-	RSSHIP	-	-
Magda	8/4	Mong	Lams	L Wave	-
Banglar Moni (Cont) 1/4	9/4	-	BSC	Cont	Sing
Achiever (Cont) 28/3	9/4	P Kel	RSL	Cont	Sing
Sea Crown	9/4	P Kel	RSL	Cont	Sing
QC Pintail (Cont) 27/3	13/4	P Kel	QCSL	Cont	Sing
Spring Ocean (Liner)	10/4	-	Everett	GI (St.C)	-
Pinya	5/4	Yang	BNSSHIP	Rice(P)	-
Triumph Mumbai	10/4	Sing	RML	GI (P Equip)	-
QC Honour (Cont) 30/3	10/4	P Kel	QCSL	Cont	Sing
Pathain	10/4	Yang	MTA	GI	-
Banga Biraj (Cont) 1/4	10/4	-	BD ship	Cont	Sing
Boxer Capt Cook (Cont) 1/4	10/4	-	PSSL	Cont	Sing
Kota Berjaya (Cont) 30/3	11/4	Sing	Pil(BD)	Cont	Sing
Banga Lanka (Cont) 23/3	11/4	-	BD ship	Cont	Sing
Banglar Robi (Cont) 1/4	12/4	-	BSC	Cont	Sing
Xpress Resolve (Cont) 2/4	12/4	Sing	RSL	Cont	Sing
Paragon Pescadores (48) 6/7	12/4	Cal	H&SL	GI (St.C)	-
Kuo Hsiung (Cont) 3/4	12/4	Sing	QCSL	Cont	Sing
Min Jiang (Liner)	13/4	-	BD Ship	GI	-
Banga Borat (Cont)6/4	13/4	-	BD Ship	Cont	Sing
Banga Borol (Cont) 6/4	14/4	-	BD Ship	Cont	Sing
Kota Singa (Cont)4/4	14/4	Sing	Pil (BD)	Cont	Sing
QC Lark (Cont) 4/4	14/4	P Kel	QCSL	Cont	Sing
Mardios (Cont) 6/4	14/4	-	RSL	Cont	Sing

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

Northern General Ins branch managers' confce held

The Branch Managers' Conference-2002 of Northern General Insurance Co Ltd was held at its head office in the city on Thursday, says a press release.

Hamidul Haq, Chairman of the company, inaugurated the conference while Md Mujibur Rahman, Managing Director, presided over the day-long conference.

Branch managers from all over Bangladesh attended the conference. In his inaugural speech, the chairman thanked the branch managers for their hard work and good performance during the year 2001.

S M Ayub Ali Chowdhury, Chairman of the Executive Committee and Abdul Matin, Chairman of Claim Committee, also spoke on the occasion.

The managing director dwelt on the performance of the company during the year 2001.



PHOTO: NORTHERN GENERAL INS

Hamidul Haq, Chairman of Northern General Insurance Company Ltd, speaks at the Branch Managers' Conference-2002 of the company held at its head office in the city on Thursday. Among others, SM Ayub Ali Chowdhury, Chairman of Executive Committee, Abdul Matin, Chairman of Claim Committee, Md Mujibur Rahman, Managing Director, K M Saidur Rahman, Company Secretary, and branch in-charges are also seen in the picture.

STOCK