Dhaka, Tokyo sign deal to boost cooperation

STAR BUSINESS REPORT

Bangladesh and Japan yesterday signed an agreement to further strengthen mutual technical cooperation between the two countries.

Anisul Huq Chowdhury, secretary, Economic Relations Division of the Ministry of Finance, and Jiro Kobayashi, ambassador of Japan to Bangladesh, signed the agreement on technical cooperation on behalf of their respective governments. according to a press release

The agreement will also pave the way for simplifying and easing the process of technical cooperation under a single umbrella framework.

Japanese technical cooperation covers dispatch of Japanese experts, Japan Overseas

Cooperation Volunteers (JOCVs). Senior Volunteers, and study missions, as well as Project Type Assistance, Development Study and acceptance of Bangladeshi trainees to Japan.

The cooperation programme by dispatching "Senior Volunteer" will be able to start in Bangladesh for the first time by this Agreement.

The objective of senior volunteer programme is to support various nation building activities and human development in Bangladesh through dispatching Japanese senior volunteers with specific skills and know-how.

Japan provides technical cooperation through a variety of organizations. Most Japanese technical cooperation programmes under inter-governmental commitments are implemented through Japan International Cooperation Agency (JICA), JICA Bangladesh Office was established in 1974 and since then it has been extending technical support towards the efforts to socio-economic development of Bangladesh through

implementing various cooperation

programmes in various sectors such

as agriculture, social welfare (basic

human needs & human resource

development), infrastructure and

disaster management. Japan has extended important project type technical cooperation to Bangladesh such as Institute of Post-Graduate Studies in Agriculture (IPSA), Poultry Management Techniques Improvement Project (PMTIP),

Project for Human Resources Development in Reproductive Health (HRDRH).

Japan has also conducted development studies such as feasibility study for Chittagong Airport, Flood Action Plan, Feasibility Study for Rupsha Bridge, Feasibility Study for Extension and Expansion of Mohra Water Treatment Plant, and study on Safe Drinking Water Supply to Arsenic Affected Areas.

The total number of acceptance of Bangladeshi participants for training in Japan are 3,408, the number of dispatch of Japanese experts are 844, the number of survey/mission members are 2241 and the number of JOCVs for Bangladesh from 1978-2000 are 697 respectively.

Jiro Kobayashi, ambassador of Japan to Bangladesh, and Anisul Hug Chowdhury, secretary, Economic Relations Division, sign an agreement on technical cooperation between Japan and Bangladesh in the city yesterday. Other officials of the Embassy of Japan, JICA and ERD are also seen in the

Al Baraka Bank workshop ends

A 2-day workshop on "Islamic Banking" organised by Al Baraka Bank Bangladesh Limited with the assistance of Islami Bank Bangladesh Limited ended in the city recently, says a press release.

Shah Abdul Hannan, chairman of Islami Bank Bangladesh Limited. was the chief guest while Masum A Chowdhury, Chairman of Al Baraka Bank Bangladesh Limited was Special Guest at the inaugural

C M Koyes Sami, executive president of Al Baraka Bank Bangladesh Limited, presided over

Syed Nurul Amin, additional executive president, and Alamgir Kabir Samad, executive vicepresident also attended the session

Indian tea exports rise

REUTERS, Kolkata, India

Indian tea exports rose slightly over two per cent in January-October 2002 to 157.04 million kg over the vear-ago period, a state-run Tea Board official said

India, the world's largest producer of tea, exported 153.51 million kg in January-October 2001, the official, who did not want to be

named, told Reuters. But earnings from Indian tea exports in the first nine months of 2002 fell more than six percent to 13.305 billion rupees (\$275.7 million) from 14.186 billion rupees in the year ago period because of low global prices and sluggish domestic

demand. India exported 19.94 million kg of tea in October 2002, up five per cent from 18.98 million kg in the same month last year.

Indian tea accounts for nearly 15 per cent of world tea trade but India's exports have been hit in recent years by stiff competition from Indonesia, Sri Lanka and new entrants such as Vietnam and Bangladesh.

Indian exports have also been hit by lower demand from traditional buyers such as Russia and Britain.

Indian tea exporters are now focusing on countries such as warravaged Afghanistan where conditions for trading have improved after the Taliban regime was ousted late

Last month, an Indian firm signed the first major deal to supply 1.8 million kg of tea to post-Taliban

India exported 179.79 million kg in 2001 but industry officials are unsure whether the country will meet the Tea Board's export target

India okays sale of stakes in two major oil firms

AFP, New Delhi

The Indian government has given the final go-ahead for the sale of majority stakes in two major stateowned oil companies after months of uncertainty and a bitter internal

The government's 66 percent stake in Bharat Petroleum Corp. (BPCL) will be sold on the share market while the 51 percent stake in Hindustan Petroleum Corp. (HPCL) will be offered for sale to a strategic partner, Indian media said.

The Bombay Stock Exchange surged on the news, with the 30share BSE index rising 76.56 points

The decision to sell the government stakes was taken late Thursday at a meeting of senior central ministers called by Prime Minister Atal Behari Vaipavee and his deputy L.K. Advani.

or 2.4 percent to close at 3,306.29.

The gathering was attended by Disinvestment Minister Arun Shourie. Defence Minister George Fernandes, Finance Minister Jaswant Singh, Foreign Minister Yashwant Sinha and Petroleum Minister Ram Naik

Naik and Fernandes are known to have sharp differences with Shourie over his plans to sell the stakes in the two firms

"A unanimous view was arrived at and reported to the prime minister who

directed me to make a statement in parliament," Shourie was quoted as saying Friday

Vajpayee, under pressure from his political allies and trade unions, had declared a three-month moratoriun on the planned sales in early

A Cabinet Committee on Disinvestment had decided to sell the oil companies through a strategic sale in Novemberlast year.

But earlier this year, the petroleum minister crossed swords with the disinvestment minister over the method of sale, insisting on a public

Nepal wants economic growth through diplomatic channels

AFP, Kathmandu

A committee to promote Nepal's economic development through diplomatic channels was set up Thursday, state-run radio said.

The Coordination Committee on Economic Diplomacy (CCED) includes the foreign, finance, commerce, communication and tourism ministers, the radio said. "The CCED with the prime minis-

ter as its chief coordinator, includes members of the private sector and high level government officials as its

"The high level CCED will prepare the country's external economic policy and programmes aiming to develop export trade. increase foreign capital investment in the country's industries, promote tourism and help the Nepalese

labour force find employment in

"The government will achieve these goals by activating Nepalese diplomatic and consular missions in foreign countries.' Nepal's economy is in the dol-

foreign countries." it said.

drums, with gross domestic product growing by just 0.8 percent in the fiscal year that ended July 15, fai below the projected 6.0 percent.

Tourism, the main hard currency earner in the land of Mount Everest, has plummeted since June 2001 when Gyanendra's brother king Birendra and nine other members of the royal family were massacred by the drunken former crown prince.

Many visitors are still staying away because of a violent Maoist rebellion which has killed some 7.300 people since 1996.

Catfish dispute mars US-Vietnam trade agreement anniversary

AFP, Hanoi

One year after the landmark US-Vietnam trade pact came into force. bilateral trade between the two former battlefield foes has swelled, but mutual suspicions, punctuated

Vietnam's entry into the World Trade Organisation, the bilateral trade agreement (BTA) was signed in July 2000 after six years of tortuous negotiations, but only came into force on December 10, 2001.

US investors were promised a loosening of the communist-ruled

relations between our two countries." Raymond Burghardt, the US ambassador to Vietnam, told reporters last week.

"There has really been a boom in two-way trade and growing optimism regarding current and future economic relations."

US exports to Vietnam are anticipated to have risen 100 million to

Tony Foster, chairman of the American Chamber of Commerce (AmCham) in Hanoi, said the pact had moved US-Vietnam trade relations into a new era.

"Before the BTA was signed, no boardroom of any self-respecting American company would have even considered Vietnam as an investment opportunity, but now it is second to China on their radar

However, casting a shadow over the first anniversary of the bilateral trade pact is their squabble over

catfish, illustrating that although pistols remain firmly holstered, undercurrents of mistrust linger.

Vietnam has vehemently denied accusations filed in June by US producers have dumped frozen fish fillets on the American market. In turn, it has accused the United States of protectionism.

month when the US Commerce Department, as part of its investigation into the charges, declared Vietnam a "non-market economy" rubbing salt into Vietnam's per-

S'pore aspires to become a 'global arts city'

SHAHRIAR KARIM

back from Singapore

Sounds surprising! Singapore aspires to become a 'global arts city' and the island nation also thinks to have a spin-off effect on its economy. With this aim in mind, the island nation has gone crazy to promote 'Art Tourism' these days.

Singapore is well known as a major business hub for multinational corporations managing and expanding operations in the Asia Pacific. A recent statistics show that more than 5,000 multinationals have committed billions of dollars of investment to the 'high value-added business environment' in Singapore.

Ranked as one of the world's most competitive economy by the World Economic Forum in its Global Competitive ranking and as one of the most profitable countries Environment Risk Intelligence, Singapore, for sure, never comes to one's mind as far as art and culture is concerned.

However, the reality is now changing fast and with the opening of Esplanade The Theatre in the Bay in Singapore the aspiration runs high to become 'a global arts city' or 'the cultural hub in Asia' and give a boost to its economy in times of global recession

Singapore's Acting Minister for Information, Communication and Arts, David Lim put it in straight words, "We can build nice build ings, but it will not serve purpose if people don't develop an interest in art and enjoy art. That's what l hope Esplanade will do."

The effort to become a 'global arts city' or 'cultural hub in Asia' and promote art tourism started many years back. There are many other places like art museum, Asian civilisation museum and also many cultural events taking place these days in Singapore.

The Singapore Tourism Board (STB) positions Singapore as a regional art hub for trade, auctions, exhibitions, blockbusters, musicals, pop concerts, family entertainment and other quality productions. The STB is working relentlessly to promote art tourism and encourage art companies and entrepreneurs to stage world-class events in Singapore. STB has set aside S\$500,000 annually over three years (that began in 2001) to promote art tourism and market

events to overseas visitors. The efforts are already paying off. The art and cultural activities in Singapore obtained some S\$1.06 billion in operating revenues in 2000. In that year, more than 70,000 overseas visitors participated in art-related activities in Singapore, more than double the number in 1999.

The Singapore Art Festival 2002 posted a record attendance of 277,000, a whopping 63 per cent iump over 2001. About 10 per cent of those were overseas visitors.

For every one Singapore dollar that a tourist spends on art, an estimated additional S\$1.80 is spent on other items such as accommodation, food and bever-

Attendance for ticketed art activities (music. dance. theatre and others) in 2001 was 940,168, an increase over 857,892 in 2000. The number of art societies and companies has increased from 228 in 2000 to 236 in 2001.

"Apart from generating busi-

community, these events (exhibitions and cultural events) have significant tourism spin-offs and also boost the quality of life for residents. These (events) also create a positive image of Singapore as a global art city and ensure that visitors will want to come here," said a senior Singapore tourism official Charles

Talked about for years, Esplanade Theatres on the Bay Singapore's premier art centre finally roared into life with a feast of diverse shows on October 12 this year just six years after its construction began in 1996. The opening festival ran through November

For the opening festival about 1,300 international and local artists from 22 countries participated in over 70 productions and 600 free events. The major art events in the opening festival included performances by London Philharmonic Orchestra, American opera diva Jessve Norman, the New York Philharmonic and the National Ballet of China. The Singapore Repertory Theatre, Singapore Dance Theatre and Singapore Chinese Orchestra also performed

For its architectural beauty and location most Singaporeans say you can't miss Esplanade even if you try. Perched beside the Singapore River on the Marina Waterfront on six-hectare land, the Esplanade dominates the landscape by the sheer uniqueness of its enormous twin spiky glass domes and has become Singapore's most striking architecture. Two durians, microphones, fly's eyes, hedgehog and pineap

ple heads are some of the nicknames of the spiky domes that the Singapore's new landmark Esplanade earned

Despite its futuristic exterior, tradition rules in the huge 1,800seat concert hall (including 200 choir-stall seats), the 2,000-seat theatre and the two smaller venues recital and theatre studios, with respectively 250 and 200 seats. In addition, there are two outdoor theatres facing the 300-meter

Marina Bay. The mantra of the Esplanade management is to offer something to everyone. Besides performing aeas, eateries and shops within, the Esplanade makes a pleasant day-out for art lovers. People can indulge in their pastimes of eating and shopping at the three storey Esplanade Mall. There is also a library based on art and culture. The idea of having all these things under one roof is to seamlessly

integrate art into one's lifestyle. Wherever you walk within the Esplanade's public spaces, you will see sculptures, paintings, and video installations in more than 40 exhibitions by up to 60 artists from around the world. These exhibitions will continue until mid-January 2003.

With the opening of Esplanade, more tourist arrivals and foreign investors are expected, which means more business for hotels and jobs for Singaporeans. An estimate shows that the Esplanade could bring in S\$ 5 million to 6 million a year in revenue for hotels, retailers and food and beverage outlets at Marina Bay.

Chief Executive officer of Esplanade Benson Puah said. The opening of Esplanade is the dawn of a new Singapore as we strive to be a global arts city.

ECB cuts rates

AFP, Frankfurt

The European Central Bank cut its key rates for the sixth time in its history on Thursday, finally deciding to put aside its concerns about inflationary dangers in the euro area to give the region's sickly economy a much-needed shot in the arm.

The ECB cut the minimum bid rate on its regular refinancing operations, the so-called "refi" rate, to

The central bank also sliced half a percentage point off its other two rates -- the discount and marginal lending rates -- to 1.75 percent and 3.75 percent respectively.

Following are the changes the ECB has made to its key interest rates since the bank took over the monetary policy reins for the 12country euro zone on January 1 1999, when the "refi" rate was set at 3.0 percent

Japan's forex reserves fall

AFP, Tokyo

Japan's foreign exchange reserves fell to 460.5 billion dollars at the end of November, marking the first drop in eight months, the finance ministry said Friday.

The figure was down by 503 million dollars from the previous month, the ministry said, adding the fall was due to a decline in prices of US bonds held by Japan.

The foreign reserves consist of securities and deposits denominated in foreign currencies, International Monetary Fund (IMF reserve positions. IMF special drawing rights and gold.

Of the November total, foreign currencies accounted for 443.1 billion dollars, gold 7.9 billion dollars. IMF reserves 7.1 billion dollars and special drawing rights 2.5 billion dollars, the ministry said.

Chinese growth to reach 7.9pc in 2002: Economist

AFP, Beijing

China's economy is likely to grow about 7.9 percent this year, according to an analyst in a report by the state Xinhua news agency Saturday

The 2002 growth will be 0.6 percentage points higher than that of 2001, reaching 7.9 percent, said analyst Xu Lianzhong, from the Economic Forecast Department of the State Information Center.

Xinhua reported. Gross domestic product growth rose from 7.6 percent in the first guarter to 8.0 percent in the second and 8.1 percent in the third. back production but restore credibil-

Pakistan gets \$266m loans from ADB

The Asian Development Bank (ADB) said Friday it has approved three loans totalling 266 million dollars to promote more efficient and active financial markets in

The loans will also come with two political risk guarantee facilities totalling 200 million dollars to address concerns such as terrorism, the Manila-based ADB said in a

The loans will finance a program to bolster financial markets policy. governance and operations and stimulate growth of capital markets and institutional investment This will include improving the

fiscal and investment policy environment, boosting investor confidence, increasing the supply of financial instruments, encouraging private sector participation and improving the governance of nonbank financial institutions

The political risk quarantee facilities are intended to boost investment in Pakistan which has been discouraged by concerns as terrorism, the ADB said.

"This will ensure continued access to comprehensive insurance cover that is required to sustain investments, but which has dried up for many emerging markets after the terrorist attacks in the US on September 11, 2001," the ADB

KL upbeat on 2003 economic outlook

AFP. Kuala Lumpur

Malaysian Prime Minister Mahathir Mohamad said the outlook for the country's export-led economy next vear was bright despite the gloomy

global forecast. "We think we can do fairly well (next year) because we are rearranging our strategy," Mahathir, who is also finance minister was quoted as saying by the Sunday Star newspa-

The Organisation for Economic Development and Cooperation in November said that the global economy was heading towards recovery although not before 2003 at least, and only after a period of uncertainty. Mahathir said Malaysia had

identified strategies to stimulate the economy, but he did not elaborate. In his recent budget speech, the premier announced incentives for small and medium-sized industries in

a bid to spur growth Last month, the central bank said Malaysia's economy expanded 5.6 percent in the third quarter to September from a year earlier and is on track to grow four to five percent

ROK to start building DPRK industrial park this month

South Korea has agreed to break ground for North Korea's industrial park this month despite doubts caused by a standoff over Pyongyang's suspected nuclear weapons program, officials said

Sunday. The two sides said in a statement, released in Seoul, that construction work should begin sometime between December 26 and 30 in the North Korean city of Kaesong.

The agreement came at the end of three-day talks between the two Cash-strapped North Korea has designated Kaeson near the inter-

Korean border as a special eco-

nomic zone and pledged to extend

tax and customs privileges to for-But the project to build a capitalist business enclave has been thrown into doubt since US envoy James Kelly in October said North Korean officials had admitted to him

weapons program. In a report last week, the South's state-run Korea Development Institute raised doubts about Kaesong's economic viability without drastic steps to develop it as an

that they were pursuing a nuclear

attractive zone. The Kaesong zone would fall behind rivals in China due to insufficent infrastructure outlays and uncertainties over the North's

nuclear program, it said. The North has tentatively reversed five decades of central planning and started opening its

economy to market forces this year.

"I think they will aim to cut output

An OPEC source said at the end

by between one and one-and-a-half

million barrels per day ahead of the

seasonal fall in demand in the

of last month that OPEC Secretary

(northern hemisphere) spring.

OPEC meets Thursday to face challenge of overproduction

The Organisation of Petroleum Exporting Countries is to meet Thursday in Vienna to face the challenge of curbing massive overproduction by member countries which has left the oil market awash with crude

Against the backdrop of increasing tensions between the United States and Irag, the organisation is expected to consider how to better balance supply with demand on the oil market by reducing output.

Kevin Norrish of Barclays Capital in London said: "OPEC faces an incredibly difficult challenge because they need to not only cut

community that they can keep production under control. The Middle East Economic

Survey calculated in November the oil cartel had produced 2.73 million barrels per day (bpd), or 12.6 percent, over quota agreements in October

Production by the 10 member states, minus Iraq which is under a UN embargo, rose by 60,000 bpd last month to 24.43 million bpd, the industry newsletter said. GNI analyst Lawrence Eagles said:

"OPEC wants to narrow the gap

between output and quotas which is

very high at the moment and has made

it clear that it will be looking to cut

output at the December meeting.

General Alvaro Silva-Calderon was pushing for oil production to be cut because of oversupply on the mar-"We have been hearing some conflicting remarks from some ministers. Some are supportive of a

cut while others are supportive of an increase. So we have different opinions and I think it is up to the conference to decide on the right decision to make on December 12,

by cries of protectionism, remain. Billed as a precursor for

For Vietnam, it triggered the immediate slashing of punitive US tariffs on Vietnamese exports, while

country's tightly controlled markets in a phased process 'This historic agreement has now become the cornerstone of the

Vietnamese exports to the United States are estimated to have increased by 600-800 million dollars this year to 1.8 billion dollars, while

500 million dollars

screens." he said.

catfish farmers that Vietnamese

The issue was exacerbated last