

Apec pressures Europe on farm subsidies

Future of WTO at stake

AFP, Busan, South Korea

Cutting agriculture subsidies is key to unblocking global trade talks and preserving the credibility of the WTO, Apec leaders said Saturday, putting pressure on Europe to make concessions.

In a statement after summit talks here, Asia-Pacific leaders said renewed efforts must be made to prevent the Doha Round of trade talks collapsing ahead of the December 13-18 World Trade Organisation (WTO) meeting in Hong Kong.

"A successful conclusion to the Doha Round is crucial for the future credibility of the WTO and the rules-based multilateral trading system,"

the Asia Pacific Economic Cooperation (Apec) forum said.

"We call for the breaking of the current impasse in agriculture negotiations, in particular in market access which will unblock other key areas, including non-agricultural products and services.

"Unless progress is made in this area, we cannot make progress in the round as a whole. Avoiding or compromising our ambition on this issue would mean that we lower expectations for the round as a whole."

The statement did not mention the European Union by name, but it goes against the EU's firm stance that resolving the deadlock should not depend on agriculture alone and

follows growing EU irritation over Apec pressure.

In another indirect swipe at the EU, the statement called for those countries with the biggest stake in the global trading system to make greater efforts to unblock the current impasse.

"We are ready to provide strong leadership and the commitment necessary to produce in Hong Kong a sound platform for successfully concluding the negotiations," it said.

"We urge all other WTO members and especially those that have the largest stake in the global trading system and derive the biggest benefits therefrom to show the flexibilities needed to

move the negotiations forward by and beyond Hong Kong," it said.

The statement said the WTO meeting in Hong Kong was a "critical step" on the path of growth and development.

"Significant progress must be made in Hong Kong in resolving still remaining considerable divergences, and a clear roadmap for the completion of the round by 2006 must be established," said the statement.

The WTO is battling to avoid disaster at the crunch ministerial meeting, which aims to finalize an ambitious accord on breaking down world trade barriers.

Time is right to cut debt issuance: Japan PM

REUTERS, Pusan, South Korea

Japanese Prime Minister Junichiro Koizumi, who this week called for cutting new debt issuance to around 30 trillion yen (\$25.4 billion) in the next fiscal year starting in April, said Friday he did so because the time was right.

The mountain of Japan's outstanding public debt, which is expected to rise to 774 trillion yen at the end of this fiscal year -- roughly 150 percent of gross domestic product -- is the government's nightmare.

Koizumi told reporters on the sidelines of the Asia-Pacific Economic (APEC) forum in Pusan that since tax revenues were rising, he hoped debt issuance could be limited to as close to 30 trillion yen as possible.

"Because of this, resistance (to cutting debt issuance) within the ruling party has disappeared," he said.

In the current fiscal year to March, the government is financing its 82.2 trillion yen budget by issuing 34.4 trillion yen in new Japanese government bonds, down from last year's 36.6 trillion -- the first cut in debt issuance from year-earlier levels in four years.

Australia announces \$70m bird flu package

AFP, Busan, South Korea

Australia on Saturday announced a 70-million-dollar package to combat bird flu and other diseases at a regional Asia-Pacific summit in South Korea.

"I am pleased to announce Australian support for initiatives to combat avian and pandemic influenza and to further liberalise trade and investment," Prime Minister John Howard said in a statement.

"Australia will provide 100 million dollars (73.3 million US dollars) over four years for initiatives to combat the threat of pandemics and other emerging infectious diseases within the region," the statement said.

Canada, Japan move on free trade accord

AFP, Busan, South Korea

Canadian Prime Minister Paul Martin and his Japanese counterpart Junichiro Koizumi took preliminary steps here Saturday towards negotiating a free trade deal, officials said.

The two leaders signed an accord on reinforcing commercial ties dubbed the Canada-Japan Economic Framework when they met on the sidelines of the Asia Pacific Economic Cooperation (APEC) summit here.

"Japan is a key trade and investment partner, and this framework will help ensure that Canada's commercial strengths remain uppermost in the minds of Japanese decision

makers and business leaders," said Martin in a statement.

The accord laid the groundwork for future cooperation in 15 priority areas -- including food safety, investment, customs and social security, the statements said.

Martin, who visited Tokyo in January, said he had laid the groundwork for the trade negotiations then.

"We agreed in January to take concrete steps to enhance our economic partnership, and we continue to move these plans forward," he said.

Martin said the two sides had launched a joint study on bilateral trade and investment, a "key element of the overall framework".

"We have committed to assessing the opportunities for further trade and investment promotion and the potential for future liberalization."

Koizumi agreed the new accord would add impetus to trade ties.

"This framework will further deepen relations between Japan and Canada," he told Martin, according to a Japanese government official.

A Canadian official said earlier in Ottawa that Japan and Canada were contemplating "greatly expanding our trade relationship."

Japan is Canada's second-largest export market after the United States, taking 10.4 billion Canadian dollars (8.8 billion US dollars) in goods and services including wood and canola.

Oil hits new 5-month low

AFP, New York

World oil prices plumbed new five-month lows here Friday despite forecasts by the OPEC cartel of a rise in energy demand this year, especially from rapidly growing China.

Investors were also monitoring US energy stocks and changing weather patterns across the northern hemisphere ahead of winter.

New York's main contract, light sweet crude for delivery in December, dipped 20 cents to close at 56.14 dollars a barrel, its worst finish since June 15. At one point, the contract was as low as 55.40 dollars.

But in London, the price of Brent North Sea crude for January delivery rebounded by three cents to 54.88 dollars a barrel.

"I think that's just a little bit of end-of-week short-covering," Refco analyst Marshall Steeves said of the decline in New York.

"We're moving into the winter season so heating oil prices are bound to consolidate here. But we still have plenty of crude oil in storage so there's no fundamental reason for crude oil prices to move higher," he said.

Barclays Capital analyst Kevin Norrish disagreed about the market trend.

"The arrival of cooler weather in parts of Europe and the US, stronger US weekly oil data and a pick-up in Chinese demand indications all suggest that the downtrend in crude oil prices may now be coming to an end," he said.

More trade talks in Geneva next week

REUTERS, Washington

Top officials from the United States, Brazil, India and the European Union will return to Geneva next week to discuss how to break a deadlock in world trade talks, a US trade official said Friday.

"We're going to be there Monday and Tuesday," the official said, speaking on condition of anonymity. "(US Trade Representative Rob) Portman's efforts continue to be the same: how can we come together...? We'll be wherever we need to be to bring things

forward".

Portman has just returned from a round-the-world trip that began 10 days ago with meetings in London and Geneva, where he and other trade ministers were unable to bridge deep differences on agricultural issues at the core of world trade talks.

As a result, World Trade Organisation members no longer expect a meeting next month in Hong Kong to produce a framework for completing the four-year-old trade round.

Portman expects to meet with top

trade officials from the European Union, Brazil and India in Geneva, the US official said. The four trading partners have been leading the talks on agricultural trade.

A second meeting could include ministers from Australia and Japan, the US official said.

Both the United States and Brazil have criticised the EU for not offering to make deeper cuts in domestic farm tariffs and trying to protect a large number of their domestic farm sectors from increased foreign competition.

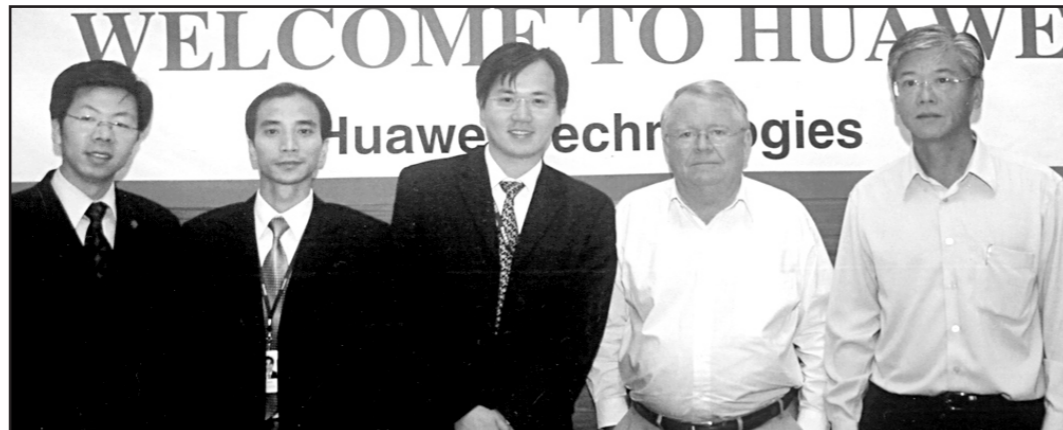


PHOTO: CITYCELL

Senior officials of Pacific Bangladesh Telecom Limited (PBT), the owning company of CityCell cellphone, and Huawei Technologies Co Ltd (HTCL) pose for photographs at a function, organised by HTCL, Wednesday in Dhaka. Among others, Chris Maloy, CEO of PBT, Choo Pui Hong, CTO of PBT, Wangsheng Niu, assistant country chief of Huawei, Li Zeyuan, head of TSD-Huawei, and Hanson, head of Huawei Managed Service Department, were present at the function.

EU runs into trouble with banana tariff

REUTERS, Brussels

The European Union has run into trouble again with its latest import plans for bananas, throwing its 25 national governments into deadlock and maybe angering Latin America enough to trigger another international trade row.

After losing the bitter 1990s "banana wars" at the World Trade Organization (WTO), the EU pledged to scrap its complex system of quotas and import duties for a tariff-only system to run from January. The row has been over the level of tariff.

The European Commission, which negotiates foreign trade for the EU-25, presented its latest tariff -- 179 euros (\$209.2) a tonne -- to ambassadors of EU states this week. It did not go down well at all, with 10 states rejecting the proposed duty.

EU countries are split down the middle over the current import regime since they have widely differing interests over bananas, the world's second-largest fruit market after citrus.

Spain and France, for example, want to protect their banana farmers in the Canary Islands and the Caribbean islands of Guadeloupe and Martinique, while northern European countries like Sweden want a low tariff to keep consumer prices low.

This is the Commission's third tariff suggestion after WTO arbitration panels slapped down its earlier ideas of 230 euros and 187 euros, saying they discriminated against Latin America.

So far, the Commission is sticking to its guns and another meeting of EU ambassadors will discuss the tariff again on Nov 23. The issue may also crop up at an informal dinner of EU trade ministers scheduled for the start of the week.

Latin American governments reacted angrily to the latest EU proposal, indicating they would fight Brussels every inch of the way to protect a vital export sector.



PHOTO: BASIC BANK LIMITED

AH Ekbal Hossain, managing director of BASIC Bank Limited, inaugurates ATM services at the bank's Agrabad branch in Chittagong Friday. Representatives from American International (BD) Ltd (ReadyCash) and corporate clients of the bank were also present at the inaugural function.

ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh office at Dhanmondi in Dhaka yesterday, says a press release.

Prizes	Name of Winners	Card No
Kamal General Store Free Gift Box	Md Shohel Rana	5047980010036368
China Junction Chinese Restaurant Free Lunch/Dinner for two	Md Nayan Khan	5047980000058823
Rainbow Free Lunch/Dinner For Two	Md Abul Khayer	5047980010036401
Monorom Free Gift Box	Abdullah Al Mamun	5047980010036405
Pallabi Computers Free Internet Browsing	Md Moniruzzaman Khan	5047980000058726

Winners can collect their prizes from the Executive, Promotion of ReadyCash within 30 days of this news circulation by producing their ReadyCash card transaction vouchers. ReadyCash encourages its cardholders to read The Daily Star and the Daily Prothom Alo on every Sunday or call our Customer Service at: 8123850, 8130497, and 8125294-7.

Boeing, Airbus set for Dubai plane orders battle

REUTERS, London

Boeing Co and Airbus take their feisty battle for business to the burgeoning Gulf next week, where long-range planes are expected to dominate sales, including Boeing's wide-bodied 777 and Airbus' newest, the mid-sized A350.

Boeing and Airbus may end the year with record sales, and expectations are running high for the Dubai air show on the home turf of Emirates.