

16-NATION TRADE BLOC

Japan to invest millions to promote regional trade

AFP, Kuala Lumpur

Japan is to announce a fund worth up to 100 million dollars for a proposed 16-nation East Asian economic partnership intended to promote regional trade, state Bernama news agency reported Saturday.

The proposal for the Comprehensive Economic Partnership in East Asia falls under the Nikai Initiative, which was drawn up by Japan's trade minister Toshihiro Nikai after the 11th Association of Southeast Asian Nations (Asean) Summit in Kuala

Lumpur in December 2005, Bernamasaid.

The report cited an unnamed Japanese official as saying Tokyo was busy promoting the 16-nation free trade agreement to regional leaders in a bid to increase Asia's economic integration.

Nikai is expected to announce the fund at next week's 38th Asean Economic Ministers meeting hosted by Kuala Lumpur, the official said.

Japan's proposed partnership groups together China, South Korea, India Australia, New Zealand, Japan itself and the 10-country Asean.

The ambitious trade bloc would cover half the world's population. Last year the 16 nations formed the East Asia Summit, which is seen as a precursor to the partnership.

Asean comprises Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

The region's economic ministers will meet their counterparts from China, Japan, South Korea, Australia, India, New Zealand and the United States next week in an effort to liberalise trade.

India supplies fertiliser to Nepal at subsidised rate

PTI,Kathmandu

India has gave 25,000 metric tons of fertilizer to Nepal at a subsidised rate.

The consignment was handed over at a function Thursday at which Indian Ambassador to Nepal Shiv Shanker Mukherjee was present.

The government of India has provided Rs. 168.75 million subsidy on the price of fertilizers -- 10,000 metric tons of DAP and 15,000 metric tons of urea -- as per the commitment made during the visit of Prime Minister Girija Prasad Koirala to India a few months ago, according to the Indian Embassy sources.

Nepal needs 300,000 metric tons of fertilizer annually, said Minister for Agriculture and Cooperatives Mahanta Thakur and asked the Indian government to provide 100,000 tons of fertilizer at an affordable price by the Nepalese farmers.

Ambassador Mukherjee said the Indian Government would gradually fulfill other demands by Nepal. India has given priority to infrastructure building, health and education, and would focus on the link road in Terai in the southern plains of Nepal.

China hopes to start transit trade with Pakistan, 2 central Asian states

AFP, Beijing

China hopes to start transit trade with Pakistan and two Central Asian states next year.

Official sources told APP in Beijing here Friday that a general framework agreement has already arrived at between China, Pakistan, Kyrgyzstan and Kazakhstan. They made considerable progress to sort out some relevant legal and administrative matters, at the experts-level meeting held in Islamabad recently.

The meeting mainly discussed volume of transit trade, number and valid term of visa from 2006 to 2007, and problems existing in the process of implementing inspection, quarantine and customs rules.

Four countries agreed that Pakistan would draft a proposal to set up a promotion institution for joint transportation for the

next meeting. The proposal will focus on expanding trade exchanges through Karakoram Highway.

The four-country Transit Trade Agreement among China, Pakistan, Kyrgyzstan and Kazakhstan was signed in 1995 and started to function in 2004 owing to various reasons.

According to the agreement, the four countries would issue some licenses to transit trade and grant visas with certain period of validity to transit traders. In order to make transit transportation more convenient, the four countries will jointly draw up a unified procedure for Customs Clearance.

The Agreement will remain in force for five years and will be assessed sometimes.

Li Yanwu, an official with the highway management department of the Chinese Ministry of Communication, said China,

Ford to halt production at 10 plants

REUTERS, Detroit

Ford Motor Co. said Friday it would temporarily halt production at 10 assembly plants between now and the end of the year, blaming high gas prices for pushing many consumers away from its pickups and SUVs and toward higher-mileage models.

Ford said the cuts will reduce the need for costly incentives to reduce bloated inventories. But they also illustrate just how out of step the lineup at the nation's second-largest automaker has become, as it loses market share to mostly Asian competitors under the watch of Chairman and Chief Executive Bill Ford.

General Motors Corp. and DaimlerChrysler AG's Chrysler Group also have been caught in the shift away from trucks and SUVs to smaller cars and crossovers as consumers seek better fuel economy. The Big Three's combined U.S. market share fell to 54.5 percent for the first seven months of 2006, down from 58.7 percent in the same period a year ago.

GM already has announced it will cut production 7 percent to 8 percent in the third-quarter.



PHOTO: GRAMEENPHONE Md Mahboob Hassan, director of Marketing & Commercial of Aristopharma, a pharmaceutical manufacturing company, and Mir Rashedul Hossain, deputy head of Corporate Sales of GrameenPhone Ltd, pose for photographs at an agreement signing ceremony recently. As per the deal, the mobile phone operator will provide complete communication facilities under its 'Business Solutions' package for Aristopharma. Senior officials from both the sides are also seen.

S African nations to speed up economic integration

AFP, maseru

A 14-nation southern Africa summit closed late Friday with a pledge to speed up regional economical integration, even as leaders expressed concern about crisis-plagued member-state Zimbabwe.

Leaders of the Southern African Development Community (SADC) signed a protocol to accelerate integration toward a regional free trade zone with a common customs union, market, and universal currency within the next 12 years.

"This protocol seeks to foster harmonisation of the financial and investment policies of the state parties... through facilitation of regional integration," the text read.

Among the stated goals are the elimination of tariffs on 85 percent of all goods within two years, and the creation of a free-trade zone by 2008.

The 14 nations also aim to create a united customs union by 2010, followed by a common market by 2015, a monetary union by 2016 and a single currency by 2018.

Newly appointed SADC chairman Pakalitha Mosisili, prime minister of Lesotho, told reporters at a press conference that the region's leaders "felt that the matter of economic integration in the region is lagging behind."

"We decided it is high time that we should do something about that," he said, adding that finance ministers had been tasked with drawing up a plan to accelerate the process.

Angola and Zimbabwe did not sign Friday's protocol, but SADC officials said the omission was procedural, pointed out that some countries needed prior approval from parliament.

Speaking of Zimbabwe, Mosisili said: "I can assure you that the situation in that country is of concern to SADC."

"Zimbabwe was the second-strongest economy in the community, and for the economy to decline to that level is of major concern for us," he said.

Once the breadbasket of southern Africa, Zimbabwe has seen its

economy contract by more than a third over the last seven years and inflation soar to 1,200 percent -- the highest in the world outside a war zone.

Critics partially blame President Robert Mugabe's controversial land reform programme for the country's economic woes.

Around 4,000 white farmers have lost their land, often violently, since Mugabe launched the programme in 2000 to redress the imbalances in land ownership held over from the colonial era.

Critics point out that the majority of the land programme's beneficiaries lacked the skills and means to farm, relying instead on state hand-outs.

Nonetheless, Mosisili said some progress had been made in Zimbabwe.

Asked why the 82-year-old Mugabe arrived almost two hours later than other state leaders for the summit and then left early, Mosisili said: "President Mugabe is not a young man. The old man is slowing down."

Vietnam sets goal for export surplus by 2010

VNA, Hanoi

Vietnam should see an export surplus by 2010, according to the Ministry of Trade's strategy on socio-economic development.

Under the ministry's plan for the period ending in 2010, the country's trade deficit must decline to 12 percent this year from 14.8 percent last year.

The ministry said that the trade deficit has seen a recent trend of decline. In 2005, the figure hit 4.75 billion USD, down from 5.11 billion USD in 2003. This year's trade deficit is expected to level out at around 4-4.5 billion USD.

In the first three months of this year, the export surplus reached 56 million USD.

The ministry reported that businesses and state offices must do more to reach the target of a surplus by 2010, particularly since the trade deficit decline was going slowly and demand for raw production materials would likely increase sharply in the future.

The ministry's experts said that Vietnam should enter the World Trade Organisation as quickly as possible to create the best conditions for expanding export markets.

India's forex reserves decline

PTI,Mumbai

India's forex reserves decreased by USD 701 million to stand at USD 165.094 billion during the week ended August 11, 2006, as against USD 165.795 billion during the week ended August 4, 2006.

The reserves had increased by USD 1.77 billion during the preceding week ended August 4, 2006, compared to a week ago period.

Foreign currency assets decreased by USD 696 million to USD 157.769 billion during the seven-day period ended August 11, 2006, according to figures released by the Reserve Bank of India.



PHOTO: NCC BANK The 'Branch Managers' Half-yearly Conference-2006' of NCC Bank Ltd was held in Bogra recently. Mahbulul Alam Tara, chairman of the bank, inaugurated the conference as chief guest while other senior officials were present.



PHOTO: DHAKA BANK Senior officials of Dhaka Bank Ltd pose for photographs with the participants in a workshop on 'Foreign Exchange Reporting to Bangladesh Bank' held recently in the capital.

S'pore hires US consultant to map out medical tourism strategy

AFP, Singapore

Singapore has engaged US consulting firm McKinsey and Company to map out strategies to attract more foreign patients, also known as medical tourists, to the city-state, the government said Friday.

McKinsey's expertise will help Singapore craft out the most appropriate ways to identify and meet the needs of medical tourists, the ministry of health (MOH) said in a statement.

Singapore aims to attract one million medical tourists by 2012 but it faces stiff competition within Asia mainly from Thailand, where the kingdom is also aggressively working on becoming the choice venue for foreign visitors seeking affordable, quality medical care.

MOH said the "international dimension of healthcare services is a dynamic area quite different from the challenges of providing services to a domestic population.

"MOH would like to collaborate with international subject matter experts so as to strengthen our national competitive strategies as well as draw on their relevant experience and expertise in developing healthcare strategies specific to medical tourism worldwide."

McKinsey was awarded the contract worth 2.15 million Singapore dollars (1.36 million US) early this month after a tender process, the MOH said.

Medical tourism is multi-billion dollar industry in Asia with several countries in the region drawing on their affordable but high medical service standards to woo more foreign patients.

The Straits Times newspaper reported Friday the city-state drew 374,000 medical tourists in 2005, up 17 percent from 320,000 the previous year.