

# Star BUSINESS

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## WTO NEGOTIATIONS

# India worried at impasse in Doha round

PTI, United Nations

Expressing "serious concern" over the impasse in all areas of negotiations under the Doha round of WTO talks, India has asserted that if globalisation is inevitable, it has to be "fair and equitable" with multilateralism as its "life-sustaining" mechanism.

Warning that the impasse threatens to jeopardise the development prospects of poor countries, Indian Defence Minister Pranab Mukherjee told the developing nations that solidarity among them would be crucial in facing the challenges posed by globalisation.

More intense cooperation at the international level coupled with increased flow of resources, enhanced market access and debt relief is an "absolute imperative," he said.

Addressing the ministerial-level meeting of the Group of 77 developing nations and China Friday, Mukherjee emphasised that prog-

ress in international trade has to be measured against the yardstick of poverty eradication.

"We believe that the developing countries must have the policy space to determine their development plans and priorities based on their individual situations," he told the ministers.

It is important for the developing nations to maintain flexibilities to avoid the danger of de-industrialisation for some of them, Mukherjee said, asserting that the "Overarching principle" of special and differential treatment remains a "categorical imperative."

Resumption of trade negotiations must carry forward the progress made, he said.

The precise, effective and operational special and differential treatment for developing countries "must be an integral to all aspects of outcome of negotiations and the outcome should deliver on the developmental imperatives embodied in the Doha Work

Programme," Mukherjee said.

He particularly referred to the problems faced by the landlocked developing countries and small island states, stressing the need for their priorities to be taken into account.

The fulcrum of international economic endeavour, the Minister said, are the eight Millennium Development Goals (MDGs) which seek to substantially reduce and eliminate several social and economic ills facing the developing nations.

In this context, he urged the developed nations to meet their target of contributing 0.7 percent of GNP as official developing aid (ODA) by 2015.

Emphasising the role of science and technology in development, Mukherjee said the revolution in information and communication technologies offers the tool to face the challenges of globalisation.

# Japan, Mideast oil producers step up FTA talks

AFP, Tokyo

Japan and six Middle Eastern oil producers Friday agreed to intensify negotiations on free trade agreements, a report said.

During the first round of talks in Tokyo, Japan and the countries of the Gulf Cooperation Council exchanged lists of requests and offers concerning tariff cuts and liberalization of services, Jiji Press news agency said.

The GCC groups Saudi Arabia, the United Arab Emirates, Bahrain, Oman, Qatar and Kuwait.

The Japanese side demanded

that GCC nations abolish the five-percent tariff imposed on automobile exports which account for 54 percent of the trade from Japan to the Middle Eastern nations, Jiji said.

For its part, the GCC was expected to have asked Japan to cut or abolish tariffs on petrochemical products, the report said.

The next round of negotiations are expected to be held in Riyadh in December, it said.

Japan, the world's second largest economy, is almost entirely dependent on the Middle East for its oil.

# Britain offers Italy secret deal on China trade

AFP, London

The British government has secretly offered to support Italy's demand for punitive tariffs on cheap Chinese shoes in exchange for Italian backing for Britain's long work hours, a newspaper said Saturday.

Britain's exemption from the European Union's directive on work hours -- key to Britain's flexible labor market -- appears to have EU backing by only a narrow majority of the 25 member states, the Financial Times said.

But, it said, the move to drop its free-trade principles in the shoe dispute suggests Britain fears that other EU states could try to scrap its "opt-out" from Europe's maximum 48-hour work week during debate on it in November.

Italian Prime Minister Romano Prodi's new center-left government told Britain this year that Italy was withdrawing its support, leaving Britain relying on Germany and the unstable Polish coalition as its main backers.

The Financial Times quoted a number of sources as saying that Britain wanted to lure Prodi back by offering to support an Italian-led protectionist bloc of EU countries that wants anti-dumping duties on Chinese and Vietnamese shoes.

However, Italy has so far refused to give Britain the written guarantees it wants on working hours, it added.

Communists and socialists in Prodi's coalition believe Britain's work hours "opt out" exploits workers and gives Britain an unfair advantage over countries where the 48-hour limit applies, it said.

Italy's trade minister Emma Bonino is trying now to forge a

majority among EU countries to support duties on Chinese shoes without Britain, it said.

Italy and other southern European countries pressured Cyprus on Friday to quit the free-trade camp, it said.

The Financial Times said a British spokesman declined to confirm or deny the talks with Italy.

# Malaysian UMW Holdings enters Indian market

PTI, New Delhi

Malaysia's UMW Holdings Berhad has made its maiden entry into India as it signed an agreement with Multicoat Systems for a joint venture in oil and gas sector.

UMW, together with an Indian company owned by Malaysians ARA-MK Corporation India Pvt Ltd, entered into a Share Sale and Subscription Agreement with Multicoat of Manoj Saraf to set up a company to be known as Multicoat Systems (Pvt) Ltd.

Under the agreement, UMW will acquire 40 percent of the issued and paid-up share capital of MSPL for a total consideration of Rs 37,400,000. The venture is for developing corrosion and coating technology in oil, gas and power sector.

UMW, which has been doing business in China, turned its attention to India in response to invitation by Minister for Overseas Indian Affairs (MOIA) Vayalar Ravi during his visit to Malaysia recently.



PHOTO: HSBC

Mamoon M Shah, head of Personal Financial Services of HSBC Bangladesh, and Md Moinuddin, managing director of ANZ Properties Ltd, among others, are seen at a memorandum of understanding (MoU) signing ceremony recently in Dhaka. Under the MoU, clients of the real estate company will get privileged services from the bank for home loan and both the organisations will run joint campaigns to promote the home loan scheme.



PHOTO: PUBALI BANK

Pubali Bank Ltd recently shifted its Pura Bazar branch to Matlab Darul Ulum Kawami Madrasa building in Matlab, Chandpur. Chairman of the bank Hafiz Uddin Majumder, directors Giasuddin Ahmed, Sk Wahidur Rahman, Ahmed Shafi Chowdhury and M Faizur Rahman and Managing Director Khondker Ibrahim Khaled were present at the inauguration of the presently known Matlab Bazar branch.

# US eyes action against Japan's Mitsubishi UFJ

AFP, Tokyo

US financial authorities are mulling what action to take against the American units of Mitsubishi UFJ Financial Group (MUFG) for alleged lax monitoring of money laundering activities, reports said Saturday.

Investigators from US financial regulators would soon visit the headquarters of Bank of Tokyo-Mitsubishi UFJ (BTM UFJ), a pillar business of MUFG, regarding the allegations, the Asahi Shimbun newspaper and other media reported, citing unnamed sources.

The investigation could delay plans by MUFG, Japan's largest financial group, to launch full securities operations in the US, the reports said.

They said the US Federal Reserve had found that computer systems used by BTM UFJ's New York branch and one of its US units were inadequate for preventing money laundering.

Officials of MUFG could not immediately be reached for comment.

The United States has tightened money laundering monitoring since the terrorist attacks of September 11, 2001.



PHOTO: AKTEL

(From left) S Rajaduray, CFO of AKTEL, Nur Shafiq Haris, area manager of Malaysia Airlines, Abdul Malek Bin Abdul Aziz, Malaysian High Commissioner to Bangladesh, Ahmad Bin Ismail, managing director of AKTEL, Hamizan Bin Hassim, 1st secretary of Malaysian High Commission, and Masum Parvez of Tourism Malaysia on Wednesday are seen at the launch of a promotion campaign titled 'Showcase Malaysia' under which AKTEL customers will get an opportunity to visit Malaysia through an SMS-based quiz.