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Brazil, US sign major deal on biofuels

AFP, *Sao Paulo*

Brazil and the United States, the world's largest ethanol producers, on Friday inked a strategic alliance to promote biofuels, declaring the step important for the environment and global security.

US Secretary of State Condoleezza Rice and Brazilian Foreign Minister Celso Amorim signed the memorandum of understanding to cooperate in promoting ethanol on the sidelines of US President George W. Bush's five-nation Latin American tour.

Bush and Brazilian President Luiz Inacio Lula da Silva described the pact as significant for both the environment and global security.

"If you're dependent upon oil from overseas, you have a national security issue. In other words, dependency upon energy from somewhere else means that you are dependant upon the decision from somewhere else," Bush said after touring a biofuels depot in Sao Paulo, Brazil's biggest industrial hub.

Washington wants to reduce US dependence on the Middle East and other external suppliers of oil and natural gas.

FDI in Philippines up 27pc

AFP, *Manila*

Foreign direct investments (FDI) in the Philippines rose to 2.35 billion dollars in 2006, a 27 percent increase over 1.85 billion dollars posted in 2005, the central bank announced on Saturday.

This was also an improvement over the two billion dollars in foreign direct investments that the government was targeting for last year, the central bank said in a statement.

"The FDI inflows were sustained as the country continued to post significant macroeconomic gains in 2006, including a strong external payments position, better than expected fiscal position, and declining inflation," the statement said.

Bush focuses on trade in Uruguay

AFP, *Uruguay*

US President George W Bush on Saturday held trade talks with his Uruguayan counterpart, Tebare Vazquez, as mass protests continue to dog his five-nation tour of Latin America.

Uruguay is seeking broader access to the US market for its textiles, software and rice, officials said. Trade in biofuels, medicine and intellectual property rights are also on the agenda.

Bush arrived from Sao Paulo, Brazil, where tens of thousands of protesters took to the streets to protest the war in Iraq and the trade ties Bush came to promote.

Venezuela's leftist President Hugo Chavez sniped at Bush from Argentina, where he gathered 35,000 protesters to listen to him taunt Bush as "political dead meat" and say "Gringo, go home" in English.

Talks with Brazil's President Luiz Inacio Lula da Silva netted commitments to breathe life into moribund World Trade Organization talks and collaboration on promoting ethanol as an alternative fuel -- in part to cut US dependence on oil from countries like Chavez's Venezuela.

However, even members of Lula's own Workers Party took to the streets to protest Bush's presence and to demand less of his brand of free trade and more of Mercosur, a trade bloc comprising Argentina, Brazil, Paraguay, Uruguay and Venezuela.

Brazilians burned US flags outside the Sao Paulo hotel where Bush and Lula held talks Friday after visiting an ethanol depot.

When Bush arrived in Sao Paulo Thursday night, a massive peaceful march was under way, with anti-US slogans, while smaller groups of protesters hurled rocks at the US consulate and clashed with police.

He insisted the United States did not get enough credit "for trying to help improve people's lives."

"The American people care deeply about social justice ... we believe in education and health," he said. "We believe in supporting programs that help lift people out of their current conditions and we want to help."

PHOTO: KITC GLOBAL NETWORK SERVICES

Hossain Ali Sikder, chief executive officer of KITC Global Network Services, and Saifuddin M Naser, senior vice president of Brac Bank Ltd, exchange documents after signing a memorandum of understanding (MoU) recently in Dhaka. Under the MoU, the bank will provide loan up to Tk10 lakh for the Bangladeshi students who will process their admission to any foreign academic institutions through the students counselling firm.

PHOTO: UNITREND

Masih Ul Karim, managing director of Berger Paints Bangladesh Ltd, poses for photographs with senior officials at the company's annual sales conference for the year 2007 held recently in Bangkok, Thailand.

US welcomes end to cheap Chinese loans for exporters

AFP, *Washington*

The United States Friday welcomed China's decision to scrap a perk for exporters that formed part of a landmark WTO case filed by Washington against Beijing.

China said it was abolishing an allowance that provided key export companies with a discount of up to 10 percent on bank loan rates, effective immediately.

"This is a welcome move by China," US Trade Representative Susan Schwab said in a statement.

"We hope the termination of these discounted loans signals China's willingness to withdraw other subsidy programs identified in our recent WTO action that harm US companies and workers," she said.

In early February, the United States hauled the fast-growing Asian giant to the World Trade Organization over a raft of "illegal" industrial subsidies in steel, paper, information technology and other sectors.

The two nations are to hold consultations over the dispute at WTO headquarters in Geneva towards the end of this month.

Japan, Australia to begin FTA talks in April

AFP, *Tokyo*

Japan and Australia will open talks next month on reaching a free trade pact, which would be Tokyo's first with a major agricultural exporter, the foreign ministry said Friday.

The first round of talks will take place April 23 and 24 in Canberra, it said.

The announcement came ahead of a four-day visit to Japan from Sunday by Australian Prime Minister John Howard, who has long pushed for an free trade agreement (FTA).

Japan has been seeking a growing number of FTAs as global trade liberalisation talks have run into difficulty.

PHOTO: COMMONWEALTH BUSINESS COUNCIL

Commonwealth Business Council's Bangladesh Adviser M Shoeb Chowdhury poses for photographs with Country Director (Bangladesh) of Asian Development Bank Hua Du as he paid a courtesy call on her recently. They discussed development and investment opportunities in the country in infrastructure, energy, transport, water, technology, education and sanitation.

ROK economy faces trouble in 4-6 years: Samsung chief

AFP, *Seoul*

The head of Samsung Group linked his company to the South Korean economy and said a wake-up call was needed for both to avoid serious problems within four to six years, news reports said Saturday.

Lee Kun-Hee, chairman of Samsung Group, also told journalists on Friday that falling profitability of the global electronics giant was "serious." "We have to wake up. In four to six years time, we may have a very chaotic situation," he said.

"I am not only talking about Samsung but the country's economy as a whole," he said.

Tourism grows in Myanmar

AFP, *Yangon*

Visiting Myanmar, one of the most isolated countries in the world, makes Uledev Viadreslav feel like an explorer back in the old days before air travel started making the world feel smaller.

"Here there are almost no tourists," the 28-year-old Russian tourist said.

"We can go everywhere without any crowds, and see only locals around us. Here I can feel that I'm an explorer," Viadreslav said while resting with two friends in a shady corner of Yangon's spectacular golden Shwedagon Pagoda.

When tourists arrive here on flights from neighbouring Thailand, they set their watches back 30 minutes to adjust to Myanmar's unique time zone.

But many say they feel they have gone back 30 years, to a time before Asian cities were clogged with traffic and pollution, to a slow-paced town where men still wear traditional longyis instead of trousers, and women and children paint their faces white with sandalwood makeup.

Viadreslav said he and his friends knew little about the country, which used to be called Burma, before they arrived.

After 45 years of military rule, Myanmar is one of the world's poorest countries whose rulers have largely sealed it off from the outside world.

Motorcycles are banned here, leaving the roads to decades-old Nissan Sunny's that would have long ago landed in the scrapyards of Myanmar's better off neighbours.

Myanmar only began allowing tourists to visit in the last 20 years, and movement outside the main cities and temple sites are still restricted.