



Dr U. Daldrup, leader of the EEC trade delegation addressing a meeting at the Dubai Chamber of Commerce and Industry yesterday. Dr U.

Daldrup (left) is seen with Dubai Chamber Director General Abdul Rahman G. Al Mutaiwee and other officials.—GN photo

## European trade mission holds talks in Dubai GCC-EEC row due to 'lack of dialogue'

By A Staff Reporter

THE strained relations because of the 13.5 per cent import tariff imposed by the European Economic Community (EEC) on petrochemical exports from the Gulf Cooperation Council (GCC) countries which exceed their quota were due to misunderstanding and lack of dialogue, according to the leader of the first-ever trade delegation visit to the country from the European Community. The delegation is led by Dr U. Daldrup.

He was replying to a question by Ahmed al Banna of the Dubai Chamber of Commerce and Industry during a meeting held at the chamber's conference hall.

Earlier, the Director General of the Dubai Chamber of Commerce and Industry, Abdul Rahman al Mutaiwee welcoming the guests pointed out the progress the emirates of Dubai had made during the past decade. He said while trade relations with the EEC member countries individually were excellent a united front was also welcome.

Replying to the welcome address, Dr Daldrup said that of the EEC's total exports the GCC accounts for 20 per cent of which half is from the agriculture sector and products of agro-based industries.

The EEC has adopted a new line of approach and this was the second trade mission sent by the community. The first was to the Far East.

Dr Daldrup said GCC countries accounted for 35 per cent of EEC's

Despite the difference in percentages the total value of goods traded by the two regions was more or less equal with EEC's exports to the region recording \$15 billion while its imports from GCC were also for the same value.

The 20-member EEC delegation comprising representatives from seven member countries arrived here from Saudi Arabia. Most of the members represent agro-based industries.

Dr Daldrup said he was happy to note the GCC countries were making headway in their efforts to gain self-sufficiency in agricultural products. He offered all assistance from the EEC in this regard.

Fifty per cent of all foodstuff

imports by the GCC countries from European community.

He said the EEC is not defensive where imports are concerned except for 11 listed items which subject to quotas the rest are free import duty. Even the 11 listed items can be exported to the EEC without import tariffs, provided the quotas are within the limits stipulated.

Countries represented in the delegation include the United Kingdom, Ireland, West Germany, Netherlands, Belgium, Italy and Denmark.

Mission members will look for agents for their products in Dubai and today leave for Abu Dhabi, Al Ain. They will then visit Oman, Qatar, Bahrain and Kuwait.

## Saudi riyal rates fall

BAHRAIN (Reuter) — Interest rates on large Saudi riyal deposits slid because of the dollar's continued decline, dealers said yesterday.

Rates for day to day funds were quoted at abnormally low levels, in a range of two to 4½ per cent.

One month deposits were off ½ point to about 7 ¼ per cent, three month down ½ point to around 8 ¼ per cent and six month off ¾ per cent to 9 ¼ per cent.

The spot riyal firmed to around 3.6075-85 against the dollar from 3.6094/98 Friday.

Kuwaiti dinar interest rates were mixed in a thin market, but some

for funds ahead of the mid-month central bank reporting date, dealers said.

They said they detected no central bank intervention.

Because of the reporting technicalities, spot-next deposit rates were the highest in the interest rate spectrum, around 9½ per cent. Overnight funds were as low as 7 per cent after being offered at 7½ per cent on Thursday.

One week strengthened to 9¼ per cent from around 8½ per cent on Thursday. Dealers quoted one month at 8½ per cent, against 7½ per cent on Thursday and the