

International Business News

Microsoft takeover deadline for Yahoo expires

AFP, San Francisco

A Microsoft deadline for Internet service company Yahoo to accept its 44.6 billion-dollar (28.5 billion-euro) acquisition offer expired at midnight Saturday, setting the stage for a hostile takeover bid by the software giant.

The expiration of the Sunday 0700 GMT deadline -- without comment from either side -- was likely to pave the way for an ugly proxy battle -- a fight by Microsoft for a vote by Yahoo shareholders to place pro-Microsoft officials on its board of directors.

In an open letter to the Yahoo board of directors on April 5, Microsoft chief executive Steve Ballmer gave the Internet pioneer three weeks to accept the 31 dollars-a-share takeover offer or face a proxy fight.

Ballmer also warned that any further delays could result in a less attractive offer for Yahoo.

Strike hits key British oil refinery

AFP, Grangemouth

Workers at one of Britain's biggest oil refineries started a two-day strike Sunday, forcing the closure of a major North Sea pipeline and triggering panic-buying of petrol.

The walkout by around 1,200 workers began at 6:00 a.m. (0500 GMT) at the Grangemouth refinery, west of Edinburgh, while the neighbouring Forties pipeline was closed down around the same time, operator BP said.

The key pipeline brings more than 700,000 barrels of crude oil ashore every day and supplies around 40 percent of Britain's oil and gas plus international markets. It cannot function without power and steam from Grangemouth.

The walk-out, organised by trade union Unite, comes in a row over pensions. Staff and families held a demonstration Sunday outside Grangemouth, which could take weeks to get fully up and running again after the strike.

Japan looks to rice flour as wheat prices rise

AFP, Tokyo

Japan is considering subsidising farmers to boost production of rice flour as measures to cope with surging wheat prices, a report said Sunday.

The government aims to submit a bill to parliament possibly early next year for enacting a law to boost the production of rice flour as a substitute for wheat, the Nikkei business daily said.

The agriculture ministry is considering giving subsidies to farmers who produce rice for flour and seeking a budget for them in fiscal year starting in April 2009, it said, without naming its sources.

The ministry is also aiming to replace about 20 percent of wheat imports with rice flour in the future, it said.

Swiss banks rethink their ways after massive subprime losses

AFP, Geneva

Switzerland's banking sector, once synonymous with stability and secrecy, is now under intense scrutiny and undergoing serious soul-searching after its two biggest banks got caught in the subprime crisis.

Industry leaders and the authorities, who until recently had stressed that the situation was under control, appear to have changed their tune as the country's biggest bank UBS has taken write-downs of more than 37 billion dollars, earning the dubious distinction of being the world's worst-hit group.

The country's second biggest bank, Credit Suisse, tumbled into the red in the first quarter as it too was badly hit, promising a more cautious approach in the future as some observers called for radical reforms in a system "rotten to the core."



Carmen Deunida and other members of an urban poor coalition of Philippines buy rice and other commodities at a market in suburban Quezon City yesterday. The members of the coalition urban are clamouring for an increase in the minimum wages to suffice for the rapidly increasing prices of food and other commodities.

Vietnam wins Philippine rice bidding

ANN/ THE NATION

The Philippines on Friday announced auction results for rice supplies in which Viet Nam won with the highest offer of US\$1,200 per tonne for 100,000 tonnes of 25 percent white rice.

Thailand followed with an offer of \$1,080 to \$1,190 per tonne for 195,000 tonnes, while Pakistan offered to sell at \$870 per tonne for 25,000 tonnes.

Offer prices at the Philippine auctions were new records for 25-per-cent white rice, which is the lowest of the six grades of white rice.

The Philippine government will open another round of auctions on May 5 for a total supply of 500,000 tonnes, plus another 175,000 tonnes as it received only about 325,000 tonnes in yesterday's auction.

FOOD CRISIS IMPACTS

Asia's rainforests vanishing as timber, food demands surge



This file photo taken on September 20, 2005 shows Indonesian labourers unloading pieces of timber from a ship at a harbour in Jakarta.

AFP, Hanoi

Asia's rainforests are being rapidly destroyed, a trend accelerated by surging timber demand in booming China and India, and record food, energy and commodity prices, forest experts warn.

The loss of these biodiversity hotspots, much of it driven by the illegal timber trade and the growth of oil palm, biofuel and rubber plantations, is worsening global warming, species loss and poverty, they said.

Globally, tropical forest destruction "is a super crisis we are facing, it's an appalling crisis," said Oxford University's Professor Norman Myers, keynote speaker at the Asia-Pacific Forestry Week conference in Hanoi.

"It's one of the worst crises since we came out of our caves 10,000 years ago," Myers said at the five-day meeting of 500 foresters, researchers, state officials and activists held last week in the Vietnamese capital.

Over-logging in Southeast Asia caused 19 percent of global rainforest loss in 2005, Myers said, compared to cattle ranching -- once a leading cause, mainly in South America -- which now caused five percent of world losses.

The rapid growth of palm oil and other plantations accounted for 22 percent, and slash-and-burn farming, unsustainable as more poor people exploit fast-shrinking forests, caused 54 percent of rainforest destruction, he said.

Asia's forest cover, including tree plantations, in fact grew by three million hectares from 2000 to 2005 -- largely because of China's 1998 logging ban and afforestation -- said the UN Food and Agriculture Organisation (FAO).

"In contrast, forest loss persists at a very high rate in several countries," said an FAO report. "Indonesia, Cambodia, Myanmar, Australia and Papua New Guinea and a number of other countries have seen significant losses."

Ecologists stress that new forests in China, India and Vietnam are man-made plantations lacking high varieties of plant and animal species.

"Many plantations, in terms of biodiversity, are green concrete," said Peter Walpole, head of the non-profit Asia Forest Network.

Yet what environmentalists call "tree farms" are set to grow at the expense of natural forests, especially palm plantations, which produce oil used in products such as soap, chocolate and cosmetics as well as biodiesel.

Commercial crops "will be the most important factor contributing to deforestation in Asia-Pacific countries," said the FAO report, citing record prices for food grains, energy and commodities.

Demand for forest products is also surging in Asia's boom economies.

Imports to China, now the world's top furniture exporter, increased more than tenfold from 53 billion dollars in 1990

to 561 billion dollars in 2004.

India's imports of wood products, including paper, grew from about 750 million dollars in 1990 to 3.1 billion dollars in 2005, the FAO said.

FORESTS' ENVIRONMENTAL SERVICES NOT FACTORED INTO TIMBER PRICES

Asia's boom economies are now importing timber from as far as Central Africa and South America, said FAO forestry economist C.T.S. Nair.

"In a way, they are exporting the problem to other countries, especially those where policies and institutions are extremely weak," he said.

The illegal timber trade, fuelled by poverty and corruption, is rife in much of Asia, where 78 percent of forests are state-owned and often managed by the armed forces, not the people who live in or near them, experts said.

"The history of logging in Southeast Asia has been under the auspices of the military and of political families," Walpole said. "If you look at

how Cambodia has been logged, this cannot happen without military acknowledgement.

"Burma has been logged by Thai generals. And if you look at the corruption of forestry in the Philippines, it's tied in many areas during the Marcos years to military presence and control. It's still in many military families."

Precise data is rare in the world timber trade, but spot checks by environmental monitoring groups have revealed disturbing trends.

Vietnam was named as a major hub for illegally-logged timber from neighbouring Laos in a recent report by Britain's Environmental Investigation Agency and Indonesian group Telapak -- a claim Hanoi has strenuously denied.

"Indonesia has had an export ban on sawn timber since 2004, and yet countries are still accepting sawn timber from Indonesia," said Chen Hin Keong of TRAFFIC, which

monitors the illegal trade in endangered flora and fauna.

"Malaysia, Singapore, China, Taiwan, Korea, Japan, the UK, Germany, France, Italy, the US -- in big or small volumes, they are all accepting that."

Tropical timber is relatively cheap because key functions of forests -- clean air and water, and biodiversity -- are not factored into market prices, said Dr Daniel Murdiyaro of the Center for International Forestry Research.

"These services are underpriced or unpriced. It's a market failure."

Solutions are being debated -- including a universal timber certification system to rein in the illegal trade, and carbon credit schemes that would reward countries for preserving forests and offsetting pollution elsewhere.

But for now these are ideas, not realities, and the FAO report called support for forestry carbon offset schemes "disappointing" so far.



Farmers are working on a forest turned field on the flank of a hill in the northern province of Samneua in Vietnam on April 5, 2008.

WEALTH

Indian tycoon stays top as Britain's rich get richer

AFP, London

Indian-born steel tycoon Lakshmi Mittal remains the wealthiest person in Britain, The Sunday Times newspaper's 2008 annual Rich List said.

His 27.7 billion pounds (54.9 billion dollars, 35.1 billion euros), up 8.5 billion pounds on last year, keeps him topping the pile for the fourth year running.

And the kingdom's super-rich just keep getting richer, said the respected annual publication.

The top 1,000 multi-millionaires sit on a fortune of 412.8 billion pounds and have added nearly 53 billion pounds to their wealth in the last 12 months.

Britain is home to 75 billionaires -- up from 68 in 2007 -- of whom 40 were born abroad. Of the top 10, only three were born in Britain.

Mittal is followed by Russian oil tycoon Roman Abramovich (11.7 billion

pounds) and the Duke of Westminster (seven billion pounds), who owns swathes of central London's top properties.

Two new figures on the list feature in the top 10.

Steel and mines magnate Alisher Usmanov comes in at number five with 5.8 billion pounds, one place ahead of pharmaceuticals couple Ernesto and Kirsty Bertarelli. The former Miss UK winner and her husband sit on a fortune of 5.65 billion pounds.

It takes 80 million pounds to make it among Britain's richest 1,000 people -- up from 70 million pounds last year. There are 762 self-made millionaires among them.

Philip Beresford, who has compiled The Sunday Times Rich List since it was first published in 1989, said: "Until now, the 11 years of Labour government have proved a boon for the super-rich, rarely seen before in modern British history."

"However, much of the rise in this year's wealth can be attributed to one factor: the number of foreign rich who have made London or its environs the main home and base of operation."



Steel tycoon Lakshmi Mittal

Britain's top 10 billionaires

- Lakshmi Mittal and family -- steel -- 27,700m (1st, 19,250m)
- Roman Abramovich -- oil and industry -- 11,700m (2nd, 10,800m)
- The Duke of Westminster -- property -- 7,000m (3rd, 7,000m)
- Sri and Gopi Hinduja -- industry and finance -- 6,200m (4th, 6,200m)
- Alisher Usmanov -- steel and mines -- 5,726m (new entry)
- Ernesto and Kirsty Bertarelli, -- pharmaceuticals -- 5,650m (new entry)
- Hans Rausing and family -- packaging -- 5,400m (6th, 5,400m)
- John Fredriksen -- shipping -- 4,650m (8th, 3,500m)
- Sir Philip and Lady Green -- retailing -- 4,330m (7th, 4,900m)
- David and Simon Reuben -- property -- 4,300m (9th, 3,490m)

last year's rank and wealth in brackets, figures in pounds

Mills.

Other veteran musicians feature prominently, with Madonna and film director husband Guy Ritchie worth 300 million pounds, Elton John worth 235 million pounds, Mick Jagger worth 225 million pounds and Sting on 200 million pounds.

Former Beatle Paul McCartney's fortune was revised down from 725 million pounds to 500 million pounds following his divorce battle with Heather

"Harry Potter" author J.K. Rowling saw her wealth rise by 15 million pounds to 560 million pounds.

Daniel Radcliffe, the 18-year-old star of "Harry Potter" films, is on 20 million pounds.

Footballer David Beckham and his pop star wife Victoria went up 13 million pounds to 125 million pounds.

England striker Michael Owen topped the list of British-based footballers with a 41 million pound fortune.