

**International Business News**

**WTO deal would ease food prices: Paulson**

AFP, Berlin

US Treasury Secretary Henry Paulson pressed Tuesday for a breakthrough in the Doha round of WTO trade talks, arguing that an agreement would help contain surging food prices.

Paulson said after meeting here with German Economy Minister Michael Glos that he was "quite hopeful" stalled talks could get kickstarted at a meeting in Geneva on July 21, Dow Jones Newswires reported.

The meeting is a last-ditch effort to reach a deal before US elections in November and comes as France assumes the European Union presidency for six months.

Tension between French President Nicolas Sarkozy and EU trade chief Peter Mandelson has flared again after Sarkozy suggested that Mandelson and WTO head Pascal Lamy were trying to force an unfavourable trade deal on Europe.

The Doha round of WTO talks, aimed at creating a new global agreement to remove barriers to trade and spur cross-border exchanges, has been deadlocked because of disagreements between the United States and Europe and between developed and developing countries.

**Pakistan scales down fuel, food subsidies**

AFP, Karachi

Pakistan Prime Minister Yousuf Raza Gilani said Tuesday that his government had scaled down subsidies on food and fuel in a bid to reduce the country's budget deficit.

Amid spiralling global oil prices, the government this week raised natural gas prices by 31 percent and petrol prices by up to 20 percent, further hitting consumers already reeling from record food prices.

"We have scaled down subsidies to remain within the budget deficit of 4.7 percent," Gilani told a ceremony in Karachi to mark the 60th anniversary of the central bank.

Low-income people would however continue to get targeted subsidies, he said.

The government would continue to "provide targeted subsidies to the poor, despite the fact that over 40 percent of our fiscal deficit is on account of the subsidies," he said.

**Sri Lanka prices soar at record 28.2pc**

AFP, Colombo

Sri Lanka's annual inflation hit a record 28.2 percent in June for the first time since its new price index was launched six years ago, official figures showed Monday.

The inflation rate was calculated using the New Colombo Consumer Price Index which tracks price movements since 2002, the statistics department said.

The NCCPI reached 205.9 in June, up from 160.6 in June last year, recording a 28.2 percent increase, the Census and Statistics department figures showed.

The statistics department announced in May it was discontinuing the previous Colombo Consumer Price Index, which has been tracking price movements since 1952.



A Sri Lankan labourer unloads plantains at a market in Colombo yesterday. Sri Lanka's annual inflation has hit a record 28.2 percent in June for the first time since a new price index was launched six years ago, recently released official figures show.

**Mazda sees hydrogen cars available by 2020**

AFP, Madrid

Hydrogen-powered cars will not be commercially available on a large scale before 2020, a senior official from Japanese auto maker Mazda said Monday in Spain at an international oil conference.

"The earliest that customers will use these environmentally-friendly vehicles in a normal way will be 2020," the general manager of the firm's technical research centre, Tsutomu Matsuoka, said at the World Petroleum Congress in Madrid, one of the oil industry's biggest events.

"We have many things to do before then," he said. Infrastructure making it possible for drivers of hydrogen-powered cars to refuel must be put in place before the vehicles are widely used, Matsuoka said.

**General Motors's stock skids to 1950s level**

AFP, New York

General Motors's stock price fell on Monday to levels last seen in 1954, as investors fretted over its falling sales and as some analysts wondered if the iconic US automaker's glory days are in the rearview mirror.

Analysts are questioning if GM will be able to remain a component of the benchmark Dow Jones Industrial Average stock barometer, which groups some of America's biggest industrial groups.

The Detroit-based auto giant, which is due to unveil its June sales tally on Tuesday, joined the index of leading stocks on August 31, 1925.

**SNACKS**

**Phuchka-chatpati: From roadside to posh shops**



(Left) Two women are having phuchka at a roadside mobile shop in front of Institute of Fine Arts, Dhaka University. (Right) A chef prepares different dishes of phuchka at dhaba, a chain restaurant at Banani in the capital.

SOHEL PARVEZ

It was half-past 10 at night. The 28-year old brick and sand retailer Nur Kalam's eyes were watering from the hotness of chilli. Yet he continued savouring the whole bowl of chatpati he bought at Tk 10.

"Oh, it's too hot. But I love it for the taste of chilli," said Kalam, standing beside a roadside phuchka-chatpati vendor at the SAARC Fountain intersection in Karwan Bazar.

Kalam is not the lone lover of the dish. The list of phuchka-chatpati gourmets is very long and varied.

Phuchka is a round and hollow "puri", fried crisp and filled with a watery mixture of tamarind, chilli and boiled potato while chatpati is prepared by using almost same

ingredients and served with crushed phuchka.

Food lovers, especially teenagers and women, are seen having the mouth watering food from roadside stores to posh fast food shops.

Once available only in roadside rickshaw van shops, phuchka-chatpati is now on the top of menu charts in posh fast food shops, thanks to its huge popularity.

The business of phuchka-chatpati has grown over the decades on robust sales and good returns, creating employment for many people with small investment. Now thousands of micro-entrepreneurs and owners of fast food courts are engaged in the trade of phuchka-chatpati in Dhaka.

Experts attributed the

growth of the food to urbanisation and changes in people's lifestyle and tastes. They said that the food item has created both paid and self-employment in urban areas.

They however stressed the need for ensuring hygiene in preparing the food.

Phuchka, according to historians, is a north Indian food in origin and entered the Bengal in the early period of the 18th century.

And phuchka sellers were found growing in Dhaka after the partition of India and Pakistan in 1947.

"I can remember some stalls selling phuchka at Nawabpur in Dhaka at the end of 1947. But those were mostly found in front of school gates," noted writer Prof Sirajul Islam Chowdhury, recalling his



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school days at St Gregory's.

"In the initial stage, school going students were my main customers. But now people of all ages like it," said Jumman Mia, who has been selling phuchka-chatpati since early 60s at Armanitola in old town.

Jumman, who can remember the presence of about a handful of phuchka sellers during his early career, said the number of sellers started to increase after liberation with rise in demand and population growth.

Biplob, a chatpati seller, said his daily average sales stand at Tk 1200. "Out of the sales I can make a profit of about Tk 400," he added.

Prof Sirajul Islam, chief editor of national encyclopaedia of Bangladesh Banglapedia, said the

chatpati-phuchka was mainly found on the roadside before 1971.

"It started to enter the food shops after the liberation war. Now it's quite an elite food by virtue of fast food shops," he said.

Dhaba, a chain restaurant offering various foods of the sub-continent, is one of the pioneers in offering various types of phuchka. The restaurant, established in mid 1998, is offering at least five types of the food including doi phuchka, prepared with yoghurt.

"It's (doi phuchka) one of the most popular items. Locals and foreigners like it the most," said Selina Rahman, one of the four women entrepreneurs who look after the two branches of dhaba at Banani

and Rifles Square.

The dhaba is not alone. Many small fast food shops at Bashundhara City as well as other shopping centres also offer varieties of phuchka.

Dr Rushidan Islam Rahman, research director of Bangladesh Institute of Development Studies, said the phuchka trade is helping to create both self and paid employment.

"If the vendors ensure the hygiene, the demand for the food item may increase," she said.

Micro credit may help increase investment in the trade, she said, adding that a small investment in this labour intensive trade can generate more employment.

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**FUEL HUNTING**

**Appetite for Arctic oil rises in line with crude prices**

AFP, Madrid

The appetite for Arctic oil has surged in line with rocketing crude prices but environmental concerns and a diplomatic stalemate stand in the way of exploration, experts say.

At a time when supplies are struggling to keep pace with surging demand from developing countries, the industry is increasingly looking to new frontiers in its search for new reserves, with the Arctic clearly in the sights.

"There is lots of oil under the North Pole," said geologist Donald Gautier of the US Geological Survey at the World Petroleum Congress this week. He estimated that the Arctic holds 100 billion barrels of oil.

But while extracting the oil from the harsh Arctic environment poses unprecedented technical challenges, the biggest barrier to exploration is the disputed ownership of the region which makes it difficult to get permission to drill, he added.

"Technology is critical on the one hand but the real issue in access to those continental shelves," said Gautier.

Five countries that border the Arctic Ocean -- Canada, Denmark, Norway, Russia and the United States -- dispute the sovereignty of the region's

waters and they have become more vocal in their claims as interest in the region's resources rises.

Last year Canada announced it would build eight Arctic patrol vessels to reassert the country's northern sovereignty.

"Canada has a choice when it comes to defending our sovereignty in the Arctic; either we use it or we lose it. And make no mistake this government intends to use it," Canadian Prime Minister Stephen Harper said at the time.

Shortly after, Russian explorers placed a rust-proof titanium Russian flag on the seabed below the North Pole in what was seen as a bid to further Moscow's claims to the Arctic.

The North Pole is not currently regarded as part of any single country's territory and is therefore administered by the International Seabed Authority.

Environmental concerns also put the brakes on oil exploration in regions like the Arctic that are opening up to oil development thanks to technological developments, said David Boone, the president of Canada's Escovar Energy, an oil and gas producer.

"Even as space age technol-

ogy opens up new areas, environmental concerns can shut them down just as quickly," he said.

The danger of oil spills in such a sensitive environment, where the cold means crude breaks down at especially slow speed, and the risk of disruption to local ecosystems figure as the two biggest concerns.

Industry leaders and analysts agree though that with oil prices at record highs, oil firms are not short on the cash that would be needed to open up new areas to oil exploration.

"Anyone who suggests that the oil industry does not have the money to invest with oil at 140 dollars a barrel is being facetious," said StatoilHydro vice president for business development Robert Skinner.

Earlier this month BP, ConocoPhillips and MGM Energy Corp were awarded exploration rights by the Canadian government for three offshore blocks in the petroleum-rich Arctic region in a lease sale.

The World Petroleum Congress, a gathering of executives from major oil companies and ministers from top oil producing nations held every three years, wraps up on Thursday. It is one of the industry's biggest events.



Graphic showing the countries disputing the sovereignty of the Arctic waters. Experts estimate the Arctic holds 100 billion barrels of oil.