

International Business News

Bharti Airtel reports dip in profit

AFP, Mumbai
India's top mobile phone company Bharti Airtel Wednesday blamed an 8.2-percent fall in its fourth-quarter net profit on "hyper-competition" in its domestic market.

Net profit for the three months to March 31 fell on a 12-month basis to 20.55 billion rupees (46 million dollars) while revenues for the same period edged up 2.4 percent to 100.56 billion rupees, the company said.

"Bharti continues to be strongly positioned in India, despite a hyper-competitive market," Bharti chairman Sunil Mittal said in a statement.

A flood of new players has unleashed a cut-throat price war in India with calls now costing less than a cent a minute.

India has more than a dozen cellular operators compared with just two state-owned telecom players a decade ago.

As it searches for new subscribers in untapped markets, Bharti announced its entry into the African market last month with a 10.7-billion-dollar deal to buy Kuwait-based Zain's Africa assets.

But analysts said they would continue to look at Bharti's domestic growth, as it was still unclear how Zain's acquisition would boost earnings.

Shell reports \$5.48b profit in Q1

AP, Amsterdam
Europe's largest oil company Royal Dutch Shell PLC reported a 57 percent increase in net profit for the first quarter on Wednesday due to higher oil prices and its first substantial production increase in years.

Net profit was \$5.48 billion, up from \$3.49 billion in the same period a year ago. Revenues were \$86.0 billion from \$52.2 billion.

Oil production increased 6 percent from the first quarter of 2009 to 3.59 million barrels of oil per day -- a positive surprise, since Shell had said production would be flat this year.

"So far in 2010, oil prices have remained firm, and demand for petrochemicals has increased, but refining margins, oil products demand and spot gas prices all remain under pressure," Chief Executive Peter Vosser said in a statement.

"Although there are signs of an improving economic outlook, we are not relying on it, we are continuing with our focus on cash flow growth, underpinned by new project startups and lower costs."



AFP
People walk past a currency exchange shop in the Causeway Bay area of Hong Kong yesterday. Hong Kong investors are snapping up the Chinese yuan amid widespread expectations that Beijing will soon respond to growing calls to revalue its currency.

IMF mulls giving extra 10b euros to Greece

AFP, London
The International Monetary Fund is considering raising its financial aid to debt-stricken Greece by 10 billion euros (13 billion dollars), the Financial Times reported Wednesday.

The IMF has already offered Athens 15 billion euros as part of a rescue package with eurozone nations, which currently totals 45 billion euros.

But it was now looking at increasing the amount it would give to 25 billion euros, said the paper, citing unnamed senior bankers and officials in Washington and Athens.

"The fund's current ceiling for Greece is 25 billion euros and the release of the extra amount is under discussion," an Athens-based analyst familiar with the talks told the FT.

The fund would make the loan available under a planned three-year loan, said the analyst.

The IMF declined to comment to the paper.

Honda Motor sees annual profits surge

AFP, Tokyo
Honda Motor, Japan's second largest automaker, said Wednesday profits surged 95.9 percent in the fiscal year ended March, as Japanese automakers continue to recover from the economic crisis.

The auto giant announced a profit of 268.4 billion yen (2.87 billion US dollars) in the fiscal year while also overseeing a return to profit in the fiscal fourth quarter after suffering a loss from the same period a year ago.

Honda said fourth-quarter profit amounted to 72.1 billion yen compared to a loss of 180 billion yen the previous year.

With Asia, in particular India and Indonesia driving sales, fourth quarter revenue rose 27.8 percent year-on-year to 2.2 trillion yen thanks to the booming Chinese market and Japanese government incentives for new cars.

ANALYSIS

Eco-resort for sustainable tourism

MAJBRIIT THOMSEN

The term 'sustainable tourism' is a buzzword in the world of today's tourism. But only tourism that meets the needs of present tourists and hosts regions, while protecting and enhancing the area for future generations, is worthy of the term 'sustainable tourism'. Rather than being a type of product, it is an ethos that underpins all tourism activities. As such, it must be integrated into all aspects of tourism development and management, rather than being just an add-on component.

Should these visionary words inspire practical actions in Bangladesh? Yes indeed, as a sustainable tourism development highly benefits developing countries as well as destinations with a cultural or ecological vulnerable environment. In Bangladesh, examples of these vulnerable environments are the tribal cultures in Bandarban and the environmental balance in the Sundarbans.

As an initiator of the 'Views On Tourism Project', which encourages sustainable tourism in Bangladesh through online knowledge and network, I am excited to witness an emerging sustainable tourism in Bangladesh. There are many lessons to be learnt from these pioneers. One example is an upcoming Panigram eco-resort in Jessore, which I visited as part of a media trip to experience what responsible hospitality and high quality customer service could be in Bangladesh.

The journey started with a drive through the gorgeous, fertile countryside followed by a short boat trip on a quiet, picturesque river. There on the riverbank, at the intersection of two rivers, was the pavilion. We were greeted by two waiters, dressed in beautiful, traditional white panjabis, who offered us a variety of homemade drinks and lemon-scented towels to wash off the journey and refresh us. I took a deep, relaxing breath and started to take in all of my impressions -- would this upcoming resort be, in the true sense of the word, sustainable?

The full day programme at Panigram included a walking tour of the project site, a seven-course lunch at a beautifully decorated table with a river view, boat and rickshaw tours of the countryside, and an evening snack that we enjoyed from our hammocks while watching the sunset. The values of sustainability and excellent service were striking in even the smallest details. Panigram's developer, Kristin Boekhoff, presented all of us with gift baskets filled with items that highlighted some of the resort's sustainable aspects. Examples included:



A view of Panigram Resort in Jessore. The resort will bill itself as 'a taste of Bangladeshi village life'.

- A small pottery vase that was made in a nearby pottery village. Panigram hopes to work with the pottery village (which is just a fifteen-minute walk from the resort) to develop modern designs derived from village-style pottery that can be used in the restaurant and sold in the gift shop at fair trade prices.
- An elaborate hand fan made from palm leaf. Beautiful, high quality fans in Bangladesh are slowly being replaced by the cheap, mass-produced, low-quality variety. Panigram is working with a pakha (a handmade fan) village near the resort to revive this art that is slowly dying out.
- Fruits grown in the area. The resort will be built on sixty bighas (20 acres) of land. There will be extensive organic gardens where fruits and vegetables will be grown to be used in the restaurant. This will be supplemented with produce from the local farmers whom Panigram hopes to share their environmentally friendly organic farming techniques with.
- The gift basket itself was made by a socially responsible craft company in

Jessore that trains and employs impoverished rural women.

Panigram is currently under development; its anticipated opening is in mid-2011 and construction is expected to start in the spring. The resort will bill itself as "a taste of Bangladeshi village life" and managed both environmentally sustainable as well as socially responsible.

The architectural design will be done by award-winning Bangladeshi architect Marina Tabassum and built from mud and bamboo -- ancient, local building materials that are extremely sustainable. Alternative energy, composting, organic farming, and grey water recycling are just a few of the eco-friendly aspects of the resort.

The resort will obviously employ many of the local villagers, but just as important for the local employment rate is the cooperation with the community to develop ancillary businesses that will cater to the resort and the burgeoning tourist market it will create. It is the vision that the local community will offer activities that savvy tourists would enjoy -- like fishing with a local fish-

erman, taking a class in the pottery village, and boating on the river.

Along with other local tourism pioneers, Panigram is a sustainable best practice, which will hopefully inspire others and demonstrate that Bangladesh can have a tourism industry that is both sustainable and profitable.

Although Bangladesh is still in the nascent stages of developing an international tourism industry, responsible hospitality could be one solution to the many social and environmental challenges that the country is currently facing. Social and environmental sustainability would fit in much better with the local culture and environment than typical "big box" hotels with discotheques and casinos would.

The writer, a Danish expatriate with an MA in tourism, can be reached at info@viewsontourism.info. Her Views On Tourism Project is accessible at www.viewsontourism.info. Panigram information can be found on the website: www.panigram.com. Inquiries can be addressed to Kristin Boekhoff at info@panigram.com.

FAIR

China prepares for grand expo

AFP, Shanghai

Shanghai opens the World Expo this weekend, with 192 countries taking part in the massive six-month showcase of ideas and technology -- the latest display of China's growing global clout.

China's most cosmopolitan city will kick things off on Friday night with fireworks and an opening extravaganza at the riverfront Expo site in the city centre, a day before visitors are allowed in.

Nations ranging from the United States to North Korea have built dazzling pavilions displaying their history, culture and achievements in a park that China says will see up to 100 million visitors -- most of them Chinese.

Still basking in the glow of its successful hosting of the 2008 Beijing Olympics, China is treating the Expo as an equally important display of its ability to organise an event on a massive scale.

Shanghai has reportedly poured 400 billion yuan (58 billion dollars) into infrastructure ahead of the Expo -- more than was spent on Beijing's Olympic transformation.

French President Nicolas Sarkozy, South Korea's Lee Myung-Bak and European Commission President Jose Manuel Barroso will be among leaders attending Friday night's ceremony, put on by an international team of producers.

Once under way, participating countries will vie to outdo each other in presenting the best they have to offer the world -- with a particular eye on China's massive market of 1.3 billion people.

Denmark has made a splash by bringing its "Little Mermaid" statue out of Copenhagen for the first time, France has impressionist paintings and Rodin sculptures, while Italy is showing works by Renaissance master Caravaggio.

India is bringing a cast of Bollywood stars, Canada's pavilion will bear the imaginative touches of Cirque du Soleil and Japan will show off violin-playing robots.

Tenor Andrea Bocelli, hip-hop star



Chinese workers put the French painting -- "Le balcon" -- by Edouard Manet behind secured glass, as artworks from France's musee d'Orsay are unwrapped at the French pavilion at the site of the World Expo 2010 in Shanghai yesterday. Seven artworks from the French museum will be displayed at the French pavilion during the exposition, which starts on Saturday.

K'naan and jazz legend Herbie Hancock will be among the world-class music stars entertaining visitors.

"The Olympics was China putting on a show for the world. With Expo, the world is coming to Shanghai to put on a show for China," said Mark Rowswell, the Canadian pavilion's commissioner general.

"We haven't seen an Expo like this in decades," said Rowswell, famous in China for his fluent Mandarin and more than two decades on television.

For many, the spotlight will be on the

cutting-edge architecture of national pavilions at the 5.3-square-kilometre (two-square-mile) site.

Highlights include China's red inverted pyramid, Britain's stunning dandelion-like "Seed Cathedral", Spain's "Big Basket" made of 8,500 wicker panels, and Switzerland's three-story-high "meadow" -- complete with chairlift.

"All around us are extraordinary structures and so many people were egged on by each other to do something. I think visitors are going to have quite an amazing time,"

said Thomas Heatherwick, designer of the British pavilion.

Behind the scenes, multinational companies and trade officials will network in VIP rooms to build the business and government connections -- or "guanxi" -- crucial to success in China.

Britain aims to translate the attention its pavilion attracts into more than 1,000 meetings between Chinese and British business leaders. Australian and Canadian corporations are flying in board members for key talks.