

International Business News

Wal-Mart to buy 51pc of South Africa's retailer

AFP, Johannesburg

Wal-Mart plans to buy a controlling stake in South African wholesaler Massmart for over 2.0 billion dollars after scaling back its offer for the company's entire stock, Massmart said on Monday.

"The total transaction is valued at approximately 17 billion rand for 51 percent of Massmart," the company said in a statement.

In September, the world's largest retailer launched an offer for Massmart but the company later announced that it was to reduce its bid, following talks between the firms.

"If approved, the transaction promises to be very positive for the regional economy, facilitating job creation, providing new opportunities for small and medium businesses and improving competitiveness," said Massmart chief executive Grant Pattison.

Wal-Mart initially offered 4.2-billion-dollars (3.0-billion-euros).

The company said the transaction was subject to a number of conditions, including the two thirds majority shareholder support and approval from the South African antitrust authorities.

Malaysia launches first Islamic property investment trust

AFP, Kuala Lumpur

Malaysia's government-owned Pelaburan Hartanah Bumiputra on Monday launched a 317-billion-dollar investment trust in a bid to encourage its majority Muslim Malays to invest more in property.

The sharia-compliant Real Estate Investment Trust (REIT) would allow Muslim Malays and indigenous groups -- collectively known as "bumiputra" or "sons of the soil" -- to increase their stake in real estate assets, said Prime Minister Najib Razak at the launch.

"I hope that this initiative... will receive the rightful support from the Malaysian bumiputras, which will in turn contribute to the overall balance of the country's economy," said the premier, who is also the company's chairman.

Bumiputra investors can buy into the REIT with a minimum investment of 500 ringgit (159 dollars) and can invest up to 200,000 ringgit in the trust, Najib said.

In June, he unveiled a development plan to spur growth and attract much-needed foreign investment as the country faces increasing competition from regional neighbours.



Japanese models display Sharp's new line of Galapagos multifunction tablet computers during a press preview in Tokyo yesterday. Sharp said it will launch the computers on December 10, featuring a 5.5-inch screen and a larger 10.8-inch screen.

China's Tencent to offer Facebook-like services

AFP, Beijing

Chinese Internet firm Tencent plans to offer users links to third-party websites and access to externally developed applications, mirroring some features of Facebook, a report said Monday.

Tencent was testing about 10 third-party applications to run on QZone, its social network, and Tenpay, its online payment platform, company president Martin Lau told the Financial Times in an interview.

The firm, which runs the world's largest instant messaging service QQ, was also testing several external websites that users could link to in the way Facebook members can link to other sites with the "like" function, the newspaper said.

The move would change the way the company makes money, it said.

The announcement comes as Tencent scrambles to repair the damage from a fight with Qihoo 360, a local antivirus software provider.

BASF to invest at least 2b euros in Asia

AFP, Frankfurt

The world's biggest chemical firm, BASF, will invest more than two billion euros (2.6 billion dollars) in Asia by 2014, with more than half the sum earmarked for China, a senior executive said on Monday.

BASF will invest "two-billion plus euros" into some 100 Asian sites, board member Martin Brudermueller told the Financial Times (FT) in an interview, at least half of which would flow into China.

"We are certainly in discussions about building new plants in Asia," Brudermueller added. "If you want to keep the growth pace you have to invest."

In the first nine months of this year, Asia accounted for 23 percent of BASF's sales, which totaled 39.6 billion euros. About half of the Asian sales came from China, now the group's third largest market, the FT said.

In the past 20 years, the German chemical giant has invested 3.5 billion euros in China, more than 20 percent of all German direct investment in the country, it added.

INTERVIEW

Put stronger IPR law in place

IDLO director spurs Bangladesh

MD FAZLUR RAHMAN

Bangladesh needs to move faster to have an effective intellectual property rights (IPR) law to protect local innovations besides preventing foreign countries from applying retaliation measures against the country's economy, said an expert.

Giulio Zanetti, director of International Development Law Organisation (IDLO), said Bangladesh is in a good position because it has started the process of amending the law and doing some capacity building for the people, who will have to implement it.

Rome-based IDLO is an international intergovernmental organisation dedicated to promoting the rule of law and good governance in developing countries.

The IDLO official, however, pointed to a lot of things to be done. "In particular, there is a new trademark law, which is quite good and in line with the international law." He said not many people in Bangladesh know how to apply the IPR law in practice and the subject is very complex.

For effective laws, the lawyers must be competent, Zanetti said. "The judges -- maybe they are best judges in the world -- have also to be trained, otherwise they will not be able to apply it."

Zanetti, who also worked for the International Registrations Department (Trademarks and Industrial Designs) and the World Intellectual Property Organisation (WIPO), Geneva, was recently in Dhaka to conduct a training programme on IPR.

He said Bangladesh should also need to train customs, police and other government officials, and of course the academics, so that they can raise people's awareness.

"I think there is clear signs of improvement, but many things need to be done," he said.

"Enforcement is the weakest point in Bangladesh," Zanetti told The Daily Star. "Bangladesh decided to sign international treaties with many organisations like World Trade Organisation, which have some rights and obligations. Our main job is to ensure that more and more people are familiar with both -- rights and obligations," he said.

"One of the important obligations is to ensure adequate enforcement. In this area, there is still problem here."

However he pointed out that Bangladesh is not only the country that is not prepared. "No country in the world can claim a perfect



Giulio Zanetti

enforcement of IPR. So we all need to grow."

Zanetti said without good laws and good application of those, inventors will never be able to secure and protect their inventions.

"In any industry, when there is a clear intention to protect and reward the creativity that industry blossoms. We can take Cuba for example."

"Cuba is going through a very tough economic period now. People are suffering. The only category that is really leading a very good life is artists."

"Fidel Castro is making a very conscious choice to adequately protect artists. As a result, the Cuban industry of entertainment is blossoming. We have fantastic writers and movies from that country and we all enjoy them."

"Local companies or industries are completely destroyed if people don't follow

IPR," said the Italian expert.

He said although Bangladesh has still some time until 2013, it needs to improve its laws and make it sure that all the people supposed to apply the laws know how to do it.

"Unfortunately, it seems that 2013 is tomorrow and just around the corner. In order to ensure that all your laws are in place and all the people applying the laws are duly trained, you need to start working now," he said.

Zanetti, 42, suggested that Bangladesh prepare for the situation after 2013. "After 2013, the situation will change dramatically. If Bangladesh does not respect the intellectual property standard as a member of WTO, foreign countries may apply retaliation measures against your economy."

"They are not going to do it on trademarks and patents, but they are going to do it on cotton or any other imported raw materials, which is going to be really painful for countries like Bangladesh," he said.

He said it would not be possible to make everything perfect in just two years. "No developed country work for perfection, but it is important for Bangladesh to start the machine and make it moving that signals some improvements."

"I think Bangladesh will not be attacked on the basis of non-compliance of IPR on the very first day of 2013, provided there are signals of improvement."

The IDLO official further said legal infrastructures such as IPR are a must to help local industry flourish. "Local industry cannot blossom if there is no legal infrastructure that enables it to blossom. First of all, there should be a good legal system for the private sector development and that covers everything including the access of finance, for example."

Zanetti said there is lot of production bases in Bangladesh and many countries have localised their production here. "Now you have the know-how to produce items that are fashionable around the world, so it is time to protect your own industries by using IPR and export them around the world."

He said the government and the private sector should work hand in hand. "Bangladesh cannot think of developing without involving these two forces. They need to join hands and work together."

"The government is in charge of passing good laws and imparting training to judges and customs officials. You have the private sector that will push for proper use of the IPR."

The noted expert said a good policy for IPR is vital in every country. "The policy cannot be copied and pasted what exist in the United States and Europe. It has to be tailored to the need of Bangladesh."

He said a strong protection of IPR might hinder easy or free access to culture or in the case of pharmaceuticals products to vital drugs to save life.

"All the standards are difficult to apply, but there are exceptions for the benefit of the developing countries. You will have to make sure that people are aware of all the exceptions and limitations."

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LIFESTYLE

Wi-Fi lifeline reaches remote Himalayas

AFP, Nagi, Nepal

It used to take teacher Mahabir Pun more than two days to check his email from his home in the remote Himalayan village of Nagi in western Nepal.

The 55-year-old would walk for seven hours to the nearest road before taking a three-hour bus ride along precarious mountain tracks to the only town in the area with an Internet connection.

Today, all Pun has to do is log on to the wireless network he has set up over the past few years, catapulting more than 100 impoverished villages in Nepal into the 21st century.

The technology has transformed lives in some of the most inhospitable places on earth, where there are no roads or hospitals and where most people scratch out a meagre living as subsistence farmers.

It allows communities to access vital medical expertise via videolink, stay in touch with loved-ones abroad, and even sell their yaks, goats and chickens online on www.nepalwireless.com -- a sort of e-Bay for local farmers.

"We chose areas where no commercial Internet service provider would ever go," says Pun, who estimates that around 70,000 people can access the network.

"When we started, almost no one in rural Nepal was using the Internet. Now we have connected more than 100 villages. But that is nothing, there are thousands more villages like these in Nepal."

It all started when Pun travelled to the United States in the 1990s to study for a masters degree. The Internet was just becoming popular, and one of his professors suggested they set up a web site for his home village.

It was one of the first Internet

sites to mention Nepal, and by the time he returned home, Pun was being bombarded by messages from people around the world who wanted to visit the 800-strong mountain community.

"At that time, not even businesses in (the capital) Kathmandu had websites, but Nagi did," he told AFP in his native village, 2,200 metres (7,200 feet) up in the Himalayas.

"I was getting emails from all sorts of people including doctors and college professors, and they all wanted to know what they could do to help our village. So I invited them to come and volunteer."

Pun decided his students should learn about this emerging new technology, but the school could not afford to buy a computer. So he asked everyone who came to bring a component, and set about teaching himself to build one.

He organised a collection centre in the backpacker district of Kathmandu, and managed to put together around a dozen makeshift computers, building them in wooden crates and distributing them to schools in the area.

But it was not until 2002 that, with the help of volunteer students, a plan was formed to hook up the village to the Internet using a wi-fi connection from the nearest major town, Pokhara.

There were myriad challenges. No one had ever tried to build a wi-fi network at such a high altitude before, and a series of relay towers had to be built to beam the signal through the narrow valleys.

All the construction materials had to be carried up the mountain by hand along with the solar panels needed for power. The highest stands at 3,600 metres, and is manned by a yak farmer who has to check the connections daily.

Mains electricity had still not reached any of the villages, and to make things even more difficult,



Nepalese girls surf the internet in the village of Nagi, some 200km west of Kathmandu.

Nepal was in the grip of a bloody Maoist insurgency and Nagi had fallen completely under the control of the leftist guerrillas.

"The Maoists had eyes everywhere. They used to come and ask lots of questions, but they didn't know much about the Internet," says Pun.

"All the parts we used were totally illegal. If the army had come here more frequently, they would have put a stop to it."

Once again, Pun asked his foreign volunteers to bring what they could to help -- customs officials, he reasoned, would be unlikely to suspect Western backpackers of smuggling in contraband communications equipment.

Nagi was the first village to be connected, and by September 2003, five villages in Myagdi district, around 200 miles (300 kilometres) north-west of Kathmandu, were accessing the network.

Now, Pun operates two networks that connect more than 100 villages to the Internet -- a significant achievement in a country where just 6.3 percent of people have online access.

In 2007 he was awarded the prestigious Ramon Magsaysay prize -- widely viewed as the Asian equivalent of the Nobel -- for community leadership.

But he is determined to avoid the world of "conferences, resolutions and commitments," and has said he only accepted because the 50,000-dollar prize could help put more villages online.

To keep costs down, Pun travels around the country by public bus and works from a tiny office in his family home.

The local Internet service provider charges a discounted rate of 45,000 rupees (640 dollars) a month for the connection, with the cost shared between dozens of

villages in the area.

In Nagi, they have set up a paper-making business to raise funds, and Pun is working with the government to create a new trekking route he hopes will bring much-needed tourist dollars to the villages.

In the packed computer room at Nagi school, the impact on the community is clear.

At one terminal sits 63-year-old Amar Pun whose three children, like many Nepalese, have moved abroad, unable to find work in their home country.

"They send news of their lives by email and I send back news of the village. It feels great to be in touch, I love hearing from them," he says.

Teenagers chat on Facebook to friends in neighbouring villages, watch Nepalese pop music on YouTube and look up the latest gossip on their favourite football players.