Developing nations must follow global accounting standards

Experts speak at UNCTAD-hosted meeting in Geneva

BSS, *Dhaka*

Developing countries seeking foreign investment to boost economic growth should ensure that domestic firms abide by international standards for accounting and corporate transparency.

The advice came at the 29th session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) held in Geneva last week, UNCTAD said in a statement.

"Many developing countries lack some of the fundamental aspects of an accounting infrastructure," said Petko Draganov, deputy secretary-general of UNCTAD.

The UNCTAD annually hosts the three-day ISAR meeting. Experts from around the world debate different approaches for overcoming the challenges faced by developing countries in building regulatory and institutional foundations for high-quality corporate reporting.

Experts at the meeting stressed that greater corporate transparency could enhance the predictability and stability of business transactions, thereby creating a stronger enabling environment for investment and more informed policymaking.

"We now operate in a world economy that transcends national borders, where foreign direct investment accounts for a huge proportion of overall investment," said Michel Prada, chairman of the International Financial Reporting Standards (IFRS) Foundation.

Corporate reporting relating to environmental sustainability was "a key issue', James Zhan, Director of UNCTAD'S Division on Investment and Enterprise said citing this year's United Nations Rio+20 Earth Summit.

To help countries improve accounting and corporate reporting, the UNCTAD has rolled out an Accounting Development Toolkit (ADT).

"Its main objective is to assist policymakers in strengthening accounting infrastructure for achieving high- quality corporate reporting, including through measuring progress in a comparative and consistent manner," said Tatiana Krylova, head of UNCTAD'S Enterprise Branch.

Representatives of nine countries that had recently tested the ADT said that it was effective in helping government and corporate officials decide how to proceed in making further improvements.

Qatar Airways adds flights to Dhaka

STAR BUSINESS DESK

Qatar Airways has recently launched three additional weekly flights between Dhaka and Doha, the airliner said in a statement yesterday.

To celebrate its 15 years of operation to Dhaka, the airline also offers a special 15 percent discount on both economy and business class return fares.

The booking window opened yesterday and will end on November 11. The promotion offers a long travel validity period, enabling customers to travel from yesterday till March 31, 2013.

"The Dhaka route was launched during our initial years of operation and has been doing exceptionally well since the last 15 years," said Akbar Al Baker, chief executive officer of Qatar Airways.

"As part of our growth strategy, apart from inducting new destinations into our global network we will continue to increase frequency on existing routes which are popular."

"We are committed to offering our customers the best travel experience and now customers in Dhaka have even more convenient access to our network of over 100 global destinations," Baker said.

Passengers from across the airline's international network now have a greater choice of flights to Dhaka via its Doha hub, he said.

The airline currently serves 119 destinations, including New York, Washington, Houston, Sao Paulo, London, Paris, Montreal and Frankfurt.

Qatar Airways was recently voted World's Best Airline for the second consecutive year following the annual Skytrax survey of more than 18 million international passengers.

In 2012, the airliner launched flights to Baku in Azerbaijan; Tbilisi in Georgia; Kigali in Rwanda; Zagreb in Croatia; Erbil and Baghdad in Iraq; Perth in Australia; Kilimanjaro in Tanzania and Yangon in Myanmar.

It will launch services to Maputo in Mozambique; Belgrade in Serbia; Warsaw in Poland; Gassim in Saudi Arabia; Najaf in Iraq; and Chicago in USA in the coming months.

APC

Md Saiful Islam, chairman of Western Marine Shipyard, attends the 13th Asia-Pacific Conference of German Business 2012, at Leela Kempinski Hotel in Delhi recently. Top business leaders and politicians from Germany and Asia were also present.

BB

US Ambassador Dan W Mozena meets Bangladesh Bank Governor Atiur Rahman to discuss Bangladesh's macroeconomic outlook and explore avenues of deepening bilateral cooperation at the latter's office in Dhaka recently.

Conference on optical fibre in Dhaka on Nov 25

STAR BUSINESS DESK

A non-profit organisation based in Singapore, the FTTH Council Asia-Pacific, plans to organise a conference in Dhaka on November 25 to educate its stakeholders on the opportunities and benefits of Fiber To The Home (FTTH) solutions.

The council aims at accelerating the adoption of optical fibre access by all consumers and organisations that provide and use broadband services, according to a statement of the council yesterday.

Speakers from FTTH solution leading companies, including Cisco Systems, Sumitomo Electrics, Huawei, YOFC, Senko Advanced Components, Tyco, LS Cable, EXFO, Duraline, are expected to participate in the conference.

Local policymakers and industry leaders will also participate at the event, said its organisers.

"Bangladesh has come a long way with data services and all the signs are there for a phenomenal growth in data given last few years trend," said H Munasir Choudhury, general manager of FTTH Council Asia Pacific.

FTTH is a fixed line technology providing voice, video and data, triple play services, he said.

In Venezuela, flipping used cars is a thriving industry

AFP, *Caracas*

With the world's largest oil reserves and the cheapest gas anywhere, you'd think Venezuela is a driver's paradise. Wrong. New cars are scarce and sellers of used ones -- even clunkers -- make a killing.

The counter-intuitive economics stem from rules imposed in 2003 by populist President Hugo Chavez that make it difficult for businesses to obtain hard currency and thus wildly expensive to import new cars and spare parts.

So demand for second-hand vehicles is huge, and they are even used as investments -- a hedge against inflation so voracious it makes no sense to park money in a bank account.

"Only in Venezuela can the price of used cars go up," said a man who gave his name as Alfredo, as he leaned against a 1995 Ford Lariat he wants to sell at a tidy profit of 8,000 bolivars, or 1,860 dollars, after owning it for three months.

Other great deals, if you're on the selling end of the transaction: a Mitsubishi Lancer purchased second-hand in 2006 for 55,000 bolivars ($12,800 at the official exchange rate) now goes this for nearly twice as much.

A 2002 Mercedes 320 SLK, purchased in 2008 for 180,000 bolivars, has appreciated in value 55 percent.

For some, US storm was a money-making opportunity

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Further downtown, L'Express, a restaurant on New York's Park Avenue at East 20th Street, set up a temporary counter outside its front door to sell $2 coffee. A sign proclaimed to passers-by: "We help you when there's no Starbucks," a reference to the popular coffee chain that closed its outlets during the storm.

Larger stores around the region also tried to lure in customers during and after the storm. Barney's New York had a "Settle in with Style" sale that began at noon on Monday, just as the hurricane-force winds were starting to pick up.

In a blast e-mail ad campaign, it offered sale prices on Japanese Sencha green tea, travel backgammon sets and $500 geometric throw blankets.

Some people were clearly drowning their sorrows as business was brisk at area liquor stores, an opportunity that Brooklyn's Gnarly Vines Wines and Spirits was quick to take advantage of. The store was open Sunday through Tuesday and saw a steady stream of customers, even during periods of high wind.

"Sunday was the busiest day of the year for us so far. Sales were almost as good as on last Christmas Eve," said store manager Ben Rosenthal, who said the store also worked through Hurricane Irene last year. "For us storms are basically the same as major holidays."

G20 flags US fiscal cliff, Europe's debt woes

REUTERS, *Mexico City*

Finance chiefs of the world's 20 leading economies are ringing alarm bells over the US fiscal cliff and Europe's debt woes at a meeting in Mexico this weekend as they look to push back deficit reduction targets to help boost growth.

Unless a fractious US Congress can reach a deal, about $600 billion in government spending cuts and higher taxes are set to kick in on January 1, threatening to push the American economy back into recession and hit world growth.

But with the US presidential election looming on Tuesday, dealing with the fiscal cliff has been delayed.

"The Americans themselves acknowledge that this is a problem," a G20 official said on condition of anonymity. "The US administration says it doesn't want to fall off the fiscal cliff, but right now it can't tell us how exactly it will address it because that issue is on ice ahead of the election."

Tax cuts enacted under President George W. Bush are set to expire in January, when automatic spending cuts designed to put pressure on lawmakers to strike a long-term budget deal are also set to kick in.

"What remains a sort of key aspect is that the United States is not respecting the current commitments (to reduce its deficits) and does not have a credible fiscal consolidation plan," one European official said.

The US Congress will also soon have to raise the

Samsung muscle versus Apple's 'cool'

AFP, *Seoul*

Its products may not, as one British judge put it, be as "cool" as bitter rival Apple's, but Samsung Electronics is speeding away from the iconic iPhone maker in the race for the global smartphone market.

The South Korean giant first took Apple's smartphone top spot in the third quarter of 2011, racking up a 20 percent slice of worldwide sales, compared to Apple's 14.5 percent, according to telecom research firm IDC.

Jump ahead a year to the just-finished third quarter of 2012 and Samsung's share has surged to 31.3 percent, with Apple on 15 percent.

Popular perceptions of the two companies -- currently locked in a series of patent infringement lawsuits in 10 countries -- could hardly be more different.

Apple is seen as the supreme innovator, single-handedly creating or re-inventing entire markets with a small number of imaginative, stylish products that inspire quasi-religious devotion among those who can afford them.

Samsung, by contrast, is the corporate behemoth that picks up ideas, refines them with extraordinary efficiency and packages them in a wide product range that covers both low- and high-end users.

The hysteria that surrounds most Apple launches is testament to the expectations it generates as a product and design pioneer, a role Samsung has never particularly aspired to.

AFP

Customers show their newly purchased 7-inch sized "iPad mini" tablet at an Apple store in Tokyo.

Ironically, Apple's design muscle saw it lose one of its patent fights with Samsung when a British judge ruled in July that Samsung's Galaxy tablet was not "cool" enough to be confused with Apple's iPad.

However, Apple has been forced to adapt in the face of Samsung's rise. On Friday it released the iPad mini -- a scaled-down version of its beloved tablet computer -- but it failed to generate the same excitement as previous launches.

Apple's late co-founder Steve Jobs had once derided the whole concept of small tablets, saying they should be packaged with sandpaper, "so that the user can sand down their fingers to around one quarter of the present size".

In a reversal, the iPad mini saw Apple following Samsung into a segment the South Korean firm had already entered earlier this year with the 7-inch version of its Galaxy Tab 2.

But in general, Apple has been the pioneer and Samsung has played catch-up. Nevertheless, Samsung has shown itself to be unbeatable when it comes to gathering its vast resources behind a full-frontal assault on new markets.

"The copycat label still sticks to Samsung whether it likes it or not, but there's still a great business in that," said senior IDC research analyst Kevin Restivo.

"Being a fast follower can be a path to number one, and Samsung is a case study for that," Restivo told AFP.

Most analysts point to two key factors behind Samsung's success in the hugely competitive smartphone market -- its embrace of Google's Android operating system and its low- to high-end marketing strategy.

By adopting the popular Android platform and concentrating solely on hardware, Samsung was able to leapfrog smartphone makers such as Nokia and Blackberry-maker RIM who stuck with their own operating systems. "Once it commandeered the Android battleship and got it pointed in the right direction, it made real dents in the opposition," Restivo said.

Its marketing strategy, meanwhile, has been to put up a high-end flagship model -- the Samsung Galaxy S series -- to challenge the iPhone while pumping out other more affordable models, especially in markets like Brazil and China.

"The Galaxy S series is really just the tip of the iceberg for Samsung, which makes a huge number of lesser-known, lower-priced smartphones," said Greg Roh, an analyst at HMC Investment Security.

"Globally, there are not a whole lot of consumers who can actually afford iPhones, so Samsung is catering to a far wider range of consumers than Apple and has the market share to prove it," Roh said.

Samsung deploys a shotgun strategy, scattering the market with new phones being released -- or older ones being refreshed -- every six to nine months to continually push up its unit volume.

Apple, meanwhile, has stuck to rolling out one high-end smartphone device a year with a far higher profit margin than Samsung's product range.

HC questions sales of Pran fruit drinks

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The court asked the secretaries to the ministries of health and food, the inspector general of police, directors general of Rapid Action Battalion and the BSTI and deputy commissioner of Dhaka to reply to the rule by November 18.

Deputy Attorney General Mokhlesur Rahman and Assistant Attorney General Nusrat Jahan represented the government. In an emailed statement to The Daily Star, Pran said the BSTI cancelled its licence for drinks, not for juice products.

"But as the majority of Bangladesh's people cannot differentiate between drinks and juices, many think that licence to make juice has been cancelled," it said.

"There is no relation of licence cancellation with our Pran brand juices (Pran Frooto Mango Juice, Pran Mango Juice pack and Pran Mango Juice bottle). We have valid licences of the BSTI for these types of juice," the company said. "Getting the BSTI licences is voluntary, not mandatory."

Pran also said it has withdrawn its fruit drinks containing BSTI logo after the standards and testing body published advertisements cancelling the licences of 31 companies along with Pran last month.

"And we have started marketing of Pran drinks (orange