

# Developing world needs better roads to curb hunger: study

REUTERS, Oslo  
Billion-dollar investments in basic transport and electricity in developing nations are among the best ways to curb hunger by 2030 since a quarter of all food is now wasted after harvest, according to a report issued on Thursday.

A total of \$239 billion invested over the next 15 years, in road and railway connections to connect farms to markets and in electricity supplies to improve cold storage, would yield benefits of \$3.1 trillion by safeguarding food, it said.

Mark Rosegrant, lead author and a director of the International Food Policy Research Institute in Washington, said that rural infrastructure was often overlooked by governments and investors as a way to cut food waste from rice to beef.

"The hope is to bring it (infrastructure) to the forefront," he told Reuters of the study, part of efforts to help the United Nations set targets for 2030 to succeed Millennium Development Goals for 2000-15 that included halving rates of poverty.

Food losses, ranging from poor harvesting techniques in fields to rotting vegetables in consumers' kitchens, wipe out a quarter of all food produced, according to

one 2012 study. Halving such losses could feed a billion people.

Past national studies had shown that improved roads, such as in India, help curb food waste. Rosegrant said Thursday's study was an attempt to estimate benefits for developing nations in Africa, Latin America and Asia.

Bjorn Lomborg, head of the Copenhagen Consensus Center which commissioned the study, said debate about waste in rich nations was usually about how to discourage consumers from buying too much food and then throwing away large amounts uneaten.

In developing nations, waste is linked to a lack of basic infrastructure before it reaches markets, he said. Among problems, "it can get eaten by rats in the fields, or spoils because there's not enough cold storage," he said.

The study also recommended a 160 percent rise in research to improve crop yields, estimating that an extra \$88 billion spent over the next 15 years would give benefits of \$2.96 trillion.

Christopher Barrett, a reviewer at Cornell University, called Rosegrant's study the "most serious attempt to date" to estimate how cuts in post-harvest losses could feed a rising population.

# Facebook beats forecasts with strong profit gains

AFP, San Francisco

Facebook said Wednesday that profit soared on the wings of mobile ad revenue but stressed it is more concerned with investing in the future than making quick cash.

While earnings figures surpassed market forecasts, Facebook executives strived to temper expectations, while stressing they plan to continue aggressively investing to achieve long-range goals.

Facebook co-founder Mark Zuckerberg described 2014 as a year of heavy investments, with "big bets" placed on mobile communication and next-generation computing with multibillion-dollar buys of WhatsApp and the Oculus virtual reality startup.

Ranks of employees surged 45 percent last year and the company plans to continue bringing on new talent, executives said.

A strong showing in ads served up on smartphones or tablet computers helped Facebook earnings beat analyst forecasts: profit in the final three months of last year jumped to \$696 million as revenue surged to \$3.85 billion.

But investors will be concerned by an 87 percent rise in costs and expenses.

Shares sank slightly, more than one percent to \$75.05, in after-market trades that followed release of the figures.

Despite claims from competitors that Facebook is losing relevance with a younger audience the number of people using the leading social network monthly climbed to 1.39 billion.

Zuckerberg told financial analysts the company was focused on serving the entire world with projects such as Internet.org, and that would require a lot of effort and investing over a course of years.



Supun Weerasinghe, managing director of Robi, and Lokesh Gupta, chief operating officer of Spice Digital India, sign a deal to introduce various digital services for Robi subscribers in future, at a programme at Robi's corporate office in Dhaka recently.

# Nokia profits buoyed by growth in North America

AFP, Helsinki

Finnish telecom equipment group Nokia reported a sharp rise in annual net profit Thursday, boosted by a substantial one-off tax-related gain and strong North America sales in the fourth quarter.

The group's net profit in 2014 soared fivefold to 1.16 billion euros (\$1.31 billion) compared to the previous year, due in part to a tax gain worth 1.4 billion euros from its businesses in Germany and Finland.

Operating profit was slashed by a third to 170 million euros while sales were stable at 12.73 billion euros.

Nokia -- once the world leader in

mobile phones -- has sought to shift its business towards navigation systems and licensing in the mobile technology business since selling its handset division to Microsoft last year.

Nokia chief executive Rajeev Suri said the "power of the new Nokia" could be seen in the fourth quarter results with net profits shooting up by 80 percent to 326 million euros, mainly due to 4G mobile network sales in the US, and turnover rising by nine percent to 3.8 billion euros.

Nokia sales grew the fastest in North America in 2014, increasing by 16 percent, while demand fell slightly in Europe and Asia Pacific.



Sharif Shaham, chief executive of Elite Technologies, and Geeteera Safiya Choudhury, chairman of Adcomm, attend the signing of a contract in Dhaka recently. Adcomm will provide media services for Elite Technologies' upcoming mobile phones.



Shah Kamaluddin, director of Concord Group, and Shofiql Islam, company secretary of Dhaka Electric Supply Company (Desco), sign a deal at a programme at Radisson hotel in Dhaka yesterday. Concord will provide land to Desco for the installation of a 33/11KV sub-station at Lake City Concord in Khilkhet, Dhaka.

# After Vodafone, India changes tax rules to boost investment

REUTERS, Mumbai

India's decision to drop a tax dispute with Vodafone Group Plc is likely to mean relief for Royal Dutch Shell PLC and others caught in similar, protracted battles, as the government tries to attract much-needed foreign investment.

India's image as an investment destination has been tarnished by a reputation for red tape, unpredictable rules and a tax office long seen as over zealous in its pursuit of foreign firms. Prime Minister Narendra Modi's government, seeking to reboot a slowing economy, has sought to change that.

Late on Wednesday, the government said it would not appeal a Bombay High Court ruling in favour of Vodafone, the biggest foreign investor in India.

"It's a departure from the past when all the high-value tax cases were always litigated," said Himanshu Shekar Sinha, a partner at law firm Trilegal.

"With this, the government has sent a clear direction that appeals should not be filed routinely."

Tax lawyers said they expected cases such as those involving IBM, Nokia, Microsoft Corp and others could now be resolved instead through negotiation.

The Bombay High Court ruled in favour of Shell in November, after it challenged the largest ever claim in an Indian tax case related to transfer pricing -- the value at which companies trade products, services or assets between units across borders, a regular part of doing business for a multinational.

# Japan's top steelmaker cuts full-year profit forecast

AFP, Tokyo

Nippon Steel & Sumitomo Metal said Thursday its nine-month net profit dropped 20.3 percent as it slashed its full-year profit forecast, citing the impact of plunging oil prices on a Brazilian unit.

The Tokyo-based company, one of the world's biggest steelmakers, said its earnings for the April to December period came in at 153.6 billion yen (\$1.3 billion), while sales rose 3.6 percent to 4.18 trillion yen.

Nippon Steel blamed part of the profit slump on a 68.6 billion yen extraordinary loss that it took due to an unexpected slowdown at its seamless pipe maker Vallourec & Sumitomo Tubos do Brasil (VSB), which supplies the oil and gas market. "The recent rapid decline in oil prices is expected to impair the business environment surrounding the oil and gas related markets and future profits of VSB," the company said in a statement.

Nippon Steel also cut its net profit forecast for the fiscal year to March to 180 billion yen, from an earlier estimate of 250 billion yen.

# Central bank to recognise good borrowers

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Defending the policy for the large but bad borrowers, he said, "We have formulated it for the sake of the economy and job creation."

"If we don't address the issue, banks will not be benefited. But if we can introduce it, banks will get more money. Which one is better?" he said.

The central bank has formulated the large loan restructuring policy after studying the experience of countries such as India, Sri Lanka and Malaysia, Rahman said.

# Philippines confident of faster growth after 2014 rebound

AFP, Manila

Philippine officials voiced confidence the country had escaped a "boom-bust cycle" as they predicted on Thursday that economic growth would accelerate in 2015, after expansion last year beat international expectations.

The economy grew 6.9 percent in the fourth quarter of 2014, new figures showed, offsetting weaker growth in the previous nine months to boost full-year gross domestic product (GDP) expansion to 6.1 percent, exceeding forecasts from major international institutions.

The rebound puts the country on a high-growth trajectory not seen in decades that will finally see it shake off its image as the "sick man" of Asia, economic planning secretary Arsenio Balisacan told reporters.

Balisacan added that the government expected the economy to grow by between 7.0 percent and 8.0 percent in 2015.

"We have avoided the dreaded boom-bust cycle that has hounded our economy for decades," he said.

"What we are seeing in the last five years has never been seen in the last 40 years. The last time we have seen such growth was in the mid-1970s," he said, referencing a period when the Philippines saw annual economic growth rates approaching nine percent.

Despite global uncertainties, the Philippines was buoyed by "solid" macro-economic fundamentals including strong domestic consumption, ample foreign exchange reserves, a stable banking sector and manageable inflation, finance secretary Cesar Purisima said.

Purisima said in a statement that the country "has more fundamental strength than most peers to fuel long-term growth

prospects and buttress against vulnerabilities to external shocks."

On a full-year basis, the Philippine economy grew at a rate second in Asia only to China's 7.4 percent, and narrowly outpacing Vietnam's six percent, Balisacan said.

"With this upbeat year-end performance, the economy is anticipated to gain further traction in 2015," he said.

Balisacan however conceded that such high growth rates must be sustained over 20 years before they could be felt by the poor, as shown by the experience of other countries. "It's a long way to go before we can effectively make this growth shared broadly. There's so much to do. There's no shortcut to it. We have to deepen reforms," he said.

The full-year economic growth rate of 6.1 percent exceeded forecasts of 6.0 percent by the World Bank and the International Monetary Fund, but fell short of the government's targeted range of between 6.5 percent and 7.5 percent.

The economy grew by an impressive 7.2 percent in 2013.

The 2014 fourth quarter growth figure of 6.9 percent was also an improvement from the 6.3 percent growth posted in the same period in 2013. Analysts, meanwhile, largely echoed government confidence about the economy.

"Overall, this remains consistent with our long-held view that the economy is on a solid growth trajectory," Nomura research analyst Euben Paracuelles said.

Barclays analysts Rahul Bajoria and Bill Diviney, meanwhile, predicted expansion will be "robust" this year as the Philippines is expected to benefit from a marked drop in world oil prices while the central bank is expected to hold off on any interest rate hikes until the fourth quarter.

# Garment exports to new markets on the rise

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During the six-month period, Bangladesh's garment exports to the US declined 5.18 percent, to EU 3.53 percent, and to Canada 14.60 percent.

Garment exports to non-traditional markets got a boost when the government offered an incentive package to businesses in fiscal 2008-09 to offset the impact of the global financial crisis on the sector.

Under the scheme, the government gave 5 percent cash incentive to garment exporters in fiscal 2009-10, 4 percent in fiscal 2010-11 and 2 percent in fiscal 2011-12. The exporters are still receiving 2 percent cash incentive for exporting to the new destinations.

Generally, Bangladesh's 60 percent garment items are destined to the EU, 23 percent to the US, 6 percent to Canada and the rest to other countries.

Reaz-Bin-Mahmood, vice-president of Bangladesh Garment Manufacturers and Exporters Association, said exporters were efficient in exploring new markets. As a result, exports to South American countries such as Brazil, Mexico and Chile are growing at a faster rate, he added.

Garment exports to Japan, India and China have been increasing substantially due to the relaxation of the rules of origin by the governments of those countries in recent years, Mahmood said.

# No strong links between pay hike and inflation: BB

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"A strong relationship between the announcement of the pay scales and inflation cannot be established," the BB said.

Last month, the Pay and Services Commission proposed a new salary structure -- a hike of up to 100 percent -- for government employees.

Inflation extended its declining trend in December, coming down to 6.11 percent -- the lowest in 25 months -- mainly due to falling commodity prices in the global markets. The overall inflation rate, which has been on the decline in the last several months, was 6.21 percent in November. In October 2012, inflation was 5.86 percent.

# Samsung to bring smartphone with own operating system

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The dual SIM device, manufactured at Samsung's state-of-the-art facility in Vietnam, is powered by a 1.2 gigahertz dual-core processor, 768 megabyte of RAM and 4 gigabyte of internal memory expandable up to 64GB.

It also features a four-inch display, 3.1 megapixel rear and front camera and 1,500 mAh battery.

The research and development institute started off in early 2011 with more than a hundred people. Now, it employs over 500 top engineers, who develop software for mobile devices marketed in Asia, Africa and Australia.



Alamgir Kabir, chairman of Southeast Bank, launches TeleCash--the bank's mobile financial service--at a programme in Banani, Dhaka yesterday.



Shaikh Abdul Aziz, managing director of Uttara Bank, cuts a cake to mark the bank's golden jubilee at a programme on Wednesday. Fazlur Rahman, deputy managing director, was also present.