

In Japan, Abe's robot panel aims to give drone industry an edge

REUTERS, Tokyo

The government of Japan, a country with a proven track record in electronics and robotics, is looking to fast track industry-friendly regulation to give its drone sector an edge over the United States.

Companies from motorcycle maker Yamaha Motor to security firm Secom Co are readying drone technology and services, as advisers to Prime Minister Shinzo Abe drive a regulatory overhaul.

The Robot Revolution Realization Committee, an advisory panel appointed by Abe, will review existing radio and civil aeronautics laws and set up industry-run best practice for drones.

Another panel is asking companies for ideas on how to open up new special economic zones in Tokyo and other big cities to drones on a test basis. The Fukushima area, blighted by the 2011 tsunami and nuclear disaster, could also become a "field test zone" for robots and drones, largely free of regulation.

"We want to keep an eye on the world's drone market, starting with the United States, and consider Japan's way of doing things," said Tamotsu Nomakuchi, who heads the robot panel. "It's not



REUTERS

A drone picks up a pair of shoes during a presentation by the Crocs footwear company in Tokyo, Japan on March 5.

about copying other markets, but learning about them and creating something better."

The only aviation regulations covering drones in Japan require that they fly below 150 meters and at least 9 kms (5.6 miles) away from airports. Drones used in agriculture need two operators, with precautions for the surrounding environment.

Japan has been using drones in its farming industry since the 1980s, when an unmanned Yamaha R-50 helicopter took to the air to spray pesticide on rice crops.

Today, more than 2,500 agriculture drones are in operation.

Yamaha is now looking to adapt its drone technology for patrolling Japan's borders or for checking oil and gas pipelines, spokesman Kinji Otsuki told Reuters.

Secom will this month launch a service for small businesses that includes having a surveillance drone that can be scrambled to take photos of an intruder when an alarm sounds. Spokeswoman Asuka Saito said the company also wants to pitch its security drones for use at the 2020

Tokyo Olympics.

And Ricoh Co Ltd, an office equipment maker, has been testing its digital cameras on drones to monitor crop growth in field tests, said new business development manager Wataru Ohtani.

Partly due to the lack of regulations for outdoor test flights, Ryo Konomura, one of the founders of Tokyo University's Phenox Lab, developed an indoor drone with artificial intelligence capability.

Japanese drone industry supporters have dubbed 2015 "Year One of the Era of the Drone."

OECD: Euro zone growth gaining pace, others stable

REUTERS, Paris

The euro zone is increasingly contributing to an improvement in global economic growth prospects, according to a forward-looking indicator the Organisation for Economic Co-operation and Development published on Monday.

The OECD said its leading indicator, designed to detect changes in economic prospects, showed "positive change in growth momentum in the euro area and stable growth momentum in most other major economies and the OECD area as a whole."

The indicator, expressed as an index where 100 denotes the long-term average, rose to 100.7 for the euro zone as a whole from 100.6 in the preceding month's report, and rose also for the OECD group of mostly wealthy economies, to 100.4 from 100.3.

The US reading was stable at 100.2 and for Japan it stayed at 99.8. In large non-OECD economies, the index rose to 99.1 in China from 99.0. It edged higher too in Brazil and India but fell in Russia to 99.3 from 99.5.

Within the euro zone, the reading for Germany rose to 99.7 from 99.6 while in France it rose to 100.6 from 100.5. It nudged higher too in Italy, to 101.2 from 101.



DHAKA REGENCY

Kabir Reza, chairman of Dhaka Regency, and Arif Motahar, managing director, cut a cake to celebrate International Women's Day with the female employees of the hotel in the capital on Sunday.

S Korea blasts North over wage row in joint industrial zone

AFP, Seoul

South Korea on Monday vented its frustration with North Korea's refusal to engage in dialogue over the salaries of workers in their Kaesong joint industrial complex, and questioned Pyongyang's commitment to developing the zone.

Seoul has been seeking talks for several weeks since Pyongyang announced it planned to unilaterally raise the basic salary of the 53,000 North Korean workers employed across more than 100 South Korean firms operating in Kaesong.

The move would increase the average monthly sum the South pays for each worker - including allowances, welfare and overtime - from \$155 to \$164.

The South has rejected the idea, citing an existing agreement that any wage rise had to be agreed by a joint committee overseeing the management of the complex.

It has made repeated requests for a dialogue to discuss the issue, which have been spurned to Seoul's "deep regret," said the South's Unification Ministry which handles cross-border affairs.

"It is questionable whether North Korea is really willing to develop the Kaesong industrial complex," ministry spokesman Lim Byeong-Cheol told reporters.

Observers say the wage row is part of a battle to assert control over the running of Kaesong.

First opened in 2004 as a rare symbol of cross-border cooperation, it had previously been spared the fallout from the regular eruptions in relations between the two Koreas.

The North effectively closed down the park for five months last year following a surge in military tensions.

When it reopened in September, the two sides created the joint committee to deal with any further problems related to its operations.



MTB

Anis A Khan, managing director of Mutual Trust Bank, poses with the bank's women entrepreneur clients at an SME fair held to mark the International Women's Day at the bank's head office in Dhaka yesterday. Md Hashem Chowdhury, additional managing director, was also present.

Advertising giant WPP annual profits hit record

BBC NEWS

Advertising giant WPP has reported record annual profits despite what it called "strong currency headwinds".

It reported a 12 percent rise in 2014 pre-tax profit to £1.45 billion, on revenues that rose 4.6 percent to £11.5 billion.

The giant group owns a host of agencies around the world, including JWT and Ogilvy & Mather, and employs some 175,000 people in 3,000.

WPP chief executive Martin Sorrell, told the BBC there was some evidence things were picking up in the eurozone.

However, he said most global economic growth would continue to come from the US and China.

"We are seeing a little bit of an improvement [in the eurozone] we saw a stronger Q4 and as we go into the first few months of this year January was stronger for the eurozone as well. So there are grounds for a little bit more optimism", Sorrell said.

Greece takes reform plan to Brussels with referendum warning

AFP, Brussels

Greece faced deepening scepticism ahead of talks on Monday on its plans for reforms to secure a financial lifeline as Athens warned of a possible referendum if its proposals are rejected.

Finance Minister Yanis Varoufakis said "there could be problems" if his colleagues from the 19-country eurozone do not accept the list that he is due to present at the Eurogroup meeting in Brussels.

"We can go back to elections. Call a referendum," Varoufakis warned in an interview with Italian newspaper Corriere della Sera on Sunday. "But, as my prime minister told me, we are not glued to our seats yet."

The Greek measures include plans to streamline bureaucracy, raise revenue from online gambling and, in a widely derided suggestion, hire any army of amateur tax sleuths -- including tourists -- to help clamp down on tax dodgers.

But Eurogroup chief Jeroen Dijsselbloem, to whom Varoufakis sent the proposals in an 11-page letter on Friday, said that Greece's reform plans were "far from complete". "The Greeks know this. It's a difficult process that's going to take a long time," he told a panel discussion in Amsterdam on Sunday.

The list must also be discussed with the

European Central Bank (ECB) and International Monetary Fund (IMF), the other members along with the EU of the "troika" of Greece's creditors, a member of Dijsselbloem's entourage said.

Varoufakis later said the comments had been taken out of context but they risk causing further irritation at home and abroad at the hard-charging style of the shaven-headed, Burberry scarf-wearing "rock star" former economics professor.

"We will find a solution. Building up scenarios to the contrary is pointless," Greek Deputy Budget Minister Dimitris Mardas said Monday when asked about the referendum comments.

Dimitris Vitsas, an official from the hard-left Syriza party of new Prime Minister Alexis Tsipras, told Greece's MEGA television: "Neither elections nor a referendum are on the table. We are going to the Eurogroup to seal a deal on the base of a popular mandate, which is not to back down."

Tsipras told Varoufakis and other ministers at the weekend to give fewer interviews, urging "fewer words and more action".

The last time Greece threatened a referendum on its bailout in November 2011, it sent global markets into panic, infuriated its European partners and led to the fall of then prime minister George Papandreou.

Traditionally frugal Germans fuel economy with spending spree

REUTERS, Berlin

Sales of new kitchens are up more than 10 percent already this year at German kitchen maker Haecker. For those who would rather someone else did the cooking, roasted monkfish and turbot with truffles are flopping onto plates at Berlin's Michelin-starred restaurant Fischers Fritz.

A blizzard of corporate good news shows that famously frugal Germans are now snapping up soccer shirts from Adidas and electronics from retail chain Media-Saturn.

With interest rates on savings low, unemployment falling, oil prices sliding and pay rises outpacing inflation, economists say German consumers have finally woken up and are likely to keep on spending through 2015.

Markus Sander, marketing head at Haecker, a family firm with more than 1,200 employees, said Germans were now splurging on high-end kitchens - many costing more than a new car - because low interest rates made saving unattractive and loans cheap.

"Five years ago the front-page headlines were all about unemployment. But now you read about job growth everywhere so people are feeling less worried and they're spending more on durables like furniture and kitchens," he said.

At Fischers Fritz, where main courses set diners back up to 90 euros, turnover soared by 10 percent last year. Head chef Christian Lohse said people hosting events were now ordering delicacies like trout caviar, not staples like sausage.

"Germans think in terms of security and seem to feel secure at the moment. That's really noticeable in the way they're spending - the restaurant industry is booming," he said.

"People say: 'Let's just have a bigger, better party because if I can only get 0.0 or 0.1 percent interest on my money it's not worth investing so I might as well just spend it.'"

Frugality is still a prized national trait, and Germans still saved 9.2 percent of their disposable income on average last year. But while that figure is high by global standards, it was Germany's second lowest since 2000.

There are many signs that spending could increase further still this year, welcome news to struggling countries across the euro zone who have long complained that Germans hold back



REUTERS

A man walks past a kitchen by German kitchen maker Haecker inside a furniture shop in Berlin.

the rest of the bloc's growth by buying less than they make.

German unemployment is now at 6.5 percent, its lowest rate since reunification in 1990. German workers have secured the highest negotiated wage increases in two decades. A dramatic drop in energy prices is putting more cash in pockets too.

Household spending's contribution to growth in Europe's largest economy rose at its strongest rate in three years in 2014 and it made up more than half of Germany's national output last year. Along with resurgent investment it has eclipsed Germany's legendary exports as the main driver of growth.

"The mood among consumers is excellent at the moment - it's almost euphoric," said Rolf Buerkl, analyst at market research group GfK. His firm says Germans are more willing to buy now than at any time since a one-off blip in late 2006 ahead of a sales tax hike.

The government expects the economy to expand by 1.5 percent this year, but others say that is an understatement. Insurer Allianz has raised its forecast to 2.1 percent from 1.6 percent, which would see Germany motoring ahead of the wider eurozone.

Bundesbank President Jens Weidmann has described the fall in global energy prices as a small economic stimulus package freeing up cash for consumers to spend on other items.

Last month IG Metall, Germany's biggest trade union, secured an inflation-busting 3.4 percent wage increase that will likely benefit 3.7

million workers.

Retail sales posted their biggest monthly increase in seven years in January and industry association HDE expects them to increase for a sixth consecutive year in 2015, with 1.5 percent growth.

"It's not just about the falling oil prices but also about the labour market situation, incomes and low interest rates - these factors will continue to have a positive effect for this year at least," said HDE managing director Stefan Genth.

Consumers are shelling out on big-ticket items such as cars, furniture and appliances like refrigerators, televisions and dishwashers. Others are treating themselves to smartphones, long-haul trips and cruises or renovating their homes.

Lawyer Volker Schmitt, 53, is one of them. He is replacing the roof of his 1930s house in eastern Berlin and turning the loft into a living room. After saving up for years, he decided it was no longer worth keeping his money in the bank.

"The interest rates on deposited money are an absolute joke. Some of them are almost negative. So the only sensible solution was to take out a loan at a low interest rate and invest it in the house," he said.

The surge in spending is likely to outlast weak oil prices due to low joblessness and expectations of bigger paychecks, said Christian Odendahl, chief economist at London's Centre for European Reform.