

EU to probe cross-border e-commerce barriers

AFP, Brussels

The EU's competition watchdog announced plans Thursday for a probe into whether companies are creating barriers to stop consumers buying online from other countries. Competition Commissioner Margarethe Vestager said she expected to launch the investigation in May and that it would be completed in mid-2016.

Although half of all EU consumers shopped online last year, only 15 percent bought from sellers based in other member states in the 28-nation bloc, the European Union said.

"It is high time to remove remaining barriers to e-commerce, which is a vital part of a true digital single market in Europe," Vestager said in a statement.

"To better understand how online markets work and where are the obstacles to competition, I will propose... the launch of a sector inquiry into e-commerce."

Internet giants like Amazon and Google have been targeted by previous anti-trust probes by the European Commission, the EU's powerful executive arm.

The Commission did not name any

firms in relation to the new probe, but cited "indications that some companies may be taking measures to restrict cross-border e-commerce."

European consumers may be prevented from accessing a particular website based on their residence or credit-card details, it said.

After the initial general probe is completed next year the Commission could then take on specific cases of "restrictive business practices and abuse of dominant market positions."

Europe as a bloc is the world's biggest economy, but despite its 500 million potential consumers it largely remains a divided continent of 28 distinct economies, especially when it comes to media and the Internet.

Across the EU, digital services like music streaming site Spotify or shopping behemoth Amazon, often remain confined to national borders, with separate accounts required from one country to another.

On Wednesday Brussels separately announced an ambitious plan to overhaul Europe's fragmented digital landscape and make all online media available across the EU.

Apple plans China iPhone trade-in with Foxconn

REUTERS

Apple Inc plans to introduce a trade-in programme for iPhones in China in association with the Foxconn Technology Group, Bloomberg reported, citing people familiar with the effort.

Under the programme, consumers will be able to exchange older iPhones at Apple stores in China for credit against the company's products starting March 31, Bloomberg reported.

Chinese demand for larger-screen iPhones helped fuel Apple's record profit of \$18 billion in the final quarter last year.

Apple Chief Executive Tim Cook has said China is poised to overtake the United States as the company's biggest market, and he is working to about double the number of stores in Greater China by the middle of next year, Bloomberg reported.

Under the China programme, Foxconn will buy the iPhones directly, without Apple taking ownership, and repair the devices if needed before selling them on its e-commerce websites such as FLNet and on Alibaba Group Holding Ltd's Taobao online store.

Foxconn, a key Apple supplier, is also in talks to sell the older iPhones in physical stores and may take the trade-in program online in future.

The China plan follows an expansion of a similar program in the United States, where the company has started accepting non-Apple devices, Bloomberg reported.



Syed Mohammad Kamal, country manager of MasterCard Bangladesh, hands over a principal member licence to Anis A Khan, managing director of Mutual Trust Bank, at a ceremony at the bank's corporate head office in Dhaka on Sunday.

Ford aims to triple exports from India with \$1b plant

REUTERS, Sanand, Gujarat

Ford Motor Co has invested \$1 billion in a new plant in western India which will help the automaker triple exports from the country, chief executive Mark Fields told reporters on Thursday.

Ford plans to make India an export hub for compact cars such as the EcoSport, a sub-

four meter sports utility vehicle, and the newly launched compact sedan, Ford Figo Aspire, the first car to be produced at the new facility.

The new manufacturing facility in Gujarat will nearly double the company's installed production capacity in the country to 610,000 engines and 440,000 vehicles a year, Fields said at the launch of the new facility.



KS Tabrez, managing director of Dutch-Bangla Bank, inaugurates the bank's 146th branch at Banani Bazar in Dhaka on Wednesday.



Harun-Ar-Rashid, deputy managing director of Super Star Group, attends the company's monthly national sales meeting recently. Syed Iqbal Karim, head of sales, was also present.

Toyota rolls out shared-parts strategy to chop costs

AFP, Tokyo

Toyota on Thursday announced plans to overhaul production to slash development costs, with a top executive describing the shakeup as crucial to navigating "sudden and drastic changes" in the auto sector.

While the Japanese car giant is on track for a record \$18 billion fiscal year profit, largely due to a weak yen and strong North American sales, the world's biggest automaker said it needs to go further to protect its bottom line in a fast-changing market.

"Sudden and drastic changes in the business environment mean that conventional ways of thinking and doing business can no longer help us grow sustainably," Toyota President Akio Toyoda said in a statement.

"We are at a crossroads where we must now build a new business model."

WTO chief says negotiations on trade deal 'changing gears'

AFP, Geneva

World Trade Organization chief Roberto Azevedo said Thursday efforts are intensifying to end more than a decade of stalemate in negotiations for global trade liberalisation. "The negotiations are changing gears, very visibly, very clearly," Azevedo told reporters in Geneva.

The WTO launched the Doha Round of trade liberalisation talks in 2001, with the stated aim of underpinning development in poorer nations.

The talks have repeatedly faltered, but the organisation's 160 members have given themselves until the end of July to agree on a way forward by finalising a work programme for the negotiations.

Azevedo said member countries up until the end of last year had simply been identifying problems and restating their positions and concerns.

"That clearly changed," he said: "Right now you will see a number of delegations exploring new approaches... Proposals are being put on the table."

He stressed "that doesn't mean yet that we are converging. We're still putting things on the table and testing all the different options." "At least we are moving into a solution-finding mode."

While an overall Doha agreement has until now remained elusive, WTO members reached a landmark deal in Bali in late 2013 on overhauling global customs procedures.

Bali was the first multilateral agreement concluded by the WTO since its inception in 1995, and marked the first concrete progress on Doha.

Last November, countries began ratifying the Bali agreement, and it is due to take effect once two thirds have gone through the ratification process.

China banks borrow Western tricks to combat spike in bad loans

REUTERS, Shanghai/Hong Kong

Chinese banks are increasingly drawing on Western ways of selling off bad loans, after four of the largest five lenders reported a spike in defaults in an economy stuttering at its slowest growth rate in 25 years.

The lenders - bellwethers of the world's second-largest economy - plan to expand the practice of selling bad loans bundled into financial products, to reduce the amount of unpaid debt on their books, according to banking insiders.

The practice, though common in the West, was mostly unheard of in China just a year ago. Its uptake reflects government policy of relaxing restrictions on financial markets to attract investment, as well as banks' hunger for ways to deal with a worsening bad loan situation as profit growth flags.

But analysts say the practice masks the true extent of a situation exacerbated by so-called zombie loans neither in default or written off, languishing with cash-strapped local authorities. Central bank encouragement to increase lending and support the economy could only compound matters, they say.

Banks generally reported bad loan ratios - or the percentage of total lending which has soured - of 1 percent to 1.5 percent. "I think the real level is around 2 to 3 percent," said Jiahe Chen, chief strategist at Cinda Securities in Shanghai.

Hong Kong-based Leon Goldfeld, investment director at Amundi Asset Management, estimated the true bad debt ratio would reach 9 percent if economic growth slowed to 6 percent, rather than the government's target of around 7 percent.

Industrial and Commercial Bank of China Ltd (ICBC), Agricultural Bank of China Ltd (AgBank), Bank of China Ltd (BoC) and Bank of Communications Co Ltd (BoCom) this week each booked marginal profit growth or contraction for the fourth quarter, with China Construction Bank Corp reporting on Friday.

Warren Buffett's latest elephant deal

BBC NEWS

On the hunt for a big buy, billionaire Warren Buffett has again teamed up with Brazilian private equity firm 3G.

They together bought Heinz in 2013, and now, Heinz will merge with Kraft Foods to create the third largest food and beverage company in the US and the fifth biggest in the world.

Heinz, controlled by Buffett's Berkshire Hathaway and 3G, would own 51 percent of the new firm.

The Kraft Heinz Company, and shareholders in Kraft, will hold 49 percent. The new company will have revenues of around \$28bn and the chief executive will be Heinz's current boss, Bernardo Hees.

It's a giant of a consumer goods company, with around a dozen brands that each generate revenues in excess of half a billion dollars, including Jell-O, Maxwell House, Oscar Mayer, Planters, and Velveeta.

Furniture makers see good overseas sales ahead

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Akhtaruzzaman said the sector also provides a huge opportunity for employment generation with minimum skills. The sector would be able to create jobs for 1 crore people within five years from 25 lakh at present.

Akhtar Group exports furniture to five countries, including Australia, Japan, the UK, the USA and Canada.

A Karim Mojumdar, managing director of Nadia Furniture, said, "We now have factories that are fully compliant. Many big groups have also entered the industry."

"We are not being able to compete in the global stage as Bangladesh has to produce furniture mostly from imported raw materials, while our competitors have their own raw materials."

The government would have to provide incentives to capture the global market in a big way, he added. His company does not export furniture at the moment, but Mojumdar said they have received queries from a number of buyers.

Khaled Shaifullah Murad, assistant manager for marketing and sales at Brothers Furniture, said the sector would grow tremendously in the coming years.

China is the leading exporter of furniture, with nearly half of the global market share. Malaysia, Thailand and Vietnam also have a hold of the global market.

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Bikroy.com among top 3 internet sites: survey

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The study measured the consumer's brand awareness and recognition, which is one of the most important concepts of advertising.

The study then also researched customer's top-of-mind recognition after explaining the term "classified website."

Bikroy.com received 76 percent of the respondents' top-of-mind answer and secured the top position as the most reliable online marketplace, followed by OLX with 13 percent and Ekhanei.com's 10 percent.

MRB Bangladesh polled over 1,000 respondents in the Dhaka, Chittagong and Sylhet districts to complete 'A Study on

Online Classifieds.'

The largest percentage of shoppers was found to be in the mobile phone category, the study said.

The increase in customers using the sites to buy and sell mobile phones is the highest among all categories. Sales of electronics, motorbikes, cars, personal items and flats have also seen a good boost in recent times.

Online marketplaces have brought a tremendous change to the traditional concept of shopping in Bangladesh, said Misha Ali, director for the marketing at Bikroy.com.



Md Ridwanul Hoque, head of retail distribution of Midland Bank, and Ryszard Majewski, general manager of Six Seasons Hotel, attend the signing of an agreement through which the bank's cardholders will enjoy special privilege at the hotel.



AKM Azizur Rahman Khan, chairman of Khansons Group, attends a seminar for the distributors of Goldberg--the group's new mobile brand--recently. Raseel Ahmed, chief sales officer, was also present. Goldberg phones will be available in the market from April.

Brac Bank, Transfast launch direct deposit service

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"We are pleased to be the first bank in Bangladesh to partner with Transfast to launch an instant bank deposit service," said Syed Mahbubur Rahman, managing director of Brac Bank.

The partnership further highlights the bank's commitment to increasing the remittance flow into Bangladesh through new technologies and partnerships, he said.

Transfast is a leading international money transfer and payments company in the \$608 billion annual global remittance industry, operates a proprietary network of over 300,000 payment points across more than 100 countries in the Americas, Asia, Europe, and Africa.