Stay protected online

SIGVE BREKKE

ON this Safer Internet Day, we need to remember that bringing "internet for all" simply is not enough. To fully realise the benefits of being connected and online, kids and new internet users need to stay safe by building digital resilience. To help them, parents, operators, civil society and governments need to step in.

More than 40 percent of the planet's 7.4 billion people today access the internet through a keystroke or swipe of their fingertip, opening up a new digital world of opportunities.

The opportunities offered by connectivity -- financial inclusion, access to knowledge, better health and education -- come with new risks, most notably in regard to young users. For 'digital natives' or Generation Z (born mid-to-late 1990s onwards) who have grown up in developed markets with internet access for as long as they can remember, safe practices around online behaviour have generally been part of their education.

For many markets in the developing world, however, internet access is more of a novelty and any risks are less evident to parents or first-time users. Consumers in emerging markets are leapfrogging technologies and joining the digital world at unparalleled rates.

Looking specifically at young users and internet, the situation is this: Up to 85 percent of children in emerging Asia will first access the internet via mobile because devices are cheaper, connectivity is more affordable and more instant than ever before. Physically, kids on mobiles are more difficult for parents to supervise when compared to, say, kids on desktop devices. What's more, in many cases, the children in developing markets will be the first members of their households to go online, not their parents.

Present in 13 markets, stretching from Norway to Malaysia, my company provides mobile and

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digital communication services to more than 200 million customers -- many of them connecting for the first time. We see it also as our responsibility to provide guidance to our customers and help lay safety nets for those who are most at risk.

We believe there are universal principles around safe internet that should be applied in all contexts, such as right to privacy, but these principles must be tailored to meet the needs of vastly different markets. Nowhere is this more evident than in Asia, where we are venturing into new territory, playing an integral role in some of the world's least connected markets, such as Myanmar.

Having served emerging Asia for the last two decades, we knew millions of young and new internet users would be getting online. We began our work on these fronts early in more established markets in Scandinavia and Central Europe, where we learned how to conduct impactful digital safety programmes.

Telenor Norway's partnership to fight cyber bullying, the "use your head" campaign, reached an important milestone just recently in 2015: about 200,000 students in more than 700 schools have now received training in how to prevent bullying.

This taught us the importance of taking internet safety messages directly to kids and parents by working with schools, and we learned the importance of building alliances with organisations that mitigate online risks.

Outreach like this is enormously important also in Asia, where fear about the internet acts as an obstacle to access. Building awareness and digital skills are invaluable in communities that may be wary of what the internet actually is. When they understand what it can offer and that there are ways to stay safe, it helps to break down self- or community-imposed barriers to access.

Last year, we announced expanded efforts to keep the internet safe for the estimated 55 million children around the world who are expected to come online by 2017. This includes working with partners such as other ICT players, the European Commission, the Interpol, the GSMA and Unicef. With them, we work on many fronts to get kids and new users off to a safe start in the digital world. Among many initiatives, these are studying how children behave online, establishing filters that block illegal content, conducting large-scale outreach programmes and publishing resources, like a parental guide on how to talk to children about the internet.

We see it as important to not only deliver awesome services, but also design effective means of empowering people to stay protected online. Playing a key role in our customers' digital lives, we have a vested interest in the wellbeing of our mobile subscribers, and we want to see more of our industry peers, our public partners, our employees and our digitally savvy customers take active interest in the wellbeing of their newly connected fellow citizens as they explore this new digital world.

The writer is the president and CEO of Telenor Group.

BANK ASIA

Aminul Islam, additional managing director of Bank Asia, receives the first runner up award at the South Asian Federation of Accountants Best Presented Annual Report Awards and Saarc Anniversary Awards for Corporate Governance Disclosures 2014 under the private sector banks category from Mohammad Ishaq Dar, federal minister for finance, revenue economic affairs, statistics and privatisation of Pakistan, at Pearl Continental hotel in Lahore, Pakistan.

Crude oil slips as Saudi, Venezuela meeting yields little

REUTERS, *London*

Crude oil prices eased in thin trade on Monday as a meeting between OPEC producers Saudi Arabia and Venezuela showed little indication that steps would be taken to boost prices.

Global benchmark Brent futures LCOc1 were down 8 cents at $34.98 at 4.32 a.m. ET. They fell 40 cents to $34.06 a barrel on Friday. US crude futures CLc1 fell by 23 cents to $30.66, after falling 83 cents to $30.89 on Friday.

Both contracts firmed slightly earlier in the session on Monday in see-saw trade on low volumes as many Asian markets were on holiday for the Lunar New Year.

Saudi Arabia's oil minister Ali al-Naimi discussed cooperation between members of the Organization of the Petroleum Exporting Countries (Opec) and other oil producers to stabilize the global oil market with his Venezuelan counterpart on Sunday, but there was no sign any agreement had been reached to hold an early meeting of suppliers.

"It was a successful meeting and (conducted) in a positive atmosphere," Saudi news agency SPA cited Naimi as saying.

New breed investors embrace China's white-knuckle ride

REUTERS, *Beijing*

A new breed of small investor is riding China's rollercoaster stock markets, looking for a quick buck and thriving on the volatility that has sent others scurrying to the exit clutching their stomachs.

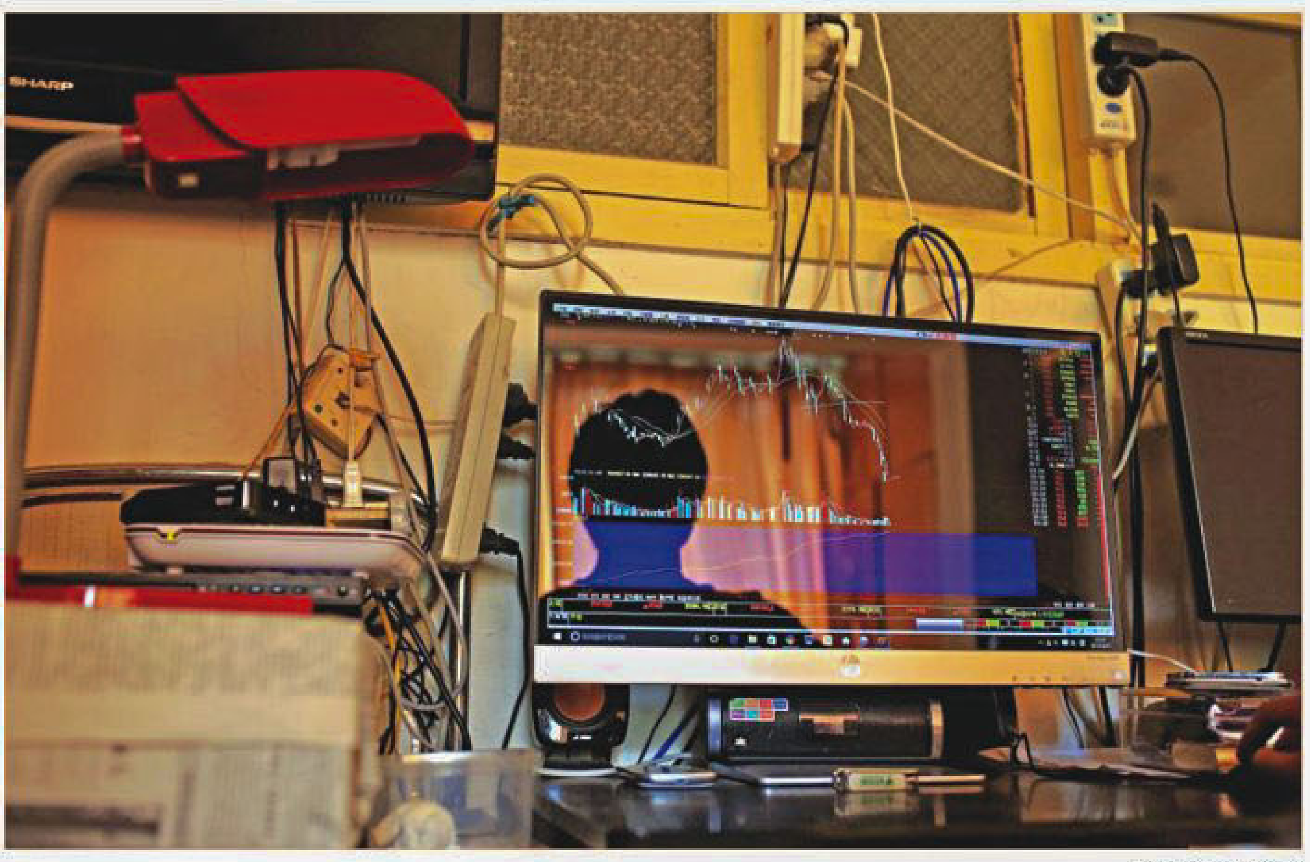
Last summer's 40 percent crash and a 20 percent drop so far in 2016 have sent trading volumes tumbling on the Shanghai and Shenzhen bourses, where retail investors account for 85 percent of the business, unlike more developed markets, where institutions dominate.

Many investors have not just been put off through investor communities on media platforms such as QQ, WeChat and Weibo.

He's looking at stocks in the new energy, technology and medical sectors, but he doesn't want to tie up his money for long, and says he will be looking to make money by short selling, cashing in on the over-exuberant response of investors to government policies.

"The nation's leaders will obviously focus on new initiatives, and after the buzz of it all quietens down ... that'll be my time to move in."

Rao is dismissive of traditional investors, the "aunties and uncles" who follow the buzz.



REUTERS/FILE

A student looks at stock indexes on his desktop during summer holiday at home in Shanghai, China.

by the falls, but by the wild intraday swings, with sharp morning gains frequently swallowed by sharper afternoon losses.

Not Zhao De, The 26-year-old Beijinger only has around 55,000 yuan ($8,400) to play with, and he wants to make it work hard and fast.

He's currently out of the stock market, not because it's too volatile, but because it stops him making the most of that volatility. He wants to take bigger positions for shorter periods, and the stock market makes him wait a day for trades to be settled, which prevents intraday trading.

He's in commodity futures for now.

"If I buy futures, I can directly short sell," he said.

Liu Jingde, Cinda Securities analyst, said this growing new cohort of investors is more open to the opportunities to make money and has a greater willingness to take risks, using futures and options products.

"It could make the fluctuations of the market more extreme if these investors take more frequent short-term positions," he said.

China's securities regulator did not immediately respond to requests for comment on the implications for the market.

Rao Xianjun is another of this new breed, who typically have trading apps on their phones and bone up on opportunities

People, perhaps, like the husband and wife team who turn up every morning at the China Securities brokerage in Dongzhimen on the east side of Beijing.

The husband, who gave his surname as Wu, said he had been investing since 2005, and had lost a lot of money on the start-up board in last summer's crash.

As a retiree in his 60s, he can ill afford to lose. Unlike the younger generation of investors, he said he relies on state media for his information.

"I look at CCTV Finance, as they are the voice of the Communist Party. They don't dare talk nonsense," Wu said.

An octogenarian investor in the Founder Securities brokerage in western Beijing who gave his name as Zheng takes a similar approach. He was clutching a copy of Reference News, published by state news agency Xinhua.

"I don't have any fixed plan for 2016," Zheng said. "I just look at the situation, and I look in the newspaper."

He shares a view with Wu that the best stocks are the ones that have already soared, that banks are not worth buying, and that gut instinct is the best guide.

This year they will be up against nimble young guns hoping to punish them for that instinct and make money even in the worst of times.

In southern Africa, an illusion built on aid heralds hope and hunger

REUTERS, *Lilongwe*

AS she walks along a dirt road in central Malawi, Louise Abale carries her precious maize wrapped in a brightly coloured cloth and balanced on her head.

Because of drought in Malawi and across southern Africa the grain has doubled in price in the space of a year, and now costs around 200 kwacha ($0.28) a kilo.

Like many, Abale is struggling to pay for maize, a staple of the diet, and says her own - stunted - crop will not be ready for harvest for two months. "It's too expensive, I have almost no money," she said.

In all 2.8 million people in Malawi, or 17 percent of the population, now face hunger, according to the United Nations World Food Programme (WFP).

Drought and floods have hit the maize crop, exposing the fragility of gains which had seen Malawi's rates of malnutrition slashed in the past two decades.

That progress was partly rooted in a fertiliser grant for small-scale farmers. But now the government, starved of donor funds following a graft scandal over two years ago, can ill afford such payments and says it must scale down the programme.

Ironically, policies aimed at ensuring basic food security are partly to blame for a cycle of rural poverty and aid dependency in this landlocked African nation, leaving the population vulnerable to climate shocks, economists say.

"There is no doubt that the fertiliser subsidy was only feasible due to donor support," said Ed Hobey, an analyst at Africa Risk Consulting. "At best, it was unsustainable without continued donor support, at worst, it was an illusion built on aid."

Launched in 2005, the Farm Input Subsidy Programme (FISP) provides qualifying farmers - those with limited income but a plot of productive land - with two coupons which can be redeemed for two 50-kg bags of fertiliser. The recipients make a modest contribution, with the government footing most of the bill.

Because the government is subsidising the production of maize - the main source of calories for many poor households - it also bans the export of the grain.

The programme is credited by the government and some aid agencies with lifting maize production and cutting hunger.

The data appear to back that up.

The United Nations Food and Agriculture Organisation (FAO) says the percentage of Malawi's malnourished population fell to 21.8 percent in 2012-14 from 45 percent two decades earlier.

But FISP's role here is difficult to untangle as most of those gains were made before 2005. Still, there is evidence of benefits, including indirect ones.

Stunting among Malawi children - a key nutrition measure - fell to 42.4 percent in 2014 from 49 percent in 2002.

But the programme has also had unintended consequences.

The focus on food security, including the ban on maize exports, has discouraged investment in more productive commercial farming methods.

REUTERS/FILE

A Malawian man transports food aid distributed by the United Nations World Food Programme through maize fields in Mzumazi village near the capital Lilongwe.

"Our concern with the export ban is that it limits the scope to expand production among more medium and large-scale farms if they are unable to market the surplus," said Richard Record, World Bank Senior Country Economist, World Bank in Malawi.

In the long run such a ban stunts food production, especially in an age of increasingly high-tech farming, economists say. FISP also diverted state funds from other areas.

In all, FISP has accounted for as much as 9 percent of government expenditure and over half the agricultural budget, leaving scant funds to invest in rural transport links and other projects that would benefit the countryside.

"The FISP was not matched by increased investment in rural infrastructure especially roads and irrigation," said Hobey of Africa Risk Consulting.

This retards development of other sectors in the farm value chain, such as canning, which can kick-start industrialisation, economists and analysts say.

Initially FISP met its objective: providing calories to the rural poor. Between 2007 and 2014 Malawi produced bumper maize crops, with surpluses recorded since 2007 - until last year. A study in the "The American Journal of Agricultural Economics" found a 15 percent boost in maize production under FISP coincided with a 15 percent decrease in the amount of land devoted to the grain.

This suggests small-scale farmers diversified to cash crops such as tobacco and cotton.

Today FISP is no longer viable, government officials and analysts say.

Donor funds for the budget have dried up in the wake of a scandal over two years ago dubbed "cashgate", in which state officials siphoned millions of dollars.

"We are going to have to be scaling down expenditure on FISP, we are reacting to diminishing resources of funds for the budget," Finance Minister Goodall Gondwe told Reuters.

Belt tightening is underway, though the number of FISP recipients has remained unchanged at 1.5 million.

Instead of paying 500 Malawian kwacha ($0.70) toward the two 50 kg bags of fertiliser subsidised, Gondwe said farmers would now pay 3,500 kwacha. The cost of a bag is around 20,000 kwacha.

Several subsistence farmers interviewed by Reuters in their fields said they could not afford the 3,500 kwacha, let alone the full cost.

The price for fertiliser has surged as it is imported and the kwacha has been sliding against the dollar, losing 63 percent in the past 12 months. Gondwe said the programme this financial year would cost 54 billion kwacha instead of an original estimate of 40 billion, plus an additional 8 billion rand for seeds.

To be sure, FISP has helped individual farmers, such as Salome Banda. Five years ago, Banda made the transition from subsistence farming to producing a surplus of maize for market because she received the grant once.

"I have not had it since 2010 but I can buy my own fertiliser now," she told Reuters as she stood proudly by 50 kg bags of her maize stacked in a warehouse north of Lilongwe. She said one FISP grant tripled her production that season.

For others, the benefits have not translated into such gains and even Banda, while she produces surpluses, has hardly made the leap to more productive, technical farming.

"When I got FISP, I fed all my children," said Matezenji Watsoni, a 35-year-old mother of seven, as she waited outside a World Food Programme relief station in a rural Lilongwe suburb for a 50 kg bag of maize.

"But this is the third year I have not had it, and it has brought hunger to my house," she said.

This year a perfect storm is brewing after a decade of maize surpluses turned into a deficit of 225,000 tonnes in 2015, in a country that consumes 3 million tonnes annually. The harvest this season looks set to be even worse.