



Visitors crowd Novoair Dhaka Travel Mart 2016 organised by Bangladesh Monitor at Pan Pacific Sonargaon hotel in Dhaka yesterday. The fair ends tomorrow.

PALASH KHAN

Tourism must focus on uncharted area

Meetings, incentives, conventions and exhibitions are key to tourism growth: analysts

STAR BUSINESS REPORT

The tourism sector in Bangladesh should start working towards meetings, incentives, conventions and exhibitions, abbreviated as MICE, to give the largely untapped market a major boost, industry people said yesterday.

"MICE is one of the most lucrative niches within tourism. Business people who travel to a country to attend a trade show or conference tend to spend far more than other travellers," said Raquib Siddiqi, a travel writer, while presenting a keynote paper at a seminar.

He spoke at a seminar "MICE Tourism in Bangladesh" at the Novoair Dhaka Travel Mart 2016 at Sonargaon Hotel in Dhaka yesterday.

Worldwide, at least 50 million trips are taken each year for MICE purposes. The global MICE sector is worth about \$30 billion annually, according to Siddiqi.

"Unfortunately in Bangladesh, the MICE market has so far remained almost totally unexplored," he said, although Bangladesh has workable infrastructure and organising capabilities to hold inter-

national conventions, exhibitions and sporting events.

Abdul Mueyed Chowdhury, former managing director of Biman Bangladesh Airlines, said foreigners find it difficult to obtain visas to come to Bangladesh compared to many other countries.

"We have to simplify visa processing. In case of MICE, visa requirement could even be removed," said Chowdhury.

Bangladesh will have to start off now as it might take up to five years to give MICE a good shape.

SAM Showket Hossain, a management consultant, said if service providers can attract corporate bodies in Bangladesh, their MICE sales would double.

He, however, said the rent for convention centres and hotels have to be reduced.

Abdul Matlub Ahmad, president of the Federation of Bangladesh Chambers of Commerce and Industry, urged all companies under the tourism and hospitality sector to unite first and come under one umbrella. "You also need to stop looking at the government. The government can't grow tourism; it is the private sector that has done the job in other countries and the

private sector of Bangladesh has to do so."

Hanif Zakaria, country manager of Etihad Bangladesh, said the Maldives and Sri Lanka have only waters and coconut trees, but they have utilised their resources and been able to attract a huge number of tourists. "On the other hand, we have huge resources, but we have not been able to do the same," he said.

Kazi Wahidul Alam, editor of the Bangladesh Monitor, said the government and the private sector should start working towards MICE.

Mofizur rahman, managing director of Novoair, said MICE can help Bangladesh grow its tourism sector exponentially.

The four-day international tourism fair began on Friday.

The Bangladesh Monitor, the leading travel and tourism publication of the country, has organised the fair for the 13th time, in association with Novoair, the Bangladesh Tourism Board and Biman Bangladesh Airlines.

Rashed Khan Menon, civil aviation and tourism minister, inaugurated the fair, while Syed Ahsan Hossain Kazi, general manager of Biman Bangladesh Airlines, and Bhuban Chandra Biswas, director of

Bangladesh Tourism Board, were present on the occasion.

Daljit Singh, adviser to the tourism ministry of Malaysia, and Isra Stapanaseth, director of the Tourism Authority of Thailand, were also present.

About 50 companies such as national tourism organisations, airlines, tour operators, hotels, resorts, and healthcare service providers from a number of different countries, including Bangladesh, are taking part in the fair.

The Nepal Tourism Board is taking part in the fair to promote a number of destinations of the Himalayan country.

The board has brought in two private companies to sell their travel products, said Shradha Shrestha, senior officer of the Nepal Tourism Board.

About 20,000 Bangladeshis visit Nepal every year, Shrestha said. All participants are offering discounts at the fair.

One of them is Novoair which is offering 15 percent discounts on air tickets in its domestic routes and visa fee waiver in its lone international route Yangon, said Niladri Maharatan, its marketing manager.

The fair is open to visitors from 10am to 8pm until Monday. The entry fee is Tk 25.

Wells Fargo admits deception in \$1.2b US mortgage accord

REUTERS, New York

WELLS Fargo & Co admitted to deceiving the US government into insuring thousands of risky mortgages, as it formally reached a record \$1.2 billion settlement of a US Department of Justice lawsuit.

The settlement with Wells Fargo, the largest US mortgage lender and third-largest US bank by assets, was filed on Friday in Manhattan federal court. It also resolves claims against Kurt Lofrano, a former Wells Fargo vice president.

According to the settlement, Wells Fargo "admits, acknowledges, and accepts responsibility" for having from 2001 to 2008 falsely certified that many of its home loans qualified for Federal Housing Administration insurance.

The San Francisco-based lender also admitted to having from 2002 to 2010 failed to file timely reports on several thousand loans that had material defects or were badly underwritten, a process that Lofrano was responsible for supervising.

According to the Justice Department, the shortfalls led to substantial losses for taxpayers when the FHA was forced to pay insurance claims as defective loans soured.

Several lenders, including Bank of America, Citigroup, Deutsche Bank and JPMorgan Chase, previously settled similar federal lawsuits.

But Wells Fargo held out, and its payment is the largest in FHA history over loan origination violations.

Friday's settlement is a reproach for "years of reckless underwriting" at Wells Fargo, US Attorney Preet Bharara in Manhattan said in a statement.

"While Wells Fargo enjoyed huge profits from its FHA loan business, the government was left holding the bag when the bad loans went bust," Bharara added.

The accord also resolved a probe by federal prosecutors in California of alleged false loan certifications by American Mortgage Network LLC, which Wells Fargo bought in 2009.

No one has been criminally charged in the probes, and the Justice Department reserved the right to pursue criminal charges if it wishes, according to the settlement.

Franklin Codel, president of Wells Fargo Home Lending, in a statement said the settlement "allows us to put the legal process behind us, and to focus our resources and energy on what we do best -- serving the needs of the nation's homeowners."

Lewis Liman, a lawyer for Lofrano, did not immediately respond to requests for comment.

Wells Fargo on Feb. 3 said the settlement would reduce its previously reported 2015 profit by \$134 million, to account for extra legal expenses.

Britain urges China to speed up steps to cut steel capacity

REUTERS

BRITAIN asked China to tackle over-capacity in its steel industry on Saturday, hoping to stem the flood of cheap imports into Europe which India's Tata Steel said caused it to pull out of the United Kingdom, putting 15,000 jobs at risk.

Tata put its entire UK business up for sale last month, including steel works at Port Talbot in south Wales, saying it could no longer endure mounting losses caused by increased imports to Europe from countries like China, high manufacturing costs and domestic market weakness.

"I urged China to accelerate its efforts to reduce levels of steel production," Britain's Foreign Secretary Philip Hammond said in a statement after in talks with his Chinese counterpart Wang Yi in Beijing.

"The UK's focus is on finding a long-term sustainable future for steel making at Port Talbot and across the UK, and I welcomed the potential interest of Chinese companies in investment in UK steel-making."

The global steel industry is suffering from over-capacity as a slowdown in growth in the Chinese economy has dampened demand.

China, which produces half of the world's steel, and Russia have responded by diverting more of their steel output to markets like Europe.

The European Union opened three anti-dumping investigations into Chinese steel products in February and imposed new duties on imports after the European steel industry said thousands of jobs were at stake.

Sri Lanka requests equity swap for some of its \$8b China debt

REUTERS, Beijing

SRI Lanka has asked China to swap some of the \$8 billion it owes Beijing for equity in infrastructure projects and offered to sell stakes in its companies to Chinese ones, Colombo officials said on Saturday.

The ouster of President Mahinda Rajapaksa, who steered Sri Lanka toward China until his 2015 election defeat, was a setback for relations as his successor has reviewed projects to check if they were fair and legal.

Now President Maithripala Sirisena's government, faced with falling foreign reserves, a balance of payments crunch and few, if any, alternative investors, is heading back into China's embrace, albeit asking for better terms.

Speaking to reporters in Beijing, Sri Lankan Prime Minister Ranil Wickremesinghe said his indebted country was suffering because of global economic uncertainty.

"We've been talking with some companies and also the government of China about the possibility of some infrastructure projects becoming public-private partnerships, in which part of the debt will become equity held by the Chinese companies," he said.

International trade minister Malik Samarawickrama said Sri Lanka would also like additional funds from China, though they had not asked for a specific amount.

"We want to reduce the current debt by

inviting Chinese companies, Chinese investors, to look at some of the enterprises in Sri Lanka, the state-owned enterprises, with a view to taking at least part of that equity over," he said.

"Then we can reduce the current debt that we have and open up the opportunity for us to take more funds from Chinese banks."

Sri Lanka upset China when it ordered a review of a \$1.4 billion Colombo port city project last year, citing irregularities in the awarding of the contract to state-owned China Communications Construction Company (CCCC) by the previous government.

Last month, the present government, grappling with a difficult economy, ordered the Chinese firm to resume work on the project, the country's biggest foreign investment project, that includes apartments, shopping malls and marinas.

But CCCC, which had estimated that the shutdown would result in losses of more than \$380,000 a day, has sought compensation of \$125 million, according to Sri Lanka, which has said it can't pay and wants to negotiate.

"The company has asked for additional compensation in view of the fact they say there has been a delay," Wickremesinghe said. "But I think we can talk and settle it." Chinese projects in Sri Lanka have unnerved India, but Wickremesinghe said there was no security threat from the port.

"It's an opportunity for everyone to make money. That's what we do in Asia."



Sri Lankan Prime Minister Ranil Wickremesinghe attends a meeting with Chinese President Xi Jinping at Great Hall of the People in Beijing, China.

REUTERS



Dolce & Gabbana launches hijab and Abaya collection

British brands eye growing Muslim consumer market

AFP, London

FROM young start-ups to business giants, British entrepreneurs are eyeing a rapidly expanding global market for Muslim consumers with a range of brands from clothes to greetings cards to online gym courses.

In contrast to France, where there has been an angry debate about Muslim-specific consumer products, the approach in Britain seems more business-minded.

"Halal doesn't only apply to food but also to business ethics, dress etcetera," said Rauf Mirza, director of The Muslim Lifestyle Expo (MLE), which organises trade fairs on Muslim consumer trends.

The MLE this week organised a networking event bringing together 150 business leaders, experts and young entrepreneurs in central London to trade tips on the best way to profit from an expanding sector.

Famous names like the Marks & Spencer department store chain now offer Islamic fashion products -- in line with other world brands including Italian fashion house Dolce & Gabbana or Japan's Uniqlo.

In a debate about Dolce & Gabbana's business move, French women's rights minister Laurence Rossignol compared women who wear the Muslim headscarf to "ne-

groes who supported slavery" sparking a furious row that has put her under pressure to resign.

"Crossing the Channel, there is more pragmatism on these issues, which are seen only through an economic prism. It's seen as a business opportunity," said French businessman Ali Djedid, whose company Zeynara is based in Paris.

"In France instead we immediately politicise the debate," said Djedid, a former financial analyst.

"There is no doubt that there is a market, that it is growing and that we also need to adapt to modern consumer trends," he said.

At the MLE event, Faezah Qureshi from Yorkshire in northern England said she set up her Muslim greetings cards company Elaara after finding too many contained unsuitable images such as champagne glasses and churches.

Zahra Pedersen said she launched her online fitness course "The Healthy Hijab" for women who wear the veil and are embarrassed going to the gym with men.

"There was a big gap in the market," Pedersen, who was not wearing a hijab, told AFP.

Shelina Janmohamed, vice president at advertising company Ogilvy Noor, started off the London networking event with a

talk on how British companies could "tap into the global Muslim lifestyle sector".

She estimated Muslim consumer lifestyle spending at \$2.6 trillion (2.3 trillion euros) a year and pointed to the potential in the youth market in particular, with official data showing 14 percent of the world's population was Muslim and under 30 in 2010.

Janmohamed pointed to European countries with large Muslim minorities such as Russia (12 percent), France (7.5 percent), Netherlands (5.5 percent), Britain (5.0 percent) and Germany (5.0 percent).

It is not just Muslim entrepreneurs who are being drawn to the business opportunities.

Canadian David Home co-founded Alchemiya, a "Netflix for Muslims" with subscribers in 39 countries and offers programmes including documentaries on skateboarding in Kabul or Turkish muezzins.

Established names too are becoming more interested in marketing directly to Muslim consumers, including British supermarket chain Tesco which launched a Ramadan advertising campaign last year.

"If you're a global brand, how can you ignore 1.6 billion people?" Mirza said.