

Bangladesh displays local products to IPU delegates



MOHAMMAD AL-MASUM MOLLA

A guest visits a stall at a fair on the sidelines of the IPU assembly in Dhaka yesterday.

STAR BUSINESS REPORT

THE commerce ministry has organised an exhibition on the sidelines of the 136th Inter-Parliamentary Union (IPU) assembly to showcase the country's exportable goods and heritage to the foreign delegates.

The ministry has also been showing documentaries on the country's rich history and culture in the exhibition at Bangabandhu International Conference Centre in Dhaka.

The five-day fair will remain open from 9am and 7pm every day until tomorrow.

A total of 1,348 delegates from 131 countries have joined the IPU assembly. Apart from displaying exportable goods, various development activities of the government are also projected at the fair.

The domestic exhibitors are showcasing different items, including pharmaceuticals, leather and plastic goods, garments, food items ornaments, tourism products and products from tea and cottage industries.

Saber Hossain Chowdhury, president of IPU, said the delegates came from different countries to Dhaka for a brief period and they are in a very tight schedule now.

"So, we wanted to showcase the Bangladeshi items before them through a fair. They can buy the goods from the fair."

One of the goals of the event is that when the delegates will get back to their home, they will help create a market for Bangladeshi products to their respective countries, Chowdhury said.

"We are also displaying our culture and heritage here, because they

would not be able to go for country-side visit. So this will help them to get the glimpses of the village life of Bangladesh," he said.

So, the fair is organised mainly to showcase Bangladesh, to do branding for Bangladesh and to make Bangladesh familiar to a new height, he said. "The main message is that Bangladesh is ready to do business with the world."

"The fair is a very wonderful experience for us to know the talents of the people of Bangladesh," said a member of the Canadian delegation at the IPU summit.

"We are really enjoying it. I think it's good for the delegates from all over the world to be able to come and see these all. They will also be able to take some souvenirs from the fair to their homes. It's wonderful," the Canadian delegate said.

Textile company places rare bet on Turkey's Kurdish southeast

REUTERS, Turkey

IN Turkey's mainly Kurdish southeast, deeply scarred by conflict between state forces and militants, a textile firm that supplies companies across Europe plans three new factories - a rare bet the government can deliver on a vow to regenerate the region.

The government announced a \$2.8 billion investment scheme for the area in September, hoping to win over the population with the prospect of economic revival before a referendum later this month on expanding President Tayyip Erdogan's powers.

The Iskur group, a supplier to fashion brands including Zara, Adidas and Nike, sees its \$100 million investment as showing the way for other companies from western Turkey to take advantage of government incentives and lower wages in the east.

Undaunted by the militant Kurdistan Workers Party's (PKK) decades-old insurgency, it has been operating a \$30 million cotton thread plant outside the region's biggest city Diyarbakir since 2014 but few others have followed its lead.

"We have opened a door in Diyarbakir, creating an example for other investors in the west," plant manager Ekrem Kul told Reuters as workers tended to rows of machines spinning thread.

Iskur halted expansion plans in 2015 with the outbreak of some of the worst fighting since the PKK took up arms in 1984, but Kul said it revived them after the government initiative. It aims to employ more than 2,000 people in the new Diyarbakir plants, up from just 330 now.

Its optimism is rare in the region where, according to the United Nations, the upsurge in violence between July 2015 and December 2016 killed around 2,000 people, devastated whole neighbourhoods and drove half a million people from their homes.

The ruling AK Party, founded by Erdogan, owed much of its early

success to its stewardship of the economy after coming to power in 2002, improving roads, building bridges and hospitals.

The pro-Kurdish HDP says the government has, however, failed to solve the problems of the southeast, where more than 40,000 people have been killed in three decades of conflict.

Erdogan won support among Kurds for spearheading a peace process in 2013, the first time Kurdish political demands had been addressed, and for easing some restrictions on them.

But after a ceasefire with the militants collapsed in July 2015 he has ruled out a return to negotiations, saying security forces will "annihilate"



REUTERS/FILE

Workers are seen in front of a product line in a textile factory in Diyarbakir, Turkey.

The government counters it has boosted per capita income in the area to \$5,000 from \$800 with extensive state investment.

Prime Minister Binali Yildirim promised new factories, housing, hospitals and sports stadiums under the investment plan. Urbanisation Minister Mehmet Ozhasaki told reporters on Saturday state investments have so far focused on reconstruction of buildings damaged in the conflict. Alican Ebedinoglu, president of one Diyarbakir trade association, is sceptical private investment will follow.

"Every new government has made fresh legislation to provide incentives for investment in the region. But without peace and calm, these incentive packages don't mean much. If there is peace, the region hardly needs any incentives," Ebedinoglu said.

late" the PKK, which is considered a terrorist organisation by Turkey, the United States and Europe.

In events echoed in other towns in the southeast, armed youths dug trenches and laid explosives in Diyarbakir's ancient Sur district that is encircled by towering, Roman-era walls. Security forces fought back with tanks.

Security operations ended in Sur a year ago, but there are checkpoints all across the city and concrete blocks placed in front of buildings deemed vulnerable to the sporadic bombing attacks on security forces that have taken place since.

Ebedinoglu said the fighting caused 500 businesses to shut down completely, while shopkeepers were forced to close their stores for weeks or months at a time when the violence surged, meaning they fell behind on rent and debt payments.

Reckitt Benckiser reviewing options for food business

REUTERS, London

British consumer goods maker Reckitt Benckiser is reviewing strategic options for its small food business, it said on Monday, as it seeks to pay down debt following its planned \$16.6 billion purchase of Mead Johnson.

A sale of the business, which includes French's mustard and Frank's RedHot sauce, could fetch more than 2.4 billion pounds (\$3 billion), British newspaper The Sunday Times reported.

The company said the food subsidiary was not one of its core businesses and that it would update the market when appropriate. The food brands, which had 2016 sales of 411 million pounds and like-for-like growth of 5 percent, could fit into the

portfolios of other firms, such as Heinz ketchup maker Kraft-Heinz or Hellmann's mayonnaise maker Unilever.

Those companies are both in the spotlight following Kraft's failed bid for Unilever in February. Unilever is also due to announce the results of a strategic review in the coming weeks that could include the sale of some of its food brands.

Reckitt's food business has long been seen by analysts as a possible candidate for sale, given the company's increasing focus on consumer health products such as Durex condoms, Nurofen tablets and Strepils throat lozenges. Reckitt said in February it would buy baby formula maker Mead Johnson, in a surprise deal that gives it a new product line and boosts its business in developing markets.



REUTERS

Reckitt Benckiser said its food business, which includes French's mustard, was non-core.

Gold slips on profit taking, firmer dollar

REUTERS, London

Gold prices fell on Monday on a firmer dollar and as investors booked profits after bullion recorded its best quarter in a year on Friday.

Spot gold was 0.23 percent lower at \$1,245.71 per ounce at 1057 GMT, while US gold futures were down 0.3 percent at \$1,247.5.

The dollar index strengthened 0.25 percent against a basket of major currencies, pulling away from four-month lows plumbed last week.

"Gold is stuck between \$1,238-\$1,260 with the risk to skewed to downside based on rising expected interest rates and failure to break higher which has left it vulnerable to profit-taking in the short term," said Ole Hansen, the head of commodity strategy at Saxo Bank.

A Federal Reserve official said on Friday the Fed could pause interest rate hikes when it begins shedding its bond holdings, a move that could benefit gold.

Gold is highly exposed to interest rates as they lift the opportunity cost of holding non-yielding bullion.

In energy starved Indian villages, solar mini-grids light the way

REUTERS, India

A dusty plastic sheet covers a large diesel generator in a corner of a petrol station in Atrauli, a village in India's northern state of Uttar Pradesh, a modest but telling sign of progress.

The gas station used to shut at 7 p.m. every day because the lights would often go off, and there was no way to know when they would come back on, said Sudhakar Singh, the manager.

"The main power supply was very irregular, and operating the generator was expensive, so we could not afford to stay open beyond 7 p.m.," Singh told the Thomson Reuters Foundation, as motorbikes and trucks lined up for petrol and diesel.

Last year, the pump got a connection to a solar mini-grid, a local power network not connected to the national grid, which guarantees six hours of electricity every day. The pump has since stayed open all night.

"Now, our expenses are lower and we earn more because we can stay open all night. We have not used the generator once since we got the ... connection," said Singh.

Atrauli's electricity revolution is a symbol of the energy paradox dogging India, one of the world's fastest growing economies, where power cuts are rampant and per capita electricity consumption is about a third the global average. Fast-dropping costs for solar power, combined with plenty of sun and a huge need for electricity in a country where about 300 million people - a quarter of the population - are still without it means solar energy has huge potential in India.

Despite Prime Minister Narendra Modi's pledge to supply power to every citizen by 2019 and a surge in solar production, reaching remote villages remains a challenge, with distribution losses as high as 30 percent on antiquated lines, low tariffs and limited use.

Most of those without electricity live in the 99 percent of villages the government deems to be electrified because at least 10 percent of households and public places have electricity.

But at least half the electrified households do not get at least six hours of electricity a day. "While the grid has expanded and we generate enough power, distribution companies are not in a position to take that power, and are not interested in going into rural areas," said Aruna Kumarankandath at the Centre for Science and Environment.

"When the supply is so unreliable, people use it sparingly, making it an unattractive

proposition to invest in," said Kumarankandath, a renewable energy researcher.

The situation is particularly dire in Uttar Pradesh, India's most populous state where only 37 percent of households are electrified, compared with 67 percent nationwide.

Help has come from private mini-grids like the one in Atrauli operated by OMC Power, a

"There is enough demand in rural areas. If the supply is reliable and good, people are willing to pay more," he said. Uttar Pradesh is the only state with a policy for mini-grids. It aims to power nearly 20 million households, about a tenth of its population.

The state offers a 30 percent subsidy for these grids, which may also be powered by wind, biomass or water, and must guarantee at



REUTERS/FILE

A worker walks through the installed solar modules at the Naini solar power plant in the northern Indian city of Allahabad.

company with 67 grids in the state.

Renewable energy is key to India's electrification plan, and mini-grids with a capacity of 10 to 500 kilowatts (KW) are playing an increasingly important role.

"Mini-grids use the potential of untapped renewable energy and manage demand efficiently by generating power at the source of consumption," said Kumarankandath.

A base home package from OMC Power costs 110 rupees (\$1.70) a month and comes with a switchboard with an LED bulb and a socket for charging a mobile phone. Additional lights, fans and even a television can be added.

A 50 KW solar grid with battery storage and a distribution reach of 5 km (3.1 miles) can power small businesses, schools, two telecom towers and over 500 homes, said Sarraju N. Rao, chief technology officer at OMC Power.

least eight hours of electricity to homes, and six hours for commercial needs.

Importantly, the policy offers exit options when the areas have adequate grid supply: either the distribution company can receive energy from the mini-grids at an agreed tariff, or the project may be transferred to the distribution company.

India's ministry for renewable energy released a national draft policy for mini- and micro-grids last June.

It aims to deploy at least 10,000 renewable energy projects in the next five years in "unserved and underserved parts of the country", with an average capacity of 50 KW per project.

The ambitious targets come at a time when renewable energy is at a turning point in India, as generating electricity from renewables costs nearly the same as from conventional sources.