

Taking Bangladesh's success story to the world

Grameenphone CEO Michael Foley focuses on Bangladesh's investment prospects based on his experience in the country



stable macroeconomic indicators over the last 7 or 8 years with a growing middle-class, a strong impetus to create economic zones, new infrastructure and a couple of very large bridges to change the flow of traffic in the country.

Bangladesh is a fantastic opportunity for investors. And there needs to be a concerted effort from the business community to recapture the narrative about what it means to operate here.

As a major player in the economy and a company listed on the Dhaka Stock Market, Grameenphone too has a role to play in promoting and investing in South Asia -- and Bangladesh in particular.

More pertinently, Grameenphone is a great example of a Bangladeshi business success story.

In the last 20 years, mobile communications have greatly accelerated change in our culture.

Everybody who gets a phone here gets access to information, communication, security and education, among other things. Unarguably, mobile is a big equaliser.

It brings education where

education did not exist before; it brings trade where trade is difficult; it brings access to information and the democratisation of information where it was not available before. It even brings avenues of entertainment into people's lives.

As the largest operator in Bangladesh, Grameenphone has a profound responsibility to be sustainable and profitable and to invest in the society that it serves with a view to bringing about progress and respectful socio-economic change.

I strongly feel that one of Grameenphone's key objectives is to make the Bangladesh economy more digital and more competitive.

The importance of 4G for the dream of a digital Bangladesh cannot be understated. But in order to realise the true experience, much more spectrum should be made available at affordable prices.

Grameenphone's number one chosen role is to allow Bangladesh to continue to be an international competitor and to grow as well as diversify its exports.

There is incredible entrepreneurial and business talent in

this market. Their desire to build a better Bangladesh is matched to our desire to facilitate the same by providing services and infrastructure that make a difference.

Grameenphone is challenging the existing business models in order to provide customers the best tools, allowing them to act on their environment, interact with each other and transact in the marketplace.

Enabling these "moments" where customers act, interact and transact is at the very core of the growth opportunity for mobile operators globally, and Bangladesh is no different.

This does not mean we do everything. It means that we enable economic growth and digitalisation.

We create opportunities for others to use networks to build a digital economy that creates value for our customers and grows our own business.

In addition to providing telecom services, the way we do things makes a difference.

The way we apply our sense of ethics, the way we apply our governance, the way we apply our code of conduct or our way of work are humble examples of

how business can be done. We believe these are important contributors to the society that we serve.

As a corporate citizen of Bangladesh, it is on us to contribute to the fabric of the nation.

We think there is an opportunity for Grameenphone as part of the greater business community to recapture the narrative and play a more active role in promoting the country for foreign investment; to stop worrying about things that are going wrong and think about things that are going right.

With all due respect to our politicians who are expected to extol the virtues of investing in this market, when business leaders and foreign investors carry the message that this is a great place to invest, it builds greater credibility.

Grameenphone understands this and we carry and will continue to carry that message everywhere we go.

I think that as we head into 2018 and beyond, there is huge potential still to grow the market and the business.

Bangladesh is investment-ready and investment-worthy.

Bitcoin slides by over \$1,000 in less than 48 hours

REUTERS, London

Bitcoin dropped below \$7,000 on Friday to trade more than \$1,000 down from an all-time high hit on Wednesday, as some traders dumped it for a clone called Bitcoin Cash, sending its value up around a third.

Bitcoin has been on a tear in recent months, with a vertiginous sevenfold increase in value since the start of the year that has led to many warnings the bitcoin market - now worth well over \$100 billion - has become a bubble that is about to burst.

It reached a record high of \$7,888 around 1800 GMT on Wednesday after a software upgrade planned for next week that could have split the cryptocurrency in a so-called "fork" was suspended.

But it has quickly retreated from that peak, falling to as low as \$6,718 around 1330 GMT on Friday. It later recovered a touch to trade around \$6,880 by 1645 GMT, but that was still down almost 4 percent on the day.

"Bitcoin is all ups and downs," said Thomas Bertani, chief executive of Eido, a cryptocurrency wallet provider that recently became the first startup in the space to take out a full-page advert in the Wall Street Journal newspaper.

"The market realized that the price rise was an over-reaching, so people started selling... (and) there are many long and short positions that amplify price movements."

As bitcoin tumbled, Bitcoin Cash, which was generated from another software split on Aug. 1, surged, trading up as much as 35 percent on the day to around \$850, according to industry website Coinmarketcap.

Bitcoin Cash's transactions are processed in so-called "blocks" that are larger in capacity than bitcoin's, so can therefore in theory allow for more transactions to be processed at any given time, making transaction fees much cheaper.

The fork that had been planned for next week, known as "SegWit2x", had also intended to increase the capacity of the blocks, and could thus have reduced fees for bitcoin transactions.

TPP deal advances without US

REUTERS, Danang

COUNTRIES in the Trans Pacific Partnership (TPP) trade deal have agreed on the core elements to move ahead without the United States, officials said on Saturday, after last-minute resistance from Canada raised new doubts about its survival.

Taking the agreement forward is a boost for the principle of multilateral trade pacts after US President Donald Trump ditched the TPP early this year in favour of an "America First" policy he believes would save US jobs.

Talks - often heated - have been held on the sidelines of an Asia-Pacific Economic Cooperation (Apec) summit in the Vietnamese resort of Danang, where Trump and other leaders held their main meeting on Saturday.

"We have overcome the hardest part," Vietnam's trade minister, Tran Tuan Anh,

the new version was "essentially identical to the original document".

Any kind of deal looked doubtful on Friday, when a summit of TPP leaders was called off after Canadian Prime Minister Justin Trudeau did not attend. Canada's trade minister later blamed Trudeau's absence on "a misunderstanding about the schedule".

Canada, which has the second-biggest economy among remaining TPP countries after Japan, had said it wanted to ensure an agreement that would protect jobs. Canada's position has been further complicated by the fact that it is simultaneously renegotiating the North American Free Trade Agreement with the Trump administration.

In a speech in Danang, Trump sent out a strong message that he was only interested in bilateral deals in Asia that would not disadvantage the United States.

Chinese President Xi Jinping used the same forum to stress multilateralism and



Leaders pose during the family photo session at the Apec Summit in Danang, Vietnam yesterday.

told a news conference. The agreement, which still needs to be finalised, would now be called the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), he said.

Japanese Economy Minister Toshimitsu Motegi said he hoped that moving ahead with the deal would be a step towards bringing back the United States.

Partly to counter China's growing dominance in Asia, Japan had been lobbying hard for the TPP pact, which aims to eliminate tariffs on industrial and farm products across the 11-nation bloc whose trade totalled \$356 billion last year.

Some 20 provisions of the original agreement were suspended. Those included some related to protecting labour rights and the environment, although most were related to intellectual property - one of the main sticking points after the US withdrawal.

"The overall impact on most firms is quite modest," said Deborah Elms of the Asian Trade Centre think-tank, adding that

said globalization was an irreversible trend. The Apec leaders met in closed sessions on Saturday, pausing for the traditional "family photograph", taken above the South China Sea.

At the start of the meeting, Vietnamese President Tran Dai Quang noted APEC's success in removing barriers to trade - as well as the new uncertainty in the world.

"We have witnessed changes more rapid and complex than we expect," he said in opening remarks. Apec trade and foreign ministers released a joint statement on Saturday, three days later than planned because of wrangling over customary language the United States wanted to change.

The statement still refers to free and open trade, but it also refers to fair trade and to members "improving adherence to rules agreed upon".

A reference to strengthening the multilateral trading system was dropped. The ministers also said they would work to improve the functioning of the World Trade Organisation - which Trump criticised in Friday's speech.

Switzerland for improving investment climate in Bangladesh

UNB, Dhaka

SWITZERLAND Ambassador to Bangladesh Rene Holenstein has emphasised improving investment climate in Bangladesh as he sees economic opportunities in the country.

He is in Bangladesh with three priorities, Holenstein said in an interview with news agency UNB.

He said his first priority is to strengthen bilateral, political and diplomatic relations with Bangladesh.

His second priority is to develop cooperation with the Bangladesh government and people to achieve the sustainable development goals (SDGs) with their development support.

Holenstein will also work to strengthen bilateral economic relations between the two countries and help the Bangladesh economy grow. Switzerland has been a committed and longstanding partner of Bangladesh introducing innovative ideas and solutions over the years.

"Our journey started 45 years ago with humanitarian assistance."

The ambassador said the two countries established deep political, cultural and economic relations slowly and steadily.

Holenstein, an author of a number of books, said the economic relations between the two countries, in general, has developed positively over the last few years.

"Our trade has more than doubled since 2010. Major Swiss companies are currently present in Bangladesh. This is very encouraging. It's also encouraging to see more and more SMEs are coming to Bangladesh."

Asked about Swiss investment in Bangladesh, he said they saw a 17-percent rise in investment last year.

The trade volume stood at \$600 million last year with a year-on-year 16 percent growth, he said. "I'm fully aware that our trade relations are not yet at optimum level. We can contribute much more."

He said Switzerland can promote innovative technologies, particularly green technologies,



René Holenstein

and this will be a contribution to Bangladesh's development.

Responding to a question on investment climate, he said, "Yes, I've heard some concerns. However, I'm impressed while talking to businesspeople, especially representatives of Swiss companies, about their positive experiences. Many people are optimistic about economic opportunities in Bangladesh."

"Of course, there're some issues that require further improvement," Holenstein said mentioning infrastructure and administrative procedures. The ambassador, however, expressed satisfaction over the security measures taken for the foreigners and foreign investors in the country.

Holenstein emphasised skills development, improving local governance and ensuring a safe migration system in Bangladesh with assurance of providing Swiss support in these areas.

About the next national election in Bangladesh, Holenstein said, "As a friend of Bangladesh, I hope, the election will be fair, transparent and inclusive."

He said a favourable and safe condition is needed to be in place so that everybody takes part in the election.

"The election commission has been doing a lot of consultations with political parties, civil society and private sectors. We welcome this inclusive approach."

About the Rohingya crisis, he said, "We're very much concerned about the humanitarian situation."

Holenstein, who has visited the Rohingya camps twice since his arrival in Dhaka, praised Bangladesh government for its generosity and accepting so many people. "People's solidarity is also something extraordinary."

The Swiss ambassador said the main goal is to make sure that these people can return safely and with dignity and voluntarily.

"We haven't yet achieved that goal. We'll continue our efforts. We're absolutely beside Bangladesh."

Given the extent of this humanitarian crisis, Switzerland has decided to increase its financial contribution to 8 million Swiss Franc. Almost 1.8 million foreign nationals live in Switzerland, which is 24.3 percent of the total population.

The ambassador said Switzerland has always been an immigration-friendly country and many international organisations are there where foreigners are working.

With more than 613,000 Rohingyas now in Bangladesh, international agencies and partners are working on several fronts to support and protect them to avoid second wave of disaster - the outbreak of various diseases.

Holenstein, who speaks German, French, Spanish, English and Russian, said he is a great fan of rock music.

"I love music, particularly rock music. I love Bangladeshi music, too," he said appreciating the performance of Bangladeshi band Chirkut. "I loved that kind of music. I used to play drums. I can sing."

He said he is impressed by the eagerness of Bangladeshi people to learn, innovate and try new things.

China widens foreign access to its giant financial sector

REUTERS, Beijing

China will raise foreign ownership limits in financial firms in a step granting access to a tantalizing multi-trillion dollar financial services market, as the world's second-biggest economy seeks to position itself as a major global finance hub.

The move, announced on Friday by vice finance minister Zhu Guangyao, comes a day after US President Donald Trump reiterated calls for better access to Chinese markets in meetings with Chinese President Xi Jinping.

Xi is driving broad economic reforms by opening up China's capital markets, internationalising the yuan currency, and seeking technical know-how through the

pursuit of massive inbound and outbound investments.

The latest changes include raising the limit on foreign ownership in joint-venture firms involved in the futures, securities and funds markets to 51 percent from the current 49 percent.

They will take effect immediately following the drafting of specific related rules, Zhu told a news conference, adding China is "formulating a timetable and roadmap for financial sector reform and opening up".

The foreign business community gave a cautious welcome to the news. "Financial services further opening definitely has been high on our list," said Ken Jarrett, President of American Chamber of Commerce in Shanghai.

"It's a step in the right direction. We'll have to see the detailed rules. In China you always have to pay attention to the fine print to see how quickly it moves, but to finally ease up on the cap is something that is welcome."

The plan to ease ownership restrictions comes as Beijing faces mounting pressure from Western governments and business lobbies to remove investment barriers and onerous regulations that restrict overseas companies' operations in its markets. During his trip to Beijing this week, Trump said that trade between the two nations was unfair, and called for greater market access for US companies.

"We really have to look at access, forced technology transfer, and the theft of intellectual prop-

erty, which just, by and of itself, is costing the United States and its companies at least \$300 billion a year," Trump said.

"Both the United States and China will have a more prosperous future if we can achieve a level economic playing field. Right now, unfortunately, it is a very one-sided and unfair one."

Reuters reported on Tuesday that China planned to allow global banks to take a stake of up to 51 percent in their onshore securities ventures for the first time and tie up with local non-financial firms. China has been sluggish to give foreign players more access to its financial sector, but has promised to quicken the pace as foreign investment into Asia's economic powerhouse slows