



MD Abdul Halim Chowdhury, managing director of Pubali Bank Ltd, cuts a ribbon to open the bank's 459th branch at Chandina in Comilla yesterday.

Alibaba betting on long-term gain from eSports investment

AFP, Barcelona

The booming eSports industry may not yet attract the sponsors and television rights of real life sports, but Chinese e-commerce conglomerate Alibaba believes it is only a matter of time before its bet on competitive video gaming comes up big.

Alibaba's sports arm Alisports was opened in 2015 with the aim of cashing in on the rapidly growing world of electronic sports, where players square off in lucrative video game tournaments that draw millions of viewers online.

"We are prepared to lose money. We can accept the losses now as we hope to promote this sport," Alisports CEO Zhang Dazhong told AFP in an interview at the European final of the second edition of Alisports' World Electronic Sports Games (WESG) in Barcelona, which wrapped up on Sunday.

"For a sport that has a lot of participation, it must have a bright future. Even if for now you don't make a lot of money, in the future, you'll definitely be rewarded. This is something we firmly believe in."

In 2016, Alisports entered into an agreement with the International e-Sports Federation (IeSF) to create the WESG, a market-leading international tournament.

The first edition of the WESG saw 63,000

participants from 125 countries battle for a share of the \$5.5 million prize pot.

Yet the results weren't so lucrative for Alisports, who lost 70 percent of their investment. "We estimate that we will be losing money for the next five years," admitted Zhang.

Alisports' strategy, though, is a long-term one. "We estimate that in five to ten years...the business model will be more complete. On top of the competitions, we have to bear in mind the electronics business and marketing related to eSports," added Zhang.

Participation in eSports has soared as virtual games gain traction with a worldwide fan audience now estimated at 400 million people according to a study by Deloitte, more than that for baseball or American football's National Football League.

The size of the eSports market will more than double to \$696 million this year from \$325 million in 2015, according to Deloitte's study. It predicts the market will be worth \$1.5 billion in 2020. But the market is fragmented, with different operators staging their own tournaments, and sales of television rights and merchandising remain weak.

An eSport fan brings only three euros to the table annually on average, according to a recent study by market research group Nielsen Sports,

compared to 30 euros for a football fan.

Yet, Alibaba believes its position as the market leader in China, the worldwide powerhouse of eSports, ensures the return on eSports will be plentiful. "In China we have 1.8 million eSport fanatics and 65 percent of those are between 18 and 25," continued Zhang. "They play video games, but they also buy all sorts of products from Alibaba. We understand them very well."

The leap in popularity has helped fuel talk that professional gaming could become an Olympic discipline, but not everyone is convinced.

"I think we have to differentiate eSports and gaming in general," Zhang said when he was asked about the controversy.

"Gaming of course isn't a sport, but eSports involve high-level confrontation, teams, individual resistance, so I think it's a sport. And I think that sport in general is evolving towards a combination of technology and physical activity."

Zhang said he hopes eSports will be part of the 2024 Olympics in Paris or the 2028 Olympics in Los Angeles.

"It could happen, because at this year's Asian Indoor and Martial Arts Games, we already gave a demonstration of games. In the Asian Games in Hangzhou in 2022, it's already an official event," he said.

China to bring private capital into investment programme

REUTERS, Beijing

China issued guidelines on Thursday to encourage more private sector capital for public-private partnership (PPP) projects that channel funds into state infrastructure projects.

The government will step up financing support for PPP projects involving private capital by measures such as investment subsidies, the National Development and Reform Commission said on its website.

China is keen to attract private capital to government-led projects to alleviate a debt burden for local authorities, and has promised policies to support PPPs, though concern about fair access and low returns have deterred private sector investors.

State-owned enterprises, which technically qualify as the "private" component of PPP projects, have crowded out true private sector participation, which complicates the government's effort to reduce the debt burden on the state sector.

Beijing has also repeatedly said it would

take measures to boost private investment across the economy - stuck in single-digit growth rates for more than a year - which has required the government to step in with stronger fiscal support.

The guidelines state that private investors' opinions must be considered when creating PPP policies, and that those overseeing projects should allow private investors to avoid being responsible for complete early-stage work.

"Continually open the infrastructure sector. Apart from industries restricted by law, fully open to private capital, and do not restrict private capital participation in PPP projects in any form or by any means", the NDRC directive said.

More channels for project financing should be developed, including securitisation and bonds, while government-backed funds should invest in projects that include private capital, the NDRC said.

Governments can also consider full or partial equity transfers of PPP projects to private firms in order to entice more private participation, the guidelines said.



Mahmood Malik, executive director and CEO of Infrastructure Development Company Ltd (Idcol); Manmohan Parkash, country director for Asian Development Bank (ADB) Bangladesh, and Kazi Shofiqul Azam, secretary to Economic Relations Division, attend a deal signing ceremony last week. Idcol has secured \$526 million as the third credit line from ADB for financing private sector infrastructure projects.



Azharul Islam, chairman of Uttara Bank, cuts a ribbon to open the bank's 231st branch at Jaintapur in Sylhet yesterday. Mohammed Rabiul Hossain, CEO, was present.

Positive outlook for Japan as factory output hums

AFP, Tokyo

Japan's factory output edged up in October, government data showed Thursday, adding to signs the world's third-largest economy is on track to recovery.

Factory output rose 0.5 percent month-on-month in October, the industry ministry said, following a 1.0-percent drop in September.

The increase however was below market expectations of a 1.8-percent rise, as falls in the production of electronic devices and petroleum products offset gains in electrical machinery and transport

equipment.

"The latest figure is weaker than expected, but considering other brisk data recently released -- strong business sentiment in manufacturing and exports, among others -- I think the country's economic outlook is positive," said Yoshiaki Shinke, chief economist at Dai-ichi Life Research Institute.

Japan's prospects have recently improved with investments linked to the Tokyo 2020 Olympics giving the economy a shot in the arm.

The economy grew by 0.3 percent in the third quarter of the year, notching up its seventh straight quarter of

economic growth.

The growth in the July-September quarter marked the longest string of gains for more than 16 years, although the rate of expansion slowed.

However, wage hikes have been tepid and efforts to lift inflation have fallen flat despite years of aggressive monetary easing by Japan's central bank.

In late October, the Bank of Japan cut its annual inflation forecast but kept its ultra-loose monetary policy unchanged, as prices remain far below its inflation target of two percent.

Azad Hossain, a director of Connecting Edge Ltd, and Mofizur Rahman, managing director of Novoair, attend an agreement signing ceremony in the latter's Banani office in the capital yesterday. Connecting Edge will publish Novoneel, the airline's inflight magazine.



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REQUEST FOR EXPRESSION OF INTEREST (EOI) FOR APPOINTMENT OF INTERNATIONAL CONSULTANT FOR IMPLEMENTATION OF INDEPENDENT SYSTEM OPERATOR (ISO) (Package No-111)

Rural Electrification and Renewable Energy Development-II (RERED-II) Project
Credit No. 5158-BD

No. 27.71.0000.00406.050.17-1288

Dated: November 30, 2017

1. Government of Bangladesh is strongly committed to provide reliable and quality electricity to all people of Bangladesh. Demand of electricity has been increasing day by day. In the recent years, peak demand was more than 11,000 MW and the generation capacity is more than 13,000 MW. Out of total 13,621 MW, 7,476MW in public sector and 5,485 MW in private sector and 660 MW is being imported from India. During FY 2016-17 53.60% net energy is generated by private sector. At present there are 111 power plants out of which 45 plants in public sector and 66 plants in private sector. Due to change in policy, regulatory and legislation framework, participation of private sector investment is increasing day by day.
2. Power Grid Company of Bangladesh (PGCB), a state owned company, owns 10,436 circuit kilometers transmission line. It has grid substation capacity of 31,000 MVA. National Load Despatch Centre (NLDC) under PGCB is entrusted with the responsibilities to oversee voltage and frequency. Generation scheduling, plant despatch, plant outage etc. are operated by BPDB (Single Buyer) through NLDC. There are six state owned distribution entities including BPDB having total 401,000 kilometer distribution lines. The role of NLDC (PGCB's unit) is to play an independent role for plants operation and merit order despatch between public and private sector. Sometimes conflict arises during load sharing at grid level by the distribution entities. Under this context, government intends to establish an Independent System Operator (ISO) through separating NLDC from PGCB. Accordingly, to establish ISO, a provision has been incorporated in the proposed Electricity Act, 2017 which is under enactment by the Parliament.
3. The People's Republic of Bangladesh has received a fund from the International Development Agency for the Rural Electrification and Renewable Energy Development-II (RERED-II) Project and it intends to use a part of the proceeds of this credit for the Appointment of international consultant for implementation of Independent System Operator (ISO).
4. Now, Power Cell under Power Division, Ministry of Power, Energy & Mineral Resources invites EOI to appoint an international individual consultant. The consultant should have at least 15 years working experience in transmission network operation, load despatch center and Independent System Operator (ISO). The Consultant will prepare a model document to establish ISO in Bangladesh power sector.
5. Qualification of the consultant: Minimum Master Degree in Electrical/Mechanical Engineering (PhD preferable).
6. The consultant will be selected based on educational qualification, total experience, specific experience, professional skill, service record and availability. Expression of Interest (2 copies) has to be delivered with a full CV to the office of Director General, Power Cell by December 21, 2017, 1700 hours BST. Any submission received after the deadline will not be accepted.
7. Detail scope of work will be available in the Terms of Reference (TOR) which can be downloaded from the website of Power Cell (www.powercell.gov.bd).
8. The Authority reserves the right to accept or reject all EOIs.

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