

# Merkel to address reciprocal market access in China

REUTERS, Berlin

German Chancellor Angela Merkel said she would address trade issues such as reciprocal market access and intellectual property protections during her visit to China next week.

The four-term German leader said both countries recognised the rules of the World Trade Organisation (WTO) and would push for increased multilateralism at a time of rising global concern about protectionist trade measures undermining growth.

In a weekly videocast released on Saturday, Merkel said the discussions would also centre on impor-

tant issues such as the rule of law and ensuring equal access to each other's markets.

German companies have complained for years about barriers to the Chinese market, and the theft of intellectual property. Germany's domestic intelligence agency last year said industrial espionage by China, Russia and others cost German industry billions of euros each year.

Merkel's two-day visit will include talks with President Xi Jinping and Premier Li Keqiang, a government spokeswoman said on Friday. Merkel travels to China about once a year.

Her visit this year comes at a time

of sharply increased tensions with the United States over its withdrawal from the Iran nuclear deal negotiated by six world powers, including Germany and China. It follows her meeting with Russian President Vladimir Putin this week.

This time, Merkel will also visit the southern Chinese city of Shenzhen, home to several major technology companies, and the cradle of China's economic opening to the West.

"For that reason it is also very interesting for me to visit this dynamic city, where many German companies have their headquarters and production sites," Merkel said.

# BMW expands UK car recall again

AFP, London

German car manufacturer BMW on Friday expanded a British safety recall for another 88,000 vehicles because of a fire risk.

The announcement -- the second in two weeks -- comes after it had already expanded an initial recall to 312,000 diesel and petrol vehicles

on May 9 due to a risk of engines cutting out.

It will now examine another 88,000 cars, plus 200,000 cars that were already affected by the earlier safety checks.

"BMW has chosen to expand on its existing battery connector recall," a company spokesman said, adding it would replace two wiring

connections.

Models affected by the latest recall are all 3 Series petrol and diesel cars manufactured from December 2004 and July 2011.

The models affected in the May 9 recall are the BMW 1 Series, the 3 Series, the Z4 and its X1 cars that were produced between March 2007 and August 2011.

# Emirates announces Ramadan services

STAR BUSINESS DESK

Emirates has announced to provide its customers with its signature Ramadan services during the holy month.

Emirates' Ramadan service consists of specially crafted iftar meals on board, relevant programming on its ice inflight entertainment system and the distribution of dates and water on the ground for those breaking their fast.

The airline will also present specially designed iftar boxes with a nutritional meal for customers breaking their fast on board, the Dubai-based airline said in a statement yesterday.

The boxes have also been designed for customers to take away if they wish, the carrier said. "The menus will be refreshed mid-Ramadan."

These special meals will be available to passengers across all cabin classes on select Emirates flights that coincide with iftar times. The flights to and from the Gulf region as well as flights catering to Umrah groups travelling to Jeddah and Medina during Ramadan will get the service.

# IMF says Argentina loan terms under discussion

AFP, Washington

The board of the International Monetary Fund on Friday concluded an informal meeting on a loan program for Argentina but offered scant new details on the nature of pending support for the troubled Latin American economy.

A crisis of confidence in the Argentine peso has seen it plunge nearly 20 percent over the past six weeks and forced Argentina to seek a financial lifeline from the IMF.

In a statement, IMF Managing Director Christine Lagarde stressed that Buenos Aires would have political ownership of the program, which she said needed support from the Argentine public.

"This will be Argentina's economic program," Lagarde said in a statement.

"The authorities stressed that goals of the program would include creating a clear path to strong, sustained, and equitable growth and robust job creation," the statement said. "We fully endorse those goals."

Argentina requested the loan last week after financial turbulence hit the currency of Latin America's third-largest economy, as investors concerned by Argentina's high inflation yielded to the lure of a strong dollar.

Despite reform efforts, the country once again finds itself facing a falling currency, high debt and soaring inflation.

The currency weakened leading up to the IMF announcement but strengthened following its release, having gained one percent toward 1900 GMT at 24.4017 to the dollar.

Lagarde appeared to acknowledge that IMF

support for Argentina could come with severe political hazards, given the bitter history the country has with the Washington-based lender, and the negative views on the conditions the fund might require.

Opinion polls say as many as 75 percent of Argentines oppose any agreement with the IMF, which many link to painful memories of past economic and social crisis, which culminated in 2001 with a sovereign debt default for which many Argentines blame the IMF. More than a decade ago, Argentina paid off its last IMF loan and severed relations with the Fund.

Thousands demonstrated in Buenos Aires on Wednesday and Thursday against an IMF bailout, marching to government offices and brandishing anti-IMF banners.

Lagarde said Buenos Aires had been "conscious of the need to build and maintain social consensus." Argentina will seek an "exceptional access" stand-by arrangement, the terms of which remain under discussion between IMF and Argentine officials, according to Lagarde.

IMF stand-by loans last for up to three years, but more usually last 12-24 months.

They require regular reviews by IMF staff to make sure the government is following through on reform commitments and meeting targets for things such as spending cuts and pension reforms. Argentina's economy grew in 2017 and the country this year hopes to cap inflation at 15 percent but still faces currency devaluation and mounting prices.



BRAC BANK

Shibli Rubayat Ul Islam, dean of business studies faculty at the University of Dhaka, receives a cheque from Chowdhury Akhtar Asif, deputy managing director of Brac Bank, at a programme recently. The bank provided funds to meritorious students as a part of their corporate social responsibility.

# Central Pharma directors game the system

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In the process, the two made a killing. Rukunuzzaman and Bhuiyan had sold off their entire holdings in Central Pharmaceuticals without informing the DSE, breaching the Listing Regulations 2015. Not only that, the selloff brought down sponsors' shareholding in Central Pharmaceuticals to 25.89 percent, in another violation of the law.

As per a directive of the Bangladesh Securities and Exchange Commission, the sponsors of a company must hold 30 percent of the shares at any given moment.

Meanwhile, on November 6 last year, in another post on the DSE website, Central Pharmaceuticals informed that the share purchase agreement has been scrapped due to long delays by Alif Group.

The news sent Central Pharmaceuticals' share price tumbling to Tk 15, which is

more or less the same level before the company had made its first announcement on the DSE website in February last year.

The episode provides a stunning example of how some rogue players gaming the system and getting away with it -- in the absence of strict monitoring and penalties by the regulator. Md Kamal, an official of the share department of Central Pharmaceuticals, said the two directors remain out of reach. Central Pharmaceuticals does not know how and to whom they sold off the shares, he added.

Some sponsors have deceived the general shareholders by disseminating the news of the ownership change, said Abu Ahmed, a former chairman of the Dhaka University's economics department. "But no one even asked them why the ownership change plan fell through," he added.

Directors selling shares without

making any disclosure beforehand is a breach of law, said Saifur Rahman, executive director of the BSEC, adding that action will be taken against them.

"If the regulator instructs us, we would take actions," said KAM Majedur Rahman, managing director of the DSE.

Azimul Islam, managing director of Alif Group, could not be reached.

When the ownership change plan was announced, Central Pharmaceuticals Managing Director Munsur Ahamed had said a pharmaceutical company needs huge investment to be fully compliant and Alif Group has the financial strength to do it and make it an export-oriented company.

Central Pharmaceuticals was established by Getco/BanglaCAT in the 1980s. In 1993, Metro Group purchased it. A few years later, Metro Group sold the company to Ahamed.

# TV sales to jump amid World Cup fever

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A free home theatre/sound bar will be given with specific models of Samsung TVs. The offer will be valid till May 31.

Customers can also exchange an old TV for a new one for a discount of up to Tk 35,000, depending on the old one's condition.

Moreover, Samsung TVs bought during this campaign can be exchanged 12 months past the sale date for an ungraded one, albeit at a discount of 70 percent of the former's price.

"Samsung is always working to enhance the lifestyle with innovations and creativity. These exciting offers are a small portion of our efforts to stay connected with every inhabitant of Bangladesh," said Samsung Electronics Bangladesh's Managing Director Seungwon Youn.

Youn too said their sales slightly increased

in the past one week just after the offer was made but it would take at least a couple of weeks to know about the sale growth.

Walton is keeping open an offer for a Russia tour for one person and another to the US till July 15, Uday Hakim, operative director (creative and publication) told The Daily Star.

Singer Bangladesh will give away 1,000 Singer-branded LED or smart televisions for free in total, said CEO MHM Fairoz.

"Seventeen customers of the TVs will get their whole money back through lottery every day under this campaign and it will continue till July 15," he said.

The company will also offer cash discounts of up to Tk 8,500, six months' interest-free installment facility and wireless keyboard/router with specific models of smart TVs.

# Onion pricier on Ramadan demand

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If all costs are added up, the import price through the port stands at Tk 19 per kg.

The import of onion is less than the demand and the transport cost has also increased, said Feroz Ahmed, an importer.

Sukur Ali, owner of Mim Banijiya Bhanadar in Benapole, said they are buying Indian onion at Tk 23 per kg and selling for Tk 25 in the retail market.

He said a portion of the imported onion gets rotten because of heat, compelling them to increase the price of the item to offset losses. Roksana Khatun Brishty, a retail customer, said onion price increases

before Ramadan every year.

"Politicians also assure us that the price will not go up but it doesn't materialise. Consumers have to count extra for the essential item," she added. Another customer said an effective monitoring of the imported price and the retail price could bring the price of the item under control.

Syed Ahmed Rubel, deputy commissioner of Benapole Customs House, said the import of onion increased ahead of Ramadan. He said officials have been directed to quickly release the consignment from the port.

# Indian firm to buy equipment for BTRC

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The Bangladesh Telecommunication Regulatory Commission will sign a deal with the Indian company at a programme tomorrow to purchase the equipment.

The initiative has been taken in response to a petition over such radiation filed by a rights body in 2012. The High Court in March last year told BTRC to take preventive measures, if necessary.

Following another High Court order, the health ministry later formed an expert

committee which looked into some Dhaka towers and found the radiation harmful to public health.

The radiation measurements will help the BTRC to formulate the future regulatory guidelines for the telecom towers, said a BTRC official of the engineering and operation wing.

Fastech has been asked to deposit Tk 29.31 lakh as a performance bond before the signing of the deal, said a BTRC official related to the issue.

# Licences getting hard to come by

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Subsequently, some officials refrained from issuing licences without checking documents properly to avoid probe by anti-corruption watchdog. Besides, many firms apply for licences with incomplete documents, he added.

"That's why, applications got piled up," he said, adding that steps are being taken to clear the backlog.

Out of nearly 170 applications for licences, the CBC Dhaka has sought documents from about 100 firms and 40 applications are under process of issuance, the official added.

# Vietnam set to tighten clamps on Facebook and Google

REUTERS, Hanoi/Singapore

A struggle over internet laws in Vietnam is pitting a government keen on maintaining tight control against U.S. technology companies trying to fight off onerous new rules - with the country's online dissidents among the biggest losers.

The latest conflict centres on new cybersecurity legislation set for a vote by Vietnamese lawmakers later this month. It aims to impose new legal requirements on internet companies, and hardens policing of online dissent.

Facebook, Google and other global companies are pushing back hard against provisions that would require them to store data on Vietnamese users locally and open offices in the country. But they have not taken the same tough stance on parts of the proposed law that would bolster the government's crackdown on online political activism.

Vietnam offers a case study in the conflicting pressures the likes of Facebook and Google confront when operating in countries with repressive governments. It also shows how authoritarian regimes try to walk a line in controlling online information and suppressing political activism without crippling the digital economy.

Such tensions are playing out across Southeast Asia, where the enormous popularity of Facebook and Google has created lucrative business opportunities and outlets for political dissent. With that, though, has come both government censorship and a way to get propaganda to large audiences efficiently.

The region is particularly important for Facebook and Google because most Internet users in China are blocked from accessing them.

An industry group called the Asia Internet Coalition (AIC) is leading efforts to soften the proposed cyber law in Vietnam. Jeff Paine, managing director of the AIC, said he and others were able to raise concerns about the law directly with Vietnamese Prime Minister Nguyen Xuan Phuc and other top government officials when they visited Singapore last month.

The discussions took place as part of a seminar about internet issues that included academics, industry officials and the high-level Vietnamese delegation, according to Paine. He said there was "a healthy dialogue" that focused mostly on how Vietnam can leverage the next stages of the digital revolution.

But he said there was no discussion of content restrictions. The Vietnamese government did not respond to a request from Reuters for comment for this article.

Political activists in Vietnam rely on social

media to rally support, and the new cyber law comes on the heels of an April letter from more than 50 rights groups and activists to Facebook Chief Executive Mark Zuckerberg accusing the company of working too closely with the Vietnamese government to stifle dissent.

Facebook and Google say they have to abide by local laws in the countries where they operate.

Facebook's latest "transparency report," released Tuesday, shows that in the second half of last year, the company began blocking content in Vietnam for violations of local law for the first time. The company reported 22 such instances - though it said they were prompted by "private reports of defamation" rather than direct government requests.

Google last year also blocked YouTube videos at the request of the government for the first time. Updated figures released Friday show the company was asked to remove more than 6500 videos in 2017, mostly for criticizing the government, and that it complied with a majority of the requests.

The transparency reports do show that the companies don't automatically do the bidding of the government. Facebook said it had received 12 government requests for Facebook user account data in 2017 and complied with only 4 of them, all of which were "emergency" requests. The company defines an emergency as involving "imminent risk of serious physical injury or death."

In cases where content is alleged to violate local law, both companies say takedown requests

are subject to legal review, and when they comply the material is only blocked locally.

Direct government censorship requests don't tell the whole story though.

Facebook also removes content and blocks accounts for violating its own global "community standards," which bar material and behaviours ranging from posting pornography to hate speech and inciting violence.

"The first thing we do when a government tells us about content that violates laws is we look at whether it violates our standards," said Monika Bickert, Facebook's vice president of global policy management. The company this week began providing data on community standards violations but does not break it down by country.

"My account was blocked for 8 months," said Le Van Dung, an independent journalist in Vietnam who signed the letter to Zuckerberg. "I sent letters to Facebook management for months but there's only an automatic reply saying they have completed your request."

His account was restored last month, the day after the appeal to Zuckerberg was sent, he said.

Facebook said Dung's account was correctly removed for violating community standards provisions barring "spam" activities and was restored by mistake. Dung denies engaging in spam. He did, though, have more than one account. Multiple accounts are not allowed on Facebook and fall within the company's definition of spam behaviour.



REUTERS/FILE

A rights activist live streams on Facebook in a coffee shop in Hanoi.