



HT Imam, third from left, political adviser to the prime minister, attends the launch of an online store—oikko.com.bd—selling products of small and medium enterprises, at Bangabandhu International Conference Center in Dhaka.

## Singapore eyes China-backed Asia trade pact this year

AFP, Washington

Singapore's trade minister said Wednesday he was hopeful that an Asia-wide trade pact, which is backed by China and excludes the United States, could be sealed by the end of the year.

On a visit to Washington, Trade and Industry Minister Chan Chun Sing said that a clearer picture would emerge on the Regional Comprehensive Economic Partnership (RCEP) in May after elections in four countries that are part of it — India, Australia, Indonesia and Thailand.

"I think the gaps are narrowing and I think we have a fair chance to get it

done this year," Chan told the US-ASEAN Business Council.

He said that RCEP, which would be the world's largest trading pact, had both economic and geostrategic benefits as it would mark a strong statement that "we all continue to believe in a rule-based, open trading system."

Singapore, as chairman last year of the Association of Southeast Asian Nations, had pushed hard for the conclusion of RCEP which linking nearly half the world's population including China, India, Japan and Southeast Asia.

But China pushed back the timeline for the 16-member pact to this year amid sticking points over

market access and particular resistance in India to opening its borders to a raft of duty-free Chinese goods.

China has championed RCEP amid its prolonged trade showdown with US President Donald Trump, a protectionist who has imposed billions of dollars' worth of tariffs as he accuses China of scamming the United States.

RCEP gathered steam after Trump on taking office pulled out of the Trans-Pacific Partnership, a trade pact advocated by his predecessor Barack Obama that did not include China and, unlike RCEP, established labor and environmental standards.

## From farms to slums, Indian women on sharp end of jobs crisis

REUTERS, Chincholi, India

A few years ago, in this sweltering corner of western India, the horizon was dotted with hunched, barefoot women swinging sickles all day to cut wheat for the spring harvest.

Now, a giant green harvester clears an entire half-acre field within minutes, allowing farmers to save money and quickly sell the wheat, typically used to make Indian flat breads.

Chhaya Kharade, 36, and other women doing lighter farm work were gradually replaced by the machines that now crisscross wheat, sugar cane and onion fields surrounding Chincholi, a village 190 km (120 miles) east of India's

financial hub of Mumbai.

"I should be busy now, as the wheat harvesting is going on. But there is hardly any work for me. Almost all farmers are using machines," Kharade said in her spartan two-room house.

Indian women, especially those working in precarious informal sectors, are at the sharp end of what economists and opposition politicians describe as a jobs crisis in India. According to the private Centre for Monitoring Indian Economy (CMIE), 90 percent of around 10 million jobs lost last year were held by women.

Several unemployed women interviewed by Reuters said they had soured on Prime Minister

Narendra Modi, a Hindu nationalist who swept to power in 2014 vowing to turn India into an economic powerhouse but has struggled to create jobs.

While Modi remains the favourite in general elections that kick off next month, insufficient employment — despite India's roughly 7 percent economic growth rate — is a major voter worry.

"Modi's government has not done anything to create employment in this region. We would like to vote for a party that will set up factories and create jobs," said Mumtaj Mulani, a 40-year-old woman who was plucking weeds from a pearl millet field in the area. She said she usually struggles to find work due to the spread of machines.

The dwindling female labour participation rate could have far-reaching implications for India's economic development and the progress of women's rights in the often deeply conservative country.

"When nearly fifty percent of the labour force is unable to live up to its potential, India is foregoing significant growth, investment, and productivity gains," said Milan Vaishnav, director of the South Asia programme at the Carnegie Endowment.

"The social costs, while less tangible, are nevertheless acute," Vaishnav added, noting research suggests women's economic empowerment reduces inequality and ensures women have a greater voice in society.

Measuring the problem is tricky, and Modi's government has

delayed the release of controversial jobs data.

But the official report, leaked to local newspaper Business Standard in February, shows the female labour participation rate was merely 23.3 percent in 2017-2018, down about 8 percentage points from 2011-2012.

Private estimates are gloomier. CMIE puts the figure at just 10.7 percent between May and August 2018.

To be sure, the loss of jobs to machines is a global issue, but Indian women have a more limited range of alternative work than their male counterparts. And in family-focused India, women across economic lines often quit work after getting married or having children.

Also, as some families' earnings rise, more women can afford to become caregivers.

Still, when compared to nations with similar income levels, India's female labour participation rate is "a distinct outlier," according to Vaishnav.

Economists say Modi's two signature economic policies — a ban on high-value banknotes in 2016 and the implementation of a national sales tax rate (GST) in 2017 — have hurt women more than men because they are more likely to be employed in vulnerable, informal workplaces.

Demonetisation thrust the informal, cash-based economy into turmoil. A year later, many small businesses went under, unable to deal with GST's complexities or rate



Matthew Morell, director general of International Rice Research Institute, receives a memorabilia from Arif Dowla, managing director of ACI Ltd, during a scientific seminar on rice production organised by ACI Ltd at ACI Centre in Dhaka. FH Ansarey, managing director of ACI Agribusiness, and Shusmita Anis, managing director of ACI Formulations Ltd, were also present.



Mamun-Ur-Rashid, CEO of Standard Bank; Md Motaleb Hossain, deputy managing director, and MA Awal, chairman of the Prime Group of Industries, attend a deal signing ceremony at the bank's head office in Dhaka facilitating the group's salary disbursements through the bank.

## Warm February helps UK retail sales keep up strength

REUTERS, London

British retail sales unexpectedly kept up a robust pace of expansion last month, after unusually warm weather boosted sales, reinforcing the sector's role as a bright spot for the economy ahead of Brexit.

Annual retail sales growth slowed only a fraction to 4 percent in February after sales volumes grew at their fastest in more than two years in January, the Office for National Statistics said on Thursday.

Economists polled by Reuters had forecast a slowdown in sales growth to 3.3 percent.

Consumer spending has been a source of strength for the British economy at a time when businesses say that Brexit uncertainty is forcing them to postpone investment and a slower global economy is hurting export demand.

On Wednesday Prime Minister Theresa May asked for a three-month delay to Brexit on Wednesday to buy time to get her twice-rejected departure deal through parliament, but the request faced immediate resistance from the European Commission.

Sales volumes in February alone rose by 0.4 percent versus a poll forecast of a decline, after jumping by 0.9 percent in January, while annual sales growth for the three months to February was its strongest in over two years at 3.7 percent.

Falling inflation, a steady rise in wages and the lowest unemployment since 1975 have all boosted household incomes over the past year, though after inflation wages are still below their peak before the financial crisis.

Last year overall British economic growth slowed to its weakest since 2012 and the Bank of England — which

is predicted to keep rates on hold later on Thursday — forecasts the weakest growth for a decade this year.

The ONS said that unusually warm weather in February had boosted spending at garden centres and on sporting equipment, sales fell at supermarkets and in clothing stores due to an end of January's seasonal promotions.

Earlier on Thursday, major British clothing chain Next reported a small fall in annual profit on Thursday, hurt by lower store sales, and forecast another decline for 2019-2020.

Figures from the British Retail Consortium at the start of the month had suggested that annual sales growth at bigger high-street stores slowed in February, with the trade association blaming Brexit.

Separate figures from the ONS on Thursday showed the government broadly on track to meet updated borrowing goals for the 2018/19 financial year, as the

strong labour market boosted income tax revenue.

Public borrowing for February, the eleventh month of the tax year, fell to 0.2 billion pounds from 1.2 billion pounds a year earlier, below economists' average forecast of 0.6 billion pounds in a Reuters poll.

With just one month remaining of the current financial year, government borrowing totals 23.1 billion pounds, down 44 percent from the same point in the 2017/18 tax year, though these figures are likely to be revised further.

Last week Britain's official budget forecasters cut their 2018/19 borrowing forecast to 22.8 billion pounds or 1.1 percent of GDP from 25.5 billion pounds.

Finance minister Philip Hammond said at the time that if Brexit went smoothly there would be more money for public services in a major multi-year spending review due late this year.



Shoppers are seen during the Boxing Day sales in central London.

## Foreign subsidies fuel Norway's e-car boom, for now

REUTERS, Oslo

On the outskirts of Oslo, a row of Fiat 500es imported from California stand parked in the snow outside the Buddy Electric dealership, part of a global flow of pre-owned electric cars to Norway powered by green subsidies elsewhere in the world.

The company's production manager, Tor Einar Hanssen, said it had sold about 110 in the past year and a half, making a small profit on the cars, most of which had been used for a few years by US leasing companies.

"They're surprisingly good in cold weather," he said.

A gleaming blue Fiat 500e is on sale for 129,000 Norwegian crowns (\$15,000) with 24,000 km (15,000 miles) on the clock. It costs about 20,000 crowns (\$2,300) to import and adapt each Fiat, Hanssen said.

On US used car websites, similar Fiats in California are advertised for about \$10,000.

Norway has the world's highest rate of electric car ownership in the world, partly thanks to long-term perks such as free or discounted road tolls, parking and charging points, which boost the appeal of second hand models unwanted elsewhere.

The government also exempts electric vehicles from taxes on traditional vehicles that are very high in a country which does not have its own fossil fuel car industry to lobby against them. Rebates offered by other countries are another part of the equation.

In California, residents who own a new battery electric car for at least 30 months can get a rebate of up to \$4,500, said John Swanton, of the California Air Resources Board.

The Fiats show how varying incentives around the world to promote electric cars, spurred by efforts to com-

bat climate change and limit air pollution, can affect trade flows.

They can also distort national goals for shifting from fossil fuels, although US exports to Norway of 4,232 used electric cars in the past two years are tiny compared with US sales. The state of California alone aims to have five million zero-emission vehicles on its roads by 2030.

The issue has a bigger impact in some European countries, which may be over-estimating the greenness of their domestic car fleets due to exports to Norway, where top plug-in cars include Nissan Leafs, Volkswagens, BMW and Tesla.

"We're getting a certain amount of vehicle electrification for free, paid by other countries," said Lasse Fridstrom, a senior research economist at the Norwegian Center for Transport Research.

"But perhaps it won't last," he said of the used e-car imports. He and some car dealers say demand for electric cars elsewhere in Europe is picking up, and that Norway could swing to be a net exporter of used electric cars in coming years.

At the moment, long waiting lists for new electric cars in Norway mean that people who obtain a new model in high demand, such as a Tesla Model 3 or Hyundai Kona, can potentially resell it above list prices that are already higher than elsewhere.

Part of the reason is a bottleneck in new e-car imports. This is caused, to some extent, by incentives for car makers to sell electric cars in the European Union, of which Norway is not a member, even if they are immediately exported to Norway.

To tackle this issue, from January 2019, sales of new cars in Norway are included in a broader EU calculation of the greenness of each manufac-

turer's European-wide car fleets, a target the carmaker must meet to avoid large penalties.

This could reduce Norway's demand for imports but may also mean its EU neighbors record fewer sales.

Last year, plug-in electric cars accounted for 31.2 percent of new car registrations in Norway, the highest in the world, and the share rose to 34.2 percent when including second-hand imports, according to the Norwegian Road Federation (OFV). The two figures surged to 40.7 and 43.5 percent in February 2019.

Statistics Norway said 11,913 used electric cars and vans were imported last year, up from 9,063 in 2017 when it started to compile data of the second-hand trade.

They came from countries including Germany, the Netherlands, Sweden, Britain and South Korea, bringing some of the benefits of cleaner air and less noise intended for their citizens to Norway, where the environment is already far cleaner than in many other countries.

Trod Sandven, a Jaguar Land Rover dealer in Bergen in west Norway, bought 250 new Kia Soul cars last year in countries including Germany. After registering them for a day so that they counted towards manufacturers' green goals under the EU rules, he exported them undriven to Norway to sell as "second hand".

"They're brand new, with the plastic still on the seats. The only thing we do is the paperwork," said Sandven. He said he received no German subsidies, since that would require owning the cars for several months in Germany.

"Now it's changing again, now we are exporting cars to other countries," he said. "Norway is crowded with used electric cars and Europe is screaming for electric cars. It's changing every year."