



Emrah Karaca, country manager for Bangladesh at Turkish Airlines, and Halit Tuncer, regional cargo sales and marketing manager, attend an award giving ceremony for the airline's top travel and cargo agents at Radisson Blu Dhaka Water Garden on Wednesday.

TURKISH AIRLINES

US, Chinese trade negotiators face 'large amount of work'

AFP, Beijing

Beijing said Thursday US and Chinese negotiators still face a "large amount of work" as they meet for fresh talks aimed at resolving a months-long trade war.

US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin arrived for two days of meetings in Beijing with China's top economic official Liu He, the first since China put into law new measures seen as an olive branch in their high-stakes stand-off.

While US President Donald Trump has voiced hope that he could soon hold a signing ceremony with his Chinese counterpart Xi Jinping, negotiations have dragged on, suggesting

substantial differences remain.

Liu, Mnuchin and Lighthizer have "made some progress" after holding several phone calls recently, commerce ministry spokesman Gao Feng said at a weekly press briefing.

"But there is still a large amount of work remaining to finish," he said, adding both sides are "going all out to earnestly negotiate" following the truce struck by Xi and Trump in December.

The negotiators will have a working dinner on Thursday before a full day of talks on Friday, Gao said. Liu He will head to Washington next week for more talks.

"Ambassador Lighthizer and myself are pleased to be back here in Beijing. We look forward to productive meetings," Mnuchin said ahead

of the dinner. Lighthizer has sought to play down expectations.

"I'm hoping but not necessarily hopeful," he told National Public Radio earlier this week. "If there's a great deal to be gotten, we'll get it -- if not, we'll find another plan."

The two sides have slapped tariffs on hundreds of billions of dollars of goods since last year, hitting a slew of businesses. Trump suggested last week some of those tariffs should stay in place after a deal is reached to ensure China follows through.

Beijing has taken steps to address some US complaints. Earlier this month, China's rubber-stamp parliament rushed through a law that seeks to protect foreign firms from the forced transfer of technology.

Britain rebukes Huawei over security failings, discloses more flaws

REUTERS, London

Britain publicly chastised China's Huawei Technologies for failing to fix long-standing security flaws in its mobile network equipment and revealed new "significant technical issues," increasing pressure on the company as it battles Western allegations that Beijing could use its gear for spying.

In a report published on Thursday, the government-led board that oversees vetting of Huawei gear in Britain said continued problems with the company's software development had brought "significantly increased risk to UK operators."

The board - which includes officials from Britain's GCHQ communications intelligence agency - said in the report that the company had made "no material progress" addressing security flaws and it didn't have confidence in Huawei's capacity to deliver on proposed measures to address "underlying defects."

The unusually direct criticism is a fresh blow to the world's largest maker of mobile network equipment, which has been under intense scrutiny in recent months.

Officials in the United States and elsewhere have been increasingly public in voicing concerns that Huawei's equipment could be used by Beijing for spying or sabotage, particularly as operators move to the next generation of mobile networks,

known as 5G.

Shenzhen-based Huawei said in a statement it took the oversight board's concerns "very seriously" and that the issues identified in the report "provide vital input for the ongoing transformation of our software engineering capabilities".

Huawei pledged last year to spend more than \$2 billion as part of efforts to address problems previously identified by Britain, but has also warned it could take up to five years to see results.

British security officials previously said they believed any risks posed by Huawei could be managed.

In the report, the government-led

board said: "These findings are about basic engineering competence and cyber security hygiene that give rise to vulnerabilities that are capable of being exploited by a range of actors."

"NCSC (National Cyber Security Centre) does not believe that the defects identified are a result of state interference," it added.

The work of the oversight board and its findings will help inform future government policy on network security, officials say, but the final decision lies with ministers.

British officials now need to see evidence of significant change, the report said, adding that Huawei had failed to follow through on security

commitments made as far back as 2012.

"The evidence of sustained change is especially important as similar strongly worded commitments from Huawei in the past have not brought about any discernible improvements," it said.

The 40-plus-page report identified several new technical issues with Huawei equipment and revealed that the problems were at a greater scale than previously publicly acknowledged.

These include concerns related to a product called eNodeB, which provides a connection between the network and a user's mobile phone.

According to the report, the oversight board looked at updated versions of software that were intended to incorporate security improvements but found "the general software engineering and cyber security quality of the product continues to demonstrate a significant number of major defects."

The report also said the lab had reported to UK operators "several hundred vulnerabilities and issues" during 2018.

The board added that overall, the problems reveal "serious and systematic defects in Huawei's software engineering and cyber security competence".

And, as a result, the board could still only provide limited assurances that the security risks posed by Huawei equipment could be managed long term.



REUTERS/FILE

A reception area of the Huawei's Cyber Security Lab is seen at its factory campus in Guangdong province, China on Monday.



SMARTDATA TECHNOLOGIES

AKM Fazlur Rahman, managing director of SmartData Technologies, poses at the "Future of Information Security Summit 2019" organised jointly by SmartData Technologies and Arconnect at Dhaka Club recently.

Volkswagen in talks to buy stake in Ford's Argo unit

REUTERS, Hanover

Volkswagen has signed a deal to develop a pickup truck with U.S. rival Ford and continues discussions about extending its alliance to include autonomous driving and mobility services, the German carmaker said on Thursday.

In June 2018 VW and Ford revealed they were in talks to jointly develop a range of commercial vehicles and later extended talks to include electric and autonomous cars as part of an alliance designed to save billions in costs.

"We are in constructive talks about taking a stake in Argo, the Ford division for autonomous driving. A joint company for offering mobility as a service is also a possibility," Volkswagen's commercial vehi-

cles chief executive Thomas Sedran said on Thursday.

The talks will come to a conclusion in the coming months, Sedran said.

Ford bought Argo AI, a Pittsburgh-based self-driving startup, in 2017 but development costs for autonomous cars have spiralled in recent years, leading several carmakers to seek alliances and outside investors.

VW said it had signed a contract with Ford to develop a successor to its VW Amarok pickup truck. Ford has a platform for its Ranger midsize pickup truck, which could help VW lower development costs.

Reporting by Jan Schwartz; Writing by Edward Taylor; Editing by Riham Alkousaa and Michelle Martin Our Standards: The Thomson Reuters Trust Principles.

Sony to close smartphone plant in China to cut costs

REUTERS, Beijing/Tokyo

Sony Corp is closing its Beijing smartphone plant, a spokesman said on Thursday, as the Japanese electronics giant cuts costs in an attempt to make the money-losing handset business profitable from next year.

The business is one of Sony's few weak spots and is facing a loss of 95 billion yen (\$863 million) for the financial year ending this month.

The spokesman said the decision to close the plant was not related to US-Chinese trade tensions. Production will stop by the end of the month, he added, but declined to say how many jobs would be affected by the closure.

Following the closure, Sony will only make smartphones at a plant in Thailand but will continue to outsource some production to contract manufacturers, the spokesman,

who declined to be identified, said.

Some analysts have said Sony should sell the smartphone business given acute price competition with Asian rivals. The company has a global market share of less than one percent, shipping just 6.5 million handsets this financial year, mainly to Japan and Europe. But Sony has said it has no intention to sell as it expects smartphones to be a central part of fifth-generation wireless networks, where cars and various devices can be connected. It aims to make the business profitable in the financial year beginning April 2020.

Fujitsu Ltd last year sold its mobile phone business to investment fund Polaris Capital Group, leaving just three Japanese smartphone makers - Sony, Sharp Corp and Kyocera Corp - in a global market dominated by Apple Inc, Samsung Electronics Co Ltd and cheaper Chinese rivals.

EU risks 'trade war' with Malaysia over palm oil: Mahathir

REUTERS, Langkawi

The European Union risks opening up a trade war with Malaysia over its "grossly unfair" policies aimed at reducing the use of palm oil, Prime Minister Mahathir Mohamad said on Thursday.

This month, the European Commission concluded that palm oil cultivation results in excessive deforestation and its use in transport fuel should be phased out by 2030.

Malaysia, the world's second biggest palm oil producer after Indonesia, relies on the crop for billions of dollars in foreign exchange earnings and hundreds of thousands of jobs.

Mahathir, 93, said the EU's increasingly hostile attitude towards palm oil, a commodity used in everything from chocolate spread to lipstick, was an attempt to protect alternatives that Europe produced itself, like rape seed oil.

"To do that kind of thing to win a trade war is unfair," Mahathir told Reuters in an interview on Langkawi, a tropical resort island 30 km off Malaysia's mainland.

"Trade wars are not something we like to promote but on the other hand it is grossly unfair for rich people to try and impoverish poor people."

Mahathir, an architect of modern Malaysia and a trained physician, swept to power in a stunning election victory last year on a promise to revive a flagging economy and end the corruption that plagued the tenure of former leader Najib Razak.

Najib is facing numerous corruption charges over the alleged misuse of billions of dollars from Malaysian state fund 1Malaysia Development Berhad (1MDB), some of which was raised by U.S. investment bank Goldman Sachs.

Najib is due in court next week in the first trial relating to 1MDB. He has pleaded not guilty and denies wrongdoing.

Goldman Sachs is facing charges in Kuala Lumpur over its role in helping raise \$6.5 billion for 1MDB. Goldman denies wrongdoing and says officials under Najib's administration lied to mislead its staff.

Mahathir, who was previously prime minister for 22 years from 1981 to 2003, said Goldman could only do business in Malaysia "if they pay us what we are asking for."

"Because they were not prudent ... they are supposed to study the borrowers and lenders properly," he said, adding that he was willing to negotiate with the bank.

Mahathir said his government was also in talks with the U.S. Department of Justice over Goldman Sachs did not immediately respond to a request for comment.

In an effort to reduce Malaysia's debt after the 1MDB scandal, Mahathir is considering the listing or sale of stakes in state-owned enterprises, including Malaysia Airlines.

There has been speculation this could include selling a portion of Petronas, Malaysia's national energy behemoth and the world's third-biggest exporter of liquefied natural gas.

But Mahathir said this was not on the cards. "It has always been given the government good returns. We have no plans to privatize or to sell Petronas," he said.



SAVOR INTERNATIONAL

Faizul Alam, managing director of Savor International, attends the launch of a three-day international exhibition "SAFECON 2019" organised by the company at Bangabandhu International Conference Center in Dhaka yesterday. Safe and sustainable construction, building materials and technologies will be showcased at the exposition.



ABC REAL ESTATE LIMITED

Nasimul Baten, head of operations of Delta Brac Housing Finance Corporation Ltd (DBH), and Srabanti Datta, a director of ABC Real Estate Limited, attend a deal signing ceremony at the former's head office in Dhaka recently. Clients of the developer's projects, including Oasis, will get attractive benefits for home loan processing from the DBH.