

Facing Olympic hotel shortage, Tokyo looks offshore

AFP, Yokohama

Tokyo is facing a shortage of accommodation when Olympic fans pour into the Japanese capital for next year's Games so officials are looking offshore -- to moored cruise ships operating as floating hotels.

Despite a construction boom, Tokyo could be short as many as 14,000 rooms given an expected surge of Olympics-related tourism, according to researchers.

Local officials think one solution could be to put people up in giant ships temporarily docked off Tokyo and nearby Yokohama during the Games.

Among those on board with the idea is Japan's largest travel agency JTB, which has chartered the 1,011-cabin Sun Princess for the Olympic period, complete with everything from jacuzzis to a theatre.

The agency is offering packages that combine rooms with Olympic event tickets, but they don't come cheap.

Two nights in a room with a balcony combined with tickets to an Olympic football match will run 200,000 yen (\$1,850), while two nights in a 50-square-metre suite combined with baseball tickets will go for 724,000 yen (\$6,700).

The agency said it was confident



AFP/FILE

People are seen near Sun Princess cruise ship, docked in Yokohama port.

about demand, partly because "we will have a shortage of hotels of a certain standard", said Minoru Kuge, head of JTB's Tokyo2020 Project Office.

"Although we can't disclose the actual numbers, we have received an excellent reaction from our customers", he told AFP on a tour of the luxury ship.

And Kuge said he expected the package to have a special draw -- "a sense of unity" among customers

who will all be cheering on

Olympic athletes.

Elsewhere, plans have been negotiated for the 928-cabin Explorer Dream ship to dock in Kawasaki, in western Tokyo bay.

And both Tokyo's local government and officials in Chiba prefecture, east of the capital, are looking into additional cruise ship possibilities.

Japan's hotel business law bans rooms without a window, but the health ministry last year issued an ordinance that allows

ships with windowless cabins to be used as hotels during major events.

But experts warn that a few cruise ships may not be enough.

"It is unclear if hotels ships in the Tokyo Bay will be able to cover hotel rooms shortage," warned a report on the issue published in October by Mizuho Research Institute.

Even the number of tourists the capital can expect remains unclear because the increase in Olympic visitors may be balanced out by other tourists opting to stay away until the Games are done.

Regardless, Tokyo officials see the ships as a novel accommodation solution, and are also planning to open a new cruise ship terminal days before the Games began.

Officials and industry experts hope using docked ships for extra hotel space will become common in the country, as a way to cater to visitors during special events, or even help people displaced during disasters.

"If a provincial city wants to host an international convention or other big events but doesn't have enough accommodation, hotel ships can be a solution," said Yoshimi Tajima, JTB's senior official at the corporate business department.



FIRST SECURITY ISLAMI BANK

Syed Waseque Md Ali, managing director of First Security Islami Bank, presides over the bank's "Half Yearly Business Conference" at Radisson Blu Dhaka Water Garden yesterday.

Samsung's Eid campaign offers free electronics

STAR BUSINESS DESK

Samsung has launched a "Meet the Eid" campaign marking the upcoming Eid-ul-Azha offering free consumer electronics and cashbacks on purchase of select models of refrigerators, televisions and washing machines till August 11.

Televisions, washing machines and microwave ovens are coming free with purchase of the refrigerators alongside cashbacks of up to Tk 50,000, says a press release.

There are offers for newly introduced side-by-side refrigerator Spacemax while cash backs and exchange offers on upright

freezers.

Free soundbars and televisions alongside cashbacks of up to Tk 200,000 are available on purchase of the televisions while vacuum cleaners with the washing machines.

Air conditioner are accompanied by cashbacks of up to Tk 6,000 and washing machines of up to Tk 10,000.

Exchange offers and cashbacks can only be availed separately.

Free gift boxes (until stock lasts) are being provided with refrigerators and microwave ovens while a subscription of iflix and discount vouchers for Akash DTH with televisions.



MTB

Prof Shibli Rubayat UI Islam, dean of Business Studies Faculty of the University of Dhaka, attends the launching of a Mutual Trust Bank (MTB)-University of Dhaka Visa Signature and Platinum credit card for teachers and officials at the educational institution on Tuesday.

G7 ministers reach consensus on taxing digital giants: France

AFP, Chantilly

G7 finance ministers meeting in France on Thursday agreed a plan for taxing digital companies such as Facebook and Google that will set a minimum level of taxation for them.

Ministers "fully supported a two-pillar solution to be adopted by 2020", said a statement from France which holds the rotating chairmanship of the group of world's most developed countries. "New rules should be developed to address new business models... allowing companies to do business in a territory without any physical presence," it said. "Ministers agreed that a minimum level of

effective taxation... would contribute to ensuring that companies pay their fair share of tax," the statement said.

A French official, who asked not to be named, said the tax level would have to be agreed in the future.

"The tax level to be set would depend on concrete design features of the rules," the statement said.

"The G7 looks forward to further progress in the context of the G20 and a global agreement on the outlines of the architecture by January 2020," it added. The consensus reached at the G7 -- which sources said came after talks that lasted into the early hours of Thursday morning -- came after a bitter dispute between France and the

United States in the last weeks.

The French parliament earlier this month passed a new law that will tax digital giants on revenue accrued inside the country, even if their European headquarters are elsewhere, in a move that will affect huge US groups Google, Apple, Facebook and Amazon.

The move infuriated President Donald Trump and the US announced an unprecedented probe against France which could trigger the imposition of tariffs. The plan agreed Thursday would have to be further developed by the G20 group of top 20 economies and then implemented under the aegis of the Organisation for Economic Co-operation and Development (OECD).

Ghosn sues Nissan, Mitsubishi for breach of contract

AFP, Paris

Former auto titan Carlos Ghosn, currently under house arrest in Tokyo, is suing Nissan and Mitsubishi in a Dutch court for "improper termination" of his contract, French newspaper Le Figaro reported Wednesday.

Ghosn is accusing the Japanese manufacturers of breaching his contract as an employee of NMBV, their joint subsidiary based in the Netherlands, and seeking up to 15 million euros (\$16.8 million) in damages, it said.

The big-spending former chief of both Renault and its Japanese partner Nissan is awaiting trial in Japan on charges of financial misconduct.

He was kept behind bars for over 100 days before being granted bail and sacked from all his management roles.

Ghosn is accused of under-reporting millions of dollars in income at Nissan and of using company funds for personal expenses -- charges he denies.

His lawyers argue that while Ghosn resigned from Renault-Nissan BV (RNBV), he had not done so from NMBV and "the breach of contract" was unwarranted, Le Figaro said.

Dream flats to remain elusive

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"We expected at least 9 percent growth in 2019 after a dull year in 2018. But our expectations may not be realised," said Alamgir Shamsul Alam, president of the Real Estate & Housing Association of Bangladesh (REHAB).

According to him, the housing sector is likely to be affected because of the recent price hike of construction materials and the sales growth may fall significantly.

Alamin could not give an idea about the increase in the price of apartment as it relies on various factors, including location, soil and the price of land.

He said the loan opportunity extended to government employees would have brought a positive impact on demand for homes. Now, the price escalation will discourage future customers.

"This is certainly not good news for us," he said, adding that if long-term home loans are easily available, it would not affect the sector.

Liakat Ali Bhuiyan, first vice-president of the REHAB, said the sector's growth depends on 250 backward linkage industries. So, if the price of major construction items increases, there will be direct impact on the sector.

"And it will be difficult for the middle class to buy flats."

He is optimistic that the price of rod and cement will go down as stakeholders in the sector are negotiating with the National Board of Revenue.

A downturn hit the real estate market in 2012 for intermittent political instability, a bearish stock market and the government's apathy towards providing gas connections to new buildings.

The property price corrections in the past few years have lured in many prospective home buyers and the market has been revived again.

The sector delivers roughly 10,000-12,000 units a year.

Boeing to make \$50m in payments to 737 MAX crash victims' families

REUTERS, Washington

Boeing Co said on Wednesday it will dedicate half of a \$100 million fund it created after two crashes of its 737 MAX planes to provide payments to families of those killed, with veteran U.S. compensation expert Ken Feinberg hired by the world's largest plane maker to oversee the distribution.

The announcement of Feinberg's hiring came minutes before a US House of Representatives hearing featuring dramatic testimony by Paul Njoroge, a father who lost three children, his wife and mother-in-law in a 737 MAX Ethiopian Air crash in March.

Feinberg told Reuters his team will "start immediately drafting a claims protocol for those eligible," with the first meeting with officials from Chicago-based Boeing later this week in Washington. Feinberg has administered many compensation funds including for victims of the Sept. 11, 2001, attacks on the United States, the 2010 Deepwater Horizon oil spill, General Motors ignition switch crashes and numerous school shootings.

The 737 MAX, Boeing's best-selling

jet, was grounded globally in March following the Ethiopian Airlines crash after a similar Lion Air disaster in Indonesia in October. The two crashes killed 346 people.

Njoroge, 35, told reporters after he testified he did not think the public would trust Boeing going forward. "Do you want to fly in those planes? Do you want your children to fly in those planes?" Njoroge asked. "I don't have any more children." Njoroge told a House subcommittee he still has "nightmares about how (his children) must have clung to their mother crying" during the doomed flight.

Njoroge, who was born in Kenya and lives in Canada, said Boeing has blamed "innocent pilots who had no knowledge and were given no information of the new and flawed MCAS system that could overpower pilots." Boeing did not address specific questions raised by Njoroge but said in a statement "we truly regret the loss of lives in both of these accidents and we are deeply sorry for the impact to the families and loved ones of those on board."

A Boeing official told Reuters last month that after a new software

flaw emerged the company will not submit an MCAS software upgrade and training revision until September, which means the planes will not resume flying until November at the earliest. US airlines have canceled flights through early November as a result of the 737 MAX's grounding.

Boeing shares closed up 1.9 percent Wednesday.

Acting FAA Administrator Dan Elwell told Fox Business Network on Wednesday that the agency has made a lot of progress since the plane's grounding.

"We have discovered some anomalies and then we have directed Boeing to mitigate those anomalies," Elwell said, declining to set any timetable for returning the plane to service.

"The 737 MAX is not going to fly until it passes the most thorough and intense look," said Elwell, adding that he had spent several hours with Njoroge during a recent meeting.

Boeing said on July 3 it would give \$100 million over multiple years to local governments and non-profit organizations to help families and communities affected by the crashes in Indonesia and Ethiopia.



COLLECTED

Simon Balfe, program officer of Sustainable and Inclusive Chains, Division of Enterprises and Institutions, International Trade Centre (ITC), attends a photoshoot of a two-day session on women in trade organised by the ITC's SheTrades in the Commonwealth project at Pan Pacific Sonargaon Dhaka ending yesterday. The project is funded by the UK Department for International Development and being implemented by the ITC, the joint agency of World Trade Organization and United Nations.

Cigarette maker dodges Tk 62cr VAT: customs

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He said the Commissionerate filed two cases against International Tobacco and Biplob Traders in last June, as well as issued a letter to International Tobacco demanding payment of the dodged VAT. Criminal cases will be filed against the companies and persons responsible if the payment was not cleared by this month, he said.

In January this year, the Commissionerate and the Customs Intelligence and Investigation Directorate had formed two probe bodies to find out the truth, but the committees failed to unearth the facts.

This led the Commissionerate to assign Assistant Commissioner Abul Kashem Shovan to investigate the matter. He found International Tobacco's involvement in the misdeed. Suhel, in a written statement to the assistant commissioner, said: "I know nothing about the setting up of the company, opening of the bank account and importing of the goods in the name of Biplob Traders."

"The company was set up and the bank account was opened using my personal documents," he added.

Rahman, also in a written statement to the assistant commissioner, said he had carried out all the activities in the name of Biplob Traders upon instruction from the directors of International Tobacco. On June 17, The Daily Star correspondent visited the Kapashghola Road under Chandgaon area, the address of Biplob Traders used in its papers, but found no such company.

A day later, this reporter visited the office of International Tobacco, also in Chandgaon, but no officials of the company agreed to comment about the matter. The directors of the company did not agree to talk to The Daily Star.

Company Manager Ehsanul Azim told this correspondent over phone that the owners of the company had strictly prohibited them to talk to the media about the matter. He also said both Suhel and Rahman left their job a few months ago.

Suhel and Rahman did not receive phone calls and replied to messages.

Garment exporters call for faster customs service

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Huq also said recently officials of the customs bond commissionerate and customs intelligence have issued show-cause notices to factory owners and fined them during the inspection of bonded warehouses.

As a result, exporters are facing trouble, she said. The BGMEA chief also suggested the bond commissionerate give the names of bond abusers to the trade body so that official action can be taken against the abusers.

Md Azizur Rahman, commissioner of the Customs Bond Commissionerate of Chittagong, said they are ready to lend cooperation to achieve the target of \$50 billion in garment export by 2021.

He informed the meeting that a committee has already been formed in the Chittagong customs for resolving any customs related problem quickly.