

German security rulebook to keep 5G door open to Huawei

REUTERS, Frankfurt

A new German security rulebook will not exclude Chinese telecoms equipment maker Huawei Technologies from supplying gear for the country's 5G mobile networks, a senior government source said on Monday.

The 'security catalogue', due to be published this week, will confirm Germany's decision to keep a level playing field for suppliers to next-generation telecoms networks, despite calls by the United States to ban Huawei.

Operators had warned that banning Huawei could add years of delays and billions of dollars in costs to rolling out 5G networks in Germany that could power super-fast home broadband, connected factories or, one day, self-driving cars.

"Germany's approach did not and does not foresee any clause that would exclude any one company," a senior government official told Reuters, speaking on condition of anonymity.

The federal network regulator and cybersecurity watchdog have been working to finalize the rulebook after setting basic criteria in March on technical standards and governance at suppliers.

Network operators, all of them Huawei clients, have opposed Washington's calls to ban Huawei on concerns that its kit may contain 'back doors' open to cyber spies and that under Chinese law it must collaborate in state espionage efforts.

The company denies the allegations.

The United States imposed export sanctions on Huawei in May, hobbling its smartphone business and raising questions over whether it can maintain its lead on the global telecoms



REUTERS/FILE

A logo of the upcoming mobile standard 5G is pictured at the Hanover trade fair in Germany.

equipment market, where it has a 28 percent share.

The European Union last week warned of the risk of increased cyber attacks to next generation 5G mobile networks by state-backed entities, but a report compiled by member states stopped short of naming China as a threat.

Network operators Deutsche Telekom, Vodafone and Telefonica Deutschland would be required to identify and apply enhanced security standards to critical network elements, the

Handelsblatt daily reported on Monday, citing the draft rulebook.

More broadly, vendors should be certified as trustworthy, giving customers legal recourse to exclude them and seek damages if proof is found that equipment had been used for spying or sabotage.

Certification of critical equipment would meanwhile have to be obtained from Germany's cybersecurity authority, the Federal Office for Information Security.

Total to buy 37pc stake in Adani Gas

REUTERS, Bengaluru/New Delhi

French energy giant Total SA said on Monday it will buy a 37.4 percent stake in Indian gas distribution company Adani Gas, as it looks to capitalize on India's push for cleaner sources of energy.

Total will pay about \$866 million for the stake in Adani Gas, which will ramp up its presence in a market that is expected to become the second biggest driver of global demand for liquefied natural gas (LNG) market, after China.

The French company is the third foreign oil major to enter India's gas sector after BP Plc and Shell. They have come at a time when India is spending heavily to cut its carbon emissions.

Prime Minister Narendra Modi has set a target to more than double the share of gas in India's energy basket to 15 percent by 2030, while Total has embarked on a series of deals this year to expand its liquefied natural gas (LNG) portfolio.

"Total's investment in Adani is undoubtedly a show of faith in India's gas demand growth," said Nicholas Browne, research director at energy consultancy Wood Mackenzie.

The consultancy firm projects India's gas demand will double to 75 billion cubic meters by 2030.

It expects LNG to account for half of this demand, or just under 30 million tonnes a year of LNG, equivalent to 10 percent of today's global LNG market.

Total will initially buy up to 25.2 percent in Adani Gas from public shareholders at 149.63 rupees per share, representing an 8.7 percent premium to the stock's last

close and valuing the stake at 41.47 billion rupees (\$585 million). Total will also buy a 12.2 percent stake from the Adani family, according to a regulatory filing.

After the deal, the Adani family and Total will each hold 37.4 percent stake in Adani Gas, while public shareholders will own the remaining 25.2 percent.

Shares of Adani Gas soared 18.4 percent on Monday morning after the deal was announced. After paring some gains, the shares were up more than 12 percent in late trading, valuing the entity at about \$2.3 billion.

"For Adani, this is likely to be more about de-risking an investment in expansion while also bringing in a global leader in gas and LNG (to) support this," Browne said.

Acquiring a stake in Adani Gas also gives Total potential access to two import and regasification LNG terminals in India.

Speaking later at a conference in New Delhi, Total Chairman and CEO Patrick Pouyanné said the energy major was looking to capture a substantial part of the Indian gas market with Adani and that the deal would take 6 months to complete.

Total was also in discussions with partners including Adani for partnership in renewable energy, he said at the India Energy Forum by CERAWEEK.

"The natural gas market in India will have strong growth and is an attractive outlet for the world's second-largest LNG player that Total has become," Pouyanné said in a separate statement.

Total and Adani plan to establish a joint venture to market LNG in India and Bangladesh, the companies said.



New vice chairman for Sheltech Group

STAR BUSINESS DESK

SK Bashir Ahmed has recently become vice chairman of Sheltech Group.

Ahmed has been a director of multiple Sheltech concerns for over 30 years, the group said in a statement yesterday. He was an independent director of Envoy Textiles and is president of Bangladesh Gymnastics Federation and vice president of Bangladesh Olympic Association.

Ahmed graduated in civil engineering from the Bangladesh University of Engineering and Technology.

Paddy price stays low as aman harvest beckons

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On September 10, the stock of rice in public silos was 13.46 lakh tonnes.

The distribution of rice by the government social safety schemes also put a damper on the rice market, Kalam said.

"Traders are not interested to buy," he told The Daily Star over telephone yesterday.

One maund of coarse variety paddy was Tk 550-Tk 570 in his locality, according to Kalam. The price was much below the government's previous estimate of production cost.

There is almost no demand in the market because of distribution of rice by the government, said Chitta Majumder, managing director of Majumder Group of Industries, which owns several rice mills.

"We had expected that the market would be vibrant after Eid-ul-Azha in August and bought the fine-variety paddy. But, the prices fell below the rates we had paid."

He said his firm and some millers tried to export rice but they could not as the prices they quoted were higher than what Indian exporters were offering.

"The current trend does not give confidence that the prices will remain unchanged. Rather, the prices will drop after the arrival of new aman crop," he said, adding that the prices of coarse paddy might decline to as low as Tk 500 per maund.

Bestowed by monsoon rain, aman crop accounts for 38 percent of the annual rice output.

In the current season farmers planted paddy on 58.94 lakh hectares, which is much higher than the previous season.

Aman harvests look set to be bountiful, said Md Tareq Anam, national sales manager of Rashid Agro Food Products, one of the main rice millers.

"We expect a bumper crop if there is

no natural disaster or bad weather," said KM Layek Ali, general secretary of the Bangladesh Auto Major and Husking Mills Association.

If so, there will be 8-10 lakh tonnes of surplus, he said, while demanding cash incentive from the government to export rice.

"The government should buy more paddy from growers in the coming aman paddy harvesting season to prevent prices from falling," said Nirod Boron Saha, president of the Naogaon Dhan O Chal Arathdar Babshayee Samity, an association of rice wholesalers and commission agents in the northwest district.

The rice milling charge should also be increased, he added.

Contacted, Mosammat Nazmanara Khanum, director general of the Directorate General of Food (DG Food), said her office has placed a proposal to buy aman grains equivalent to 7 lakh tonnes of rice this year with the Food Planning and Monitoring Committee (FPMC), a cabinet-level committee headed by the food minister.

The purchase plan is one lakh tonnes less than last year's procurement during the aman season. The reason being the rice stock in public silos is high.

"Since we did not face any natural calamity during boro, we have procured full amount of our boro target this year. As a result, we have good stock now," Khanum said.

Besides, the DG Food does not have any dedicated silo for paddy right now and paddy is more susceptible to insect infestation than rice.

The FPMC will decide on the amount of paddy and rice to be purchased in the coming aman harvesting season and at what prices at its meeting by the end of October, she said.



ACI MOTORS

MA Sattar Mandal, professor emeritus at Bangladesh Agricultural University, and Subrata Ranjan Das, executive director of ACI Motors, pose during demonstrations of a Japanese "Yanmar Combine Harvester" at Singair in Manikganj on Sunday.

GP, Banglalink lose in MNP battle

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State-owned Teletalk gained 4,427 customers and lost 8,101.

The telecom regulator introduced the service to establish competition in the market and push the operators to improve service quality.

The goal has remained largely unattained as the service quality did not improve, said a top executive of the BTRC.

Alam of Robi said more than 50 percent of the subscribers who had wanted to avail the MNP service could not do so owing to various technical problems.

"Certain corporate customers are facing problems that can only be termed as utter harassment. We believe the MNP service would be successful only when everyone who wishes to avail it can do so without any hindrance of any shape or form."

He urged the regulator as well as Infozillion Teletech BD, the lone MNP service provider, to look into it urgently to make the process of switching a network operator a seamless exercise.

Mohammad Zulfikar, chief executive officer of Infozillion, said they had expected more users to switch

operators but were not dissatisfied.

"Maybe the SIM replacement tax is an issue," he said.

The National Board of Revenue withdrew the SIM replacement tax of Tk 115 for switching operators when the service took off. But the tax was reintroduced in the current budget, resulting in a decline in the switching of operators.

Currently, users pay Tk 57 as charge for the service and Tk 200 in SIM replacement tax.

As per guideline, customers can leave their existing mobile network and choose another every 90 days.

Global fashion industry to grow 65pc by 2030: H&M

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He said 2020 would be a transitional year for Bangladesh when the Accord would leave the country and the RMG Sustainability Council would replace it to look after garment sector's safety issues.

"We want Bangladesh to become the Asian tiger," he said. Bangladesh has built up many world-class green garment factories solely for sustainability of the business and environment, not under any buyer's prescription, said Rubana Huq, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

"For me sustainability is not only for the environment but also for workers' rights," she told the press conference organised by trading entity Bangladesh Apparel Exchange (BAE) and the BGMEA.

The BAE and BGMEA will jointly organise the second edition of Sustainable Apparel Forum at International Convention City Bashundhara in Dhaka on November 5, said Mostafiz Uddin, managing director of the BAE.

Charlotta Schlyter, Sweden's ambassador to Bangladesh, and MA Rahim (Feroz), vice-president of the BGMEA, also spoke.

Fear of further fall grips stock investors

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The top three negative index contributors of the DSE was Grameenphone, LafargeHolcim Bangladesh and Square Pharmaceuticals. The three well-performing companies accounted for 26 points of the fall of the DSEX.

In the last six days, the index gave up 226.53 points and lost Tk 16,944.37 crore from its market capitalisation.

However, the turnover of the market edged up 1 percent to Tk 299 crore. Of the traded issues, 80 advanced, 231 declined, and 41 remained unchanged.

National Tubes dominated the turnover chart with shares worth Tk 17.14 crore changing hands, followed by Square Pharmaceuticals, Wata Chemicals, Bangladesh Shipping Corporation and Summit Power.

ML Dyeing was the day's best performer with a 6.14 percent gain, while Evince Textile was the worst loser, losing 14.18 percent.

Chattogram stocks also fell with the bourse's benchmark index, CSCX, declining 64.22 points, or 0.73 percent, to finish the day at 8,750.21.

Losers beat gainers as 145 declined and 59 advanced, while 31 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded shares and mutual fund units worth Tk 13.20 crore.



Syed Mahbubur Rahman, CEO of Dhaka Bank; Imran Karim, vice chairman of Zodiac Power Chittagong; Khalid Islam, managing director; Md Ekhlashur Rahman, executive director of Bangladesh Infrastructure Finance Fund; Md Abdul Khaleque Khan, CEO of Bangladesh Commerce Bank, and Humaira Azam, managing director (current charge) of Trust Bank, attend a signing ceremony at a Dhaka hotel on Sunday for issuing preference shares worth Tk 80 crore to establish a 54.363 MW heavy fuel oil-fired power plant.

58pc Asia-Pacific trade affected by non-tariff measures: UN bodies

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"While trade costs associated with NTMs are estimated to be more than double that of tariffs, NTMs often serve important public policy objectives linked to sustainable development," said Armida Alisjahbana, under-secretary general and executive secretary of UN Escap.

"The key is to ensure they are designed and implemented effectively so that the costs are minimised," she added in the statement.

"The key is to ensure that while public policy objectives and further, Sustainable Development Goals are met, traders are not unnecessarily burdened and trade costs are minimised," said Mukhisa Kituyi, secretary-general of United

Nations Conference on Trade and Development.

While costly to traders, failure to have essential technical NTMs in place or their poor implementation may have serious detrimental impacts on sustainable development.

For example, the report refers to the lack of NTMs covering illegal fishing and timber trade in many Asia-Pacific economies.

It also points to the high economic costs for the region associated with the African swine fever epidemic, which can be linked to deficient implementation of NTMs.

At the same time, new regulations on trade in plastic waste arising from amendment to the Basel Convention are promising.

The NTMs are often very different between countries, making it difficult for firms to move goods from one country to another.

Regulatory cooperation at the regional and multilateral level and the use of international standards when designing or updating NTMs is therefore important in overcoming challenges related to the heterogeneity of regulations.

Looking ahead, the report also highlighted that trade costs of NTMs can be significantly reduced by moving to paperless trade and cross-border electronic exchange of information.

This could lower costs by 25 percent on average in the region, generating savings for both governments and traders of over \$600 billion annually.

UK sets date for first post-Brexit budget

AFP, London

Britain's government is planning a first post-Brexit budget for November 6, one week after it expects the country to have left the European Union, finance minister Sajid Javid announced Monday.

"This will be the first budget after leaving the EU," Chancellor of the Exchequer Javid said in a statement.

"I will be setting out our plan to shape the economy for the future and triggering the start of our infrastructure revolution. This is the right and responsible thing to do -- we must get on with governing," he added.

Britain and the EU are currently locked in last-ditch talks to secure a divorce deal ahead of a crunch two-day summit for European leaders in Brussels starting Thursday.

Prime Minister Boris Johnson insists that Britain will leave the bloc on October 31 as scheduled, even without an agreement. But British MPs last month passed a law requiring him to request a Brexit extension if no deal has been finalised by the end of the summit.

BSEC halts trading via Shah Mohammad Sagir & Co

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In a press release, the BSEC said the stock broker faces a fund deficit of Tk 1.98 crore in its consolidated customer account. Moreover, six beneficiary account holders have complained against the brokerage house on multiple issues. The regulator has formed an inspection team to look into the issues.

The team has been given two weeks to submit the report.

ICB to inject Tk 1,000cr into market

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Shakil Rizvi, president of the DBA, said many stocks which had performed well were now at a lower position although the price-to-earnings (PE) ratio was also very lucrative. The PE ratio of the market is about 12 at the moment. But general investors are suffering from a crisis of confidence which can be regained through market support, he said.