SANOFI EXITS BANGLADESH

Sales executives demand all dues before departure

STAR BUSINESS REPORT

SOME 500 sales executives of Sanofi Bangladesh yesterday gave a 48-hour ultimatum to the management, demanding that they receive the full payment of compensation before the local operation of the French pharmaceuticals giant is sold to a third party.

Leaders of the Sanofi Bangladesh Karmokorta Kalyan Parishad, the platform of the executives, announced the ultimatum at a press conference at the Dhaka Reporters' Unity in the city.

The employees also warned that it would go for tougher actions like forming human-chains in front of the National Press Club in Dhaka if their demands are not met by October 24. The human-chain will be formed at 11:00am on Thursday.

The warning came as Sanofi is now packing its bags to leave Bangladesh for strategic reasons as per a decision of the global headquarters.

"We do not want to be employed in any third company as per decision of Sanofi's departure plan," said Anwar Hossain, president of the platform.

Last week, Sanofi said it was looking for a buyer to sell the company with a job security guarantee clause so that some 1,100 employees of the country operation don't lose employment.

However, the employees have expressed concerns that Sanofi and the buyer would go on to sign an agreement that may guarantee job security for only 12 months. And after the end of 12 months, the buyer may choose not to continue their service, they said.

Hossain said the employees have written to the management seeking clearing of the dues. Sanofi is trying to sell the company along with all the dues to the prospective buyer.

The employees observed work abstention to realise their demands.

The executives sought intervention of the government and the French embassy in Dhaka to settle the problem.

Yesterday, the Sramik-O-Karmachari Union, the platform of workers of the company, staged a token hunger strike from 4:30pm to 6:00pm in front of the gate of Sanofi factory in Tongi, according to Abdur Razzaque, president of the union.

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Anwar Hossain, president of Sanofi Bangladesh Karmokorta Kalyan Parishad, speaks at a press conference in Dhaka Reporters' Unity yesterday.

Handloom products fair begins in Dhaka tomorrow

SME FOUNDATION

Md Safiqul Islam, managing director of SME Foundation, and Mantasha Ahmed, president of the Association of Fashion Designers of Bangladesh, attend a press conference in Dhaka yesterday announcing of jointly organising a four-day fair on handloom products at Gardenia Hall from tomorrow.

STAR BUSINESS REPORT

A four-day fair on handloom products titled Heritage Handloom Festival 2019 will start tomorrow in the capital's Gardenia Hall.

SME Foundation and the Association of Fashion Designers of Bangladesh (AFDB) are jointly organising the programme for a second time.

The festival will showcase different handloom products before local and foreign visitors along with items prepared by the ethnic communities of Bangladesh.

Jamdani, Monipuri, Mirpur's Benarasi and Tangail saris, handloom products of Sirajganj along with jute and bamboo goods will be presented in 45 stalls of the show.

The festival will also have demonstrations on how the products are made.

Md Safiqul Islam, managing director of SME Foundation, and Mantasha Ahmed, president of the AFDB, shared the info about the festival at a press meet at the Gardenia Hall yesterday.

Planning Minister MA Mannan is scheduled to open the festival at 5:00pm, after which visitors will be allowed to enter.

The second day will be dedicated for foreign guests only with invitations going out beforehand to ambassadors and foreign officials.

The organisers named the second day the "Friends of Bangladesh Day".

The third and fourth days will see the doors open for local visitors from 10:00am to 8:00pm.

There is no entry fee for visitors, organisers said at the press conference.

A number of seminars, fashion shows, folk dance and musical nights along with match-making programmes would be organised, they said.

Islam of SME Foundation said the festival would help the small and medium entrepreneurs, especially small handloom businesses, to flourish.

"We want to keep our culture and heritage alive by strengthening such entrepreneurs as they are continuing the business in order to keep their heritage."

China beats US in number of 'unicorn' startups

AFP, *Beijing*

CHINA now has more privately-held start-ups valued by investors at over $1 billion than the US, a report said Monday.

There were 206 Chinese firms out of a global total of 494 ultra-valuable start-ups -- known as "unicorns" -- in June 2019, according to the research firm Hurun Report.

This makes China the country with the largest number of unicorns in the world, with the US coming in second with 203 such companies.

"China and the USA dominate with over 80 percent of the world's known unicorns, despite representing only half of the world's GDP and a quarter of the world's population," Hurun Report chairman Rupert Hoogewerf said.

"The rest of the world needs to wake up to creating an environment that allows unicorns to flourish in."

According to Hurun, China is home to the world's three most valuable unicorns -- Alibaba affiliate Ant Financial, app maker ByteDance and ride-hailing giant Didi Chuxing, which have a combined value of $280 billion.

Major US names like Airbnb and coworking space operator WeWork also made the list, which included lesser-known startups like California-based automated pizza delivery company Zume and Indian fantasy sports platform Dream11.

Hurun, which released its inaugural Global Unicorn List Monday, told AFP this was the first time China's number of unicorns was confirmed by researchers to have surpassed the US.

A report released in June by another research firm, Visual Capitalist, found only 94 unicorns from China compared to 156 from the US, based on data from May 2019.

Rich Chinese outnumber American counterparts for first time

REUTERS, *Zurich*

THE number of rich Chinese has surpassed the count of wealthy Americans for the first time as both countries keep churning out millionaires, a study by Credit Suisse showed.

The Swiss bank's annual wealth survey released on Monday found 100 million Chinese ranked in the global top 10 percent as of the middle of this year versus 99 million in the United States.

"Despite the trade tension between the United States and China over the past 12 months, both countries have fared strongly in wealth creation, contributing $3.8 trillion and $1.9 trillion respectively," said Nannette Hechler-Fayd'herbe, global head of economics and research at Credit Suisse.

The ranks of the world's millionaires have risen by 1.1 million to an estimated 46.8 million, collectively owning $158.3 trillion in net assets, 44 percent of the global total, the study found.

The United States added more than half of this number –675,000 new millionaires – to its sizeable stock.

A decline in average wealth in Australia — largely due to exchange rates — resulted in 124,000 fewer millionaires there, while Britain lost 27,000 and Turkey 24,000.

The report estimates that 55,920 adults are worth at least $100 million and 4,830 have net assets above $500 million.

It forecast global wealth — which increased 2.6 percent over the past year — would rise by 27 percent over the next five years to $459 trillion by 2024. The number of millionaires would also grow over this period to almost 63 million.

The share of the world's bottom 90 percent accounts for 18 percent of global wealth, compared to 11 percent in the 2000.

"While it is too early to say wealth inequality is now in a downward phase, the prevailing evidence suggests that 2016 may have been the peak for the near future," it said.

REUTERS/FILE

A couple walk through the usually busy Sanlitun Soho shopping district after the city emptied ahead of Chinese New Year in Beijing.

Global renewable power capacity to rise by 50pc in five years: IEA

REUTERS, *London*

GLOBAL renewable energy capacity is set to rise by 50 percent in five years' time, driven by solar photovoltaic (PV) installations on homes, buildings and industry, according to the International Energy Agency (IEA).

Total renewable-based power capacity will rise by 1.2 terawatts (TW) by 2024 from 2.5 TW last year, equivalent to the total installed current power capacity of the United States.

Solar PV will account for nearly 60 percent of this growth and onshore wind 25 percent, the IEA's annual report on global renewables showed.

The share of renewables in power generation is expected to rise to 30 percent in 2024 from 26 percent today.

Falling technology costs and more effective government policies have helped to drive the higher forecasts for renewable capacity deployment since last year's report, the IEA said.

"Renewables are already the world's second largest source of electricity, but their deployment still needs to accelerate if we are to achieve long-term climate, air quality and energy access goals," said Fatih Birol, the IEA's executive director.

"As costs continue to fall, we have a growing incentive to ramp up the deployment of solar PV," he added.

The cost of generating electricity from distributed solar PV (PV systems on homes, commercial buildings and industry) is already below retail electricity prices in most countries.

Solar PV generation costs are expected to decline a further 15 percent to 35 percent by 2024, making the technology more attractive for adoption, the IEA said.

However, policy and tariff reforms are needed to ensure solar PV growth is sustainable and avoid disruption to electricity markets and higher energy costs, the report said.

Mahathir warns of possible trade sanctions on Malaysia

REUTERS, *Kuala Lumpur*

MALAYSIAN Prime Minister Mahathir Mohamad said on Monday his exports-reliant country could be hit with trade sanctions amid rising protectionism highlighted by the US-China tariff war.

Mahathir did not mention the source of possible sanctions on the Southeast Asian country but said he was disappointed that proponents of free trade were now indulging in restrictive trade practices on a "grand scale".

"Unfortunately, we are caught in the middle," he told a conference in the capital Kuala Lumpur, referring to the US-China trade war.

"Economically we are linked to both markets, and physically we are also caught in between for geographical reasons. There are even suggestion that we ourselves would be a target for sanctions."

The United States and China were two of the three biggest export destinations for Malaysia between January and August this year. Singapore was the top destination.

To cushion the impact of the collision between the superpowers, Mahathir said Malaysia was collaborating more with its regional neighbors.

Mahathir also complained of being bullied by powerful nations, referring to a campaign by European countries against Malaysia's agricultural mainstay of palm oil. The edible oil contributed 2.8 percent of Malaysia's gross domestic product last year and 4.5 percent to total exports.

AFP

Malaysian Prime Minister Mahathir Mohamad, *centre*, talks to Indonesian members of parliament during the inauguration ceremony of President Joko Widodo in Jakarta on October 20.

"Having cleared most of their forests and refusing to reduce their noxious emissions, they now try to impoverish the poor by preventing them from clearing their forest for living space and earning a living," he said.

The European Union passed an act earlier this year to phase out palm oil from renewable fuel by 2030 due to deforestation concerns.

There are also concerns that India, one of the biggest buyers of Malaysian palm oil, would restrict imports of the product due to a diplomatic row over comments made by Mahathir on New Delhi's recent actions in the disputed South Asian region of Kashmir.

Departing Draghi leaves divided ECB to Lagarde

AFP, *Rankfurt*

DEPARTING European Central Bank president Mario Draghi will leave a conflicting legacy after chairing his final governing council meeting on Thursday, credited with saving the euro but dividing the institution with his easy-money policy.

The gathering "is unlikely to be the good-natured celebration of his achievements that he might have hoped for," said analyst Jack Allen-Reynolds of Capital Economics.

"Attention will focus on the growing divisions" among policymakers left by a September stimulus package, he predicted.

Among the 25-strong council, "the loss of teamwork and comradeship has now burst into public", agreed Dirk Schumacher of Natixis bank.

"That in itself is undermining to some degree the effectiveness of the ECB," he added -- just when it needs to convince watchers it can support the economy in future.

Seen as a solo artist who succeeded in bending the institution to his vision for the eurozone economy, Draghi is credited above all with saving the euro during its existential debt crisis.

That rescue came only with help from hefty cash injections and historic low interest rates -- earning him the ire of conservatives, especially in Germany, who say he has harmed savers.

As he departs, Draghi leaves his successor Christine Lagarde to confront a eurozone apparently running out of steam after five years of recovery added 11 million jobs.

Last week, the IMF forecast eurozone economic growth of just 1.2 percent this year and 1.4 percent in 2020.

Since 2011, Draghi has lowered interest rates into negative territory, bought 2.6 trillion euros ($2.9 trillion) of government and corporate debt and issued hundreds of billions in cheap loans to banks.

An official account of September's governing council meeting showed broad agreement on the need for further supportive steps, as the ECB's own forecasts showed inflation falling short of its just-below-two-percent target out to 2021.

But disagreement erupted over how powerful the response should be.

Most controversial was restarting "quantitative easing" (QE) bond purchases, which had been idling since December 2018.

The scheme, aimed at boosting growth and, indirectly, inflation, has always split policymakers.

This time, backers argued it should "ward off future shocks affecting the eurozone, which raise fears of deflation", while opponents including the German and -- unusually -- French central bank chiefs believed it would have a "minimal effect", Mirabaud bank economist Valentin Bissat said.

Capital Economics' Allen-Reynolds warned that the acrimony "raises questions about the decision's legitimacy and whether the council could ever agree to expand its asset purchases further" if needed.

ECB's outgoing president Mario Draghi and incoming president Christine Lagarde.