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Global stocks tank on fears of second coronavirus wave **PAGE 10**



▼ DOW **26,842.16**
-815.26 PTS

▼ QE **9,764.39**
-151.41 PTS

▼ SENSEX **38,034.14**
-811.68 PTS

▲ GOLD **1,906.73**
-2.26%

▲ BRENT **41.23**
-4.45%

WTI **39**
-5.13%

▲ SILVER **24.57**
-9.45%

Significant potential of growth in Qatar's e-com market: PwC

CB closes \$227.5 mn syndicated term loan

The eCommerce penetration in Qatar is 37 percent, leaving ample room for growth in the future: PwC report

TRIBUNE NEWS NETWORK
DOHA

SATYENDRA PATHAK
DOHA

THE online shopping market still has a significant potential to grow in Qatar as there is a strong mobile connectivity and internet usage in the country, according to a presentation made by PricewaterhouseCoopers (PwC) at a webinar entitled 'Emerging Technologies in eCommerce' on Monday.

"This is evident from the fact that the eCommerce penetration in Qatar is only 37 percent, leaving ample room for growth in the future," the PwC presentation said.

As per PwC, the total population of Qatar as of August 2020 is 2.73 million out of which 99 percent are active mobile internet users.

There is a suitable demographic for eCommerce (e-com) to grow in the country as almost 86 percent of the total population is in the age group of 15 years to 64 years, it said.

"Around 1.84 million people have an account with a financial institution with 32 percent having a credit card. There are more than 400 e-commerce companies in Qatar and the number of shoppers who have purchased a product or service online in the past 12 months is 37 percent of the total population," it said.

In 2019, PwC said, nearly 32 percent of the online buyers

Key opportunities in Qatar's eCommerce using emerging tech

preferred buying food, groceries, airline travel and lifestyle related products. Further, it is seen that eCommerce is growing beyond clothing and electronics, as local retailers are exploring new operational areas.

Highlighting five key challenges that exist across the eCommerce value chain in Qatar, it said, "The market lacks strong integration as 50

percent consumers find the ordering process to be lengthy. Local SMEs lack proper order management, forecasting and live inventory updates. Almost 45 percent of consumers who shop online state that there are limited options to return the product."

Most consumers prefer cash-on-delivery, followed by credit card, PayPal. However, 46 percent of consumers feel

that the payment options are still limited.

"There are limited options for delivery partners in Qatar as delivery time is an important component that contributes to poor customer service. There are immense opportunities to use innovation for creating value as 46 percent of consumers who shop online believe that there is a lack of product variety," it said.

The PwC said in the presentation that these challenges can be mitigated through 10 key focus actions like investing in development of mobile apps, adoption of one-click payment to optimise ordering process, integration of key components of the supply chain using cloud based systems, real-time inventory tracking and forecasting to fulfill orders quickly.

It also suggested adopting new payment methods like e-wallets and NFC, investing in IoT based technologies with payment services as a lead feature.

"Feature development such as live tracking need to be made mandatory and launch of drone based delivery with cash on delivery feature will improve the overall user experience with the adoption of AR / VR to drive transactions," it said.

Introduction of chatbots and image search based technologies can enhance the shopping experience, it said.

PwC said that COVID-19 has highlighted that current emerging technology can improve eCommerce business outcome as they are impacting business models and consumers' behaviours globally.

"And when incorporated, it can enhance the overall consumer experience and drive efficiency in the business. With the growth of VR, eCommerce stores are now creating a realistic shopping experience for their customers, and one that customers will find hard to forget," it said.

PwC Qatar Procurement and Supply Chain Leader Bashar El Jawhari, PwC Qatar Senior Director Siddharth Sibal and PwC Middle East Director Yash V Arya addressed the seminar.

COMMERCIAL Bank (CB) has announced they it successfully closed a dual-tranche \$227.5 million syndicated term loan facility recently with competitive pricing and well-diversified investors by tapping the Asian markets.

The facility was mandated to Mizuho Bank Limited to lead and arrange with the purpose of meeting the bank's general funding and working capital needs.

The bank recently successfully launched a senior unsecured five-year bond worth \$500 million at a new price benchmark.

The transaction was launched at the set spread of +175 bps over five-year mid swaps and priced at a coupon rate of 2 percent and yield of 2.083 year. The issue was oversubscribed 3.8 times.

This transaction marked CB's successful return to the US \$ public markets since 2018 and effectively repriced CBQ's funding curve down.

Commercial Bank Group CEO Joseph Abraham attributed the success to very positive views from investors on Qatar's strong economy and fiscal buffers, and the strength of Qatar's banking system.

Investors have positively viewed the strong execution of CBQ's five-year strategy which has significantly improved the performance of the bank.

S&P all set to host annual Islamic finance conference

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DOHA

S&P Global Ratings is to host two virtual panel discussions around COVID-19's overall impact on the Islamic Finance sector and GCC ratings, respectively. The online event will feature a number of leaders from the Islamic financial services industry, in addition to senior S&P Global Ratings analysts.

On September 22, panelists will share their outlook for the sector for 2020-2021. The conference will also feature in-depth discussion of the impact of COVID-19 on the Islamic Finance industry, and an exploration of transformational development opportunities.

In the second series on September 29, S&P Global Ratings senior analysts will discuss the outlook for the GCC sovereign, financial, corporate and insurance ratings.

The event is being supported by the Global Islamic Economic Summit (GIES) series, thus elevating the Islamic principles as they play a growing significance in today's global business environment.

Very recently, S&P Global Ratings has been awarded the

'GIFA Championship Award (Islamic Financial Ratings)' by Global Islamic Finance Awards 2020 (GIFA), for the third year in a row. The common denominator of these awards is S&P

GCC outlook

● S&P Global Ratings senior analysts will discuss the outlook for the GCC sovereign, financial, corporate and insurance ratings at the meet

Global Ratings longstanding commitment to keep pace with market innovation in Islamic finance and provide robust and independent credit analysis to the investors and the market on Islamic institutions and sukuk ratings.

This year's virtual conference will highlight how several Islamic finance instruments, including green sukuk, social instruments, and higher digitalization and fintech collaboration can be used to support recovery efforts post COVID-19 in core Islamic countries. The event will also discuss ways in which the industry can put Islamic Finance more prominently on ESG investors' radar.

NBK Auto signs deal to supply UCC with Mercedes-Benz Actros and Arocs trucks

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DOHA

NASSER Bin Khaled Automobiles (NBK Auto), the authorised general distributor of Mercedes-Benz in Qatar, has recently signed a deal to supply UrbaCon Trading and Contracting (UCC) with Mercedes-Benz Actros and Arocs trucks.

This agreement aims to upgrade the leading contracting company fleet with trucks and meet the increasing demands of projects.

Under the agreement, UCC has received 30 Actros and Arocs trucks of various functions to help the company execute its projects smoothly and quickly thanks to the truck's high-capabilities and distinctive features that make it surpass rivals in this category.

Nasser Bin Khaled Holding Auto Operations Director Sheikh Faleh Bin Nawaf Al Thani said, "NBK Automobiles is proud to partner with one of the leading contracting companies in Qatar to meet the requirements of their business and operations. Mercedes-Benz is known for building reliable and quality trucks that will fulfil our needs in various fields of construction. NBK Automobiles is committed to continuing supplying state-of-the-art equipment to contribute to the development of various projects and infrastructure in Qatar."



UrbaCon Trading and Contracting has received 30 Mercedes-Benz Actros and Arocs trucks of various functions as part of the agreement.

UCC Chairman Mohamed Moutaz Al Khayat said, "We are pleased to have Mercedes-Benz Actros and Arocs in our fleet to meet the demands of our business. This will assist our operations to be faster due to the reliable and distinctive features of the trucks. The agreement with NBK Automobiles will provide us with ideal solutions and add great value to our existing fleet."

Boasting decades of experience, the Actros has become the most frequently sold truck in the region, while the Arocs offers an extended level of reliability and robustness for construction and off-road applications.

High reliability and low total cost of ownership coupled with impressive durability are the characteristics that traditionally define Mercedes-Benz trucks. These characteristics are further enhanced in the new Mercedes-Benz Actros and Arocs model series.

The Actros and Arocs impress with their highly sophisticated powertrain, comfortable cabs and a vast range of models tailored to individual markets.

The Actros is primarily designed as a truck for transportation applications. Thanks to a broad product offering, it meets the needs of long-distance haulage as well as heavy-duty short-radius

transport and distribution haulage. Highly efficient, reliable and durable, this truck boasts many benefits.

When exceptional robustness is required along with the maximum load-bearing capability for use on construction sites or away from surfaced roads, then the Arocs is the right choice. The extremely resilient Arocs can work under the toughest off-road conditions, far from any highway.

Both the Actros and the Arocs are all-new and highly sophisticated developments from top to toe, from the cab to the drive system, and from frame to chassis. Having proven themselves in real-world operation with many custom-

ers worldwide, for countless times, these reliable vehicles are endowed with practical experience. The Actros and Arocs are built for today with components that make them future-proof for the unexpected tomorrow.

Nasser Bin Khaled Automobiles, the authorised general distributor of Mercedes-Benz in Qatar, has built its success by establishing solid, longstanding relationships with its customers, and by offering a wide range of quality products.

As a brand name, Nasser Bin Khaled Automobiles is deeply associated with a history of premium quality service and market leadership.

Germany revives hopes for EU trade deal with S America

AFP BERLIN

GERMAN Economy Minister Peter Altmaier on Monday said he still believes ratification of an EU trade deal with South America is possible, despite European anger over deforestation in Brazil.

Even without reopening the text of the agreement, "there are some issues that we have to clarify, that we can clarify", Altmaier said, after a meeting of EU trade ministers in Berlin.

A "sustainable solution" can be found, he said, urging his EU partners to not be divided on the hot-button issue.

The pact between the European Union and the South American Mercosur free trade bloc -- Brazil, Argentina, Paraguay and Uruguay -- was agreed in principle last year after two decades of wrangling.

France has to set out demands for ratification to proceed, which would crucially include respecting the targets of the Paris Agree-

ment on fighting climate change.

The EU's new trade boss Valdis Dombrovskis said it was "clear that we need to take those issues seriously".

French President Emmanuel Macron has been a leading critic of Brazilian President Jair Bolsonaro, a climate change sceptic who scrapped restrictions on exploiting the Amazon's vast riches.

Industrial powerhouse Germany meanwhile has backed the deal hoping to open new markets, especially for its auto companies.

Brussels, which handles trade matters for the EU's 27 member states, "is seeking clear engagement" from the South Americans on sustainability concerns.

Environmental activists have slammed the deal for its lifting of trade barriers to Brazilian beef, which they argue will lead to increased deforestation.

Cattle farming is responsible for 80 percent of Amazon deforestation, according to the WWF environmental group.

Airbus reveals 'zero emissions' hydrogen-fuelled plane for 2035

Aviation firm unveils 3 aircraft concepts in pursuit of finding the most efficient way to travel long distances



This handout computer-generated image released on Monday by the European multinational aeronautics company Airbus shows a prototype of zero-emission hydrogen-powered aircraft. (AIRBUS/AFP)

AGENCIES PARIS

AIRBUS has announced plans for the world's first zero-emission commercial aircraft models that run on hydrogen and could take to the skies by 2035.

The European aerospace company revealed three different aircraft concepts that would be put through their paces to find the most efficient way to travel long distances by plane without producing the greenhouse gas emissions responsible for global heating.

Hydrogen is a clean fuel, emitting only steam, but whether it is green depends on the carbon footprint of the fuels used to produce it.

France and other European countries are investing billions of euros in the development of green hydrogen, with the highly polluting transport industry a prime area for its intended use.

Guillaume Faury, the Airbus chief executive, said the

"historic moment for the commercial aviation sector" marks this "most important transition this industry has ever seen".

"The concepts we unveil today offer the world a glimpse of our ambition to drive a bold vision for the future of zero-emission flight. I strongly believe that the use of hydrogen -- both in synthetic fuels and as a primary power source for commercial aircraft -- has the potential to significantly reduce aviation's climate impact," he said.

All three of the aircraft concepts rely on hydrogen as a fuel because the only emissions produced when it is burned is water vapour, making it a clean fuel option for heavy vehicles such as planes, trains and trucks.

The first of the Airbus concepts could carry between 120 and 200 passengers more than 2,000 nautical miles by using a turbofan design that includes a modified gas-turbine engine running on hydrogen, rather than jet fuel,

ZEROe

● The three zero-emissions concept aircraft unveiled by Airbus are codenamed ZEROe

● These hydrogen-powered planes would be the first to produce zero emissions in flight and could revolutionize air transport for the future

which could be stored in tanks located behind the plane's rear pressure bulkhead.

The second concept, a turboprop design, would also use a modified gas engine but could carry up to 100 passengers for 1,000 nautical miles on short-haul trips.

The aviation giant's plans also include a plane with an "exceptionally wide" body that blends into the plane's wings to open up multiple options for hydrogen storage and the cabin layout. This plane could

carry as many passengers as the turbofan design and travel as far too.

Faury said the design options would help the aircraft maker mature plans for what would become "the world's first climate-neutral, zero-emission commercial aircraft", which it planned to have in service by 2035. Huge investment in infrastructure would be required to make hydrogen planes a reality, he said.

The production technology would, however, still need around five years to reach maturity, and suppliers and industrial sites would need another two to be ready, he said.

"We could therefore implement the programme around 2028," he said.

Grazia Vittadini, the chief technology officer at Airbus, said the "very ambitious" development plan would yield its first results by the middle of next year, and a final concept would be chosen by 2025. It did not rule out exploring

the possibility of producing electric aircraft in the future, she said, but it could happen on a smaller scale and using different models.

In the decades ahead, the shift from traditional fossil fuel gas to hydrogen is expected to help shrink the carbon footprint of the transport sector, as well as heavy industry and even home heating and cooking hobs, as governments attempt to build carbon neutral economies.

The promise of a low-carbon economy has triggered plans to upgrade existing gas infrastructure to use hydrogen, and to produce the gas in a sustainable way.

Aviation generates up to three percent of the world's emissions of carbon dioxide, the main driver of climate change.

Hydrogen use would require some major design changes for aircraft, as the fuel requires about four times the storage space of kerosene for the same energy content.

US recovery can continue without new aid: Advisor

AFP WASHINGTON

NEGOTIATORS in Washington have made no progress on getting a new economic aid package through Congress but a top White House official on Monday suggested such spending may not be necessary.

Democrats and Republicans are deadlocked on how much to spend to support the world's largest economy as it weathers the continuing side effects of the coronavirus pandemic which caused layoffs to surge, though some businesses are recovering.

White House economic advisor Larry Kudlow said that recent data pointed to a "self-sustaining, strong" recovery, and while a new spending bill "has some elements that could help" it may

not be needed after all.

"I do not think the recovery is contingent on that assistance package," Kudlow said.

Congress passed the \$2.2 trillion CARES Act as the pandemic intensified in March, which provided loans and grants to badly affected small businesses as well as extra benefits to the unemployed.

Those programs have since expired, and even though sectors like real estate and retail sales have seen strong growth in recent months as lockdown orders have been lifted, Democrats controlling the House of Representatives have called for more spending to aid the recovery.

They passed a \$3 trillion measure earlier in the year, which Republicans controlling the Senate have so far rejected.

PANDEMIC AND HOME DECOR

Ikea research sheds light on how people spend time at home amid COVID-19

Research coincides with launch of Ikea's 2021 Catalogue

TRIBUNE NEWS NETWORK DOHA

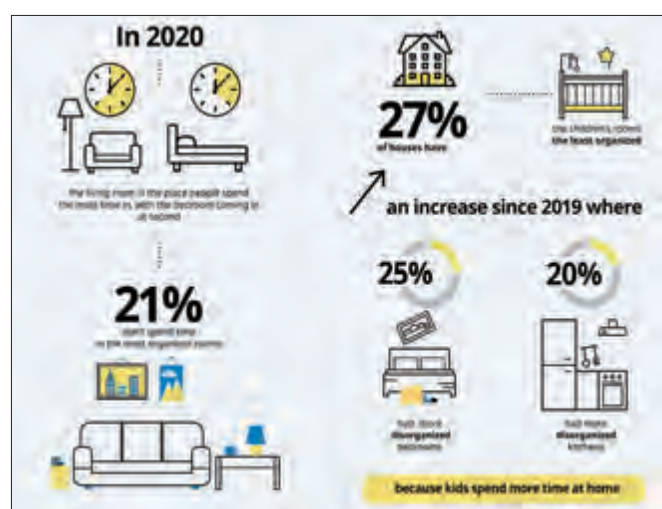
ALMOST half of the people in Qatar found themselves spending more time in a different room this year due to COVID-19, an independent research hosted by Ikea has found.

In 2020, as per the research, people spend the most time at home in the living room, with the bedroom coming in at second.

The Swedish furniture giant carried out a research involving 2,000 people to understand the wants and needs of Qatar better when it came to life at home. It also dug into how this has changed since 2019 with the new challenges that the year has seen.

The research coincided with the launch of Ikea's 2021 Catalogue on Monday at a virtual event.

According to the survey, almost 41 percent of the respondents working from home said they used their living rooms to work.



With the pandemic forcing more people to stay at home, home décor became a priority with 47 percent focusing on this in the last three months and almost half (48 percent) choosing to spend money on their home space rather than saving, Ikea said.

"Affordability is key to the IKEA business idea, which is built into every product and service to ensure that many people can enjoy a better life at home."

This year's Ikea catalogue, which is the 70th edition, is created as a handbook that feels like a friendly and optimistic problem-solver full of smart tips,

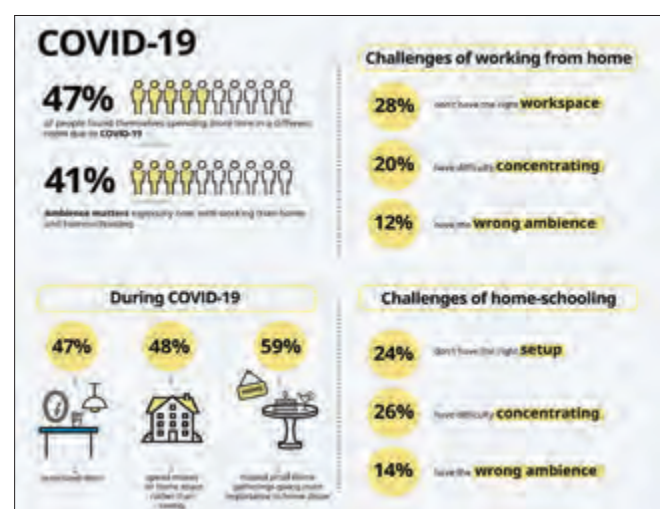
hands-on ideas and small affordable shifts, rooted in real life at home, Ikea said in a statement.

It is a way of sharing knowledge and a point of view that a better home creates a better everyday life, it added.

The handbook is filled with "how-to's" that show how creating a better home doesn't have to be complicated, expensive or time consuming.

SAMMANKOPPLA

Ikea knows that people today want their personalities to be shown in their home. However, both space and money are limited when



living in big cities. Since multi-function and creativity is key in order to enable both a small space living solution and an expressive design piece, Ikea turned to Greyhound Original. The result is a collection influenced by Asia, called SAMMANKOPPLA which means interconnect or unify. The collection is now out in the stores.

Lego

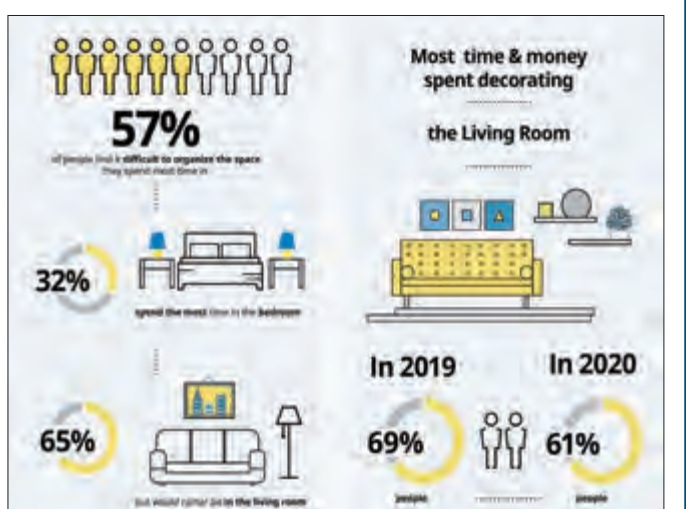
Ikea is a very playful company and knows that playtime is crucial for the well-being of both adults and children. A year ago, Lego group and Ikea partnered to explore and develop solutions to stimulate play

all around the home. The collaboration will result in BYGGLEK which will be launched in stores later this year in October.

Plant Balls

Ikea is also introducing a more sustainable alternative to the iconic Ikea meatball. The new Ikea plant balls look like meat and tastes like meat but do not contain any animal protein or ingredients. The plant-based balls will be launched across all stores in Qatar in November 2020.

Commenting on the launch, Vinod Jayan, Regional Managing Director, IKEA said, "Now in its 70th year, the IKEA catalogue



2021 aims to inspire people to live healthier and more sustainable lives at home -- this has never been as important as it is today. On the path to a better life at home, small steps make a big difference. An armchair, a rug, a potted plant or a lamp can change your mood, day and perspective."

He continued: "We know that many people in Qatar have more limited budgets today. That's why many of the solutions featured in this year's catalogue are accessible for people with any budget and help them maximise their space and transform their favourite rooms."

This year's catalogue

comes in both a print version as well as digital version that is optimised for different channels and platforms.

Carla Klumpenaar, General Manager, Marketing and Communication commented, "The IKEA catalogue 2021 is not just a catalogue -- it is a collection of inspiration and knowledge of life at home for all IKEA online and offline channels, for digital and physical touchpoints. We are continuing to develop the global marketing channels and at the same time create content locally to become even more market relevant with a selection of styles, situations, segments and stories."

Oslo wants to invest \$1.8 bn for CO2 capture

AFP
OSLO

Oslo on Monday announced it is seeking to invest 16.8 billion Norwegian kroner (\$1.8 billion or 1.6 billion euros) to develop carbon capture and storage (CCS) technology.

The government unveiled the proposed investment in technology considered promising but extremely expensive the same day as climate activists protested in the capital against oil policy in Western Europe's biggest producer.

The project, named "Longship" after Viking vessels, "is the greatest climate project in Norwegian industry ever", Petroleum and Energy Minister Tina Bru told a press conference.

The government said the first project would be carbon capture and storage at the Norcem cement factory in Brevik, in the south. The cement industry alone accounts for seven percent of CO2 emissions.

By 2024, the hope is that the Norcem plant would be able to capture about 400,000 tonnes of CO2, or nearly half of the 900,000 tonnes it emitted last year.

Other projects include a waste incineration plant operated by the Fortum power company in Oslo, provided other sources of funding, such as from the EU, can be secured.

"For Longship to be a successful climate project for the future, other countries also have to start using this technology," Prime Minister Erna Solberg said in a statement.

"This is one of the reasons why our funding is conditional on others contributing financially as well".

The government is also considering funding the "Northern Lights" joint venture by Norwegian oil giants Equinor, Anglo-Dutch Shell and France's Total.

Liquefied CO2 would be transported from capture facilities to a terminal and injected via pipeline into a reservoir beneath the seabed.

The proposals will be examined by Norway's parliament and may be modified as the government does not have a majority.

The plans were unveiled just as activists from Extinction Rebellion staged a series of protests outside the Royal Palace Park and ministries in Oslo to demand an end to oil exploitation.

Oslo police said 32 people were arrested.

Norway has committed to reducing greenhouse gas emissions by 50 to 55 percent by 2030.

BAD DAY FOR MARKETS



A man walks past the London Stock Exchange in London recently. (AFP)

Global stocks tank on fears of second coronavirus wave

London stocks dived by 3% after health minister warned Britain's coronavirus crisis was at a 'tipping point'

AFP
LONDON

WORLD equity markets tanked on Monday, losing around three percent as investors fretted over mounting fears of a second wave of coronavirus and a lack of fresh central bank stimulus, dealers said.

The banking sector was also rocked by the findings of an international journalism investigation that claimed massive sums of allegedly dirty money have flowed for years through some of the world's largest banking institutions.

London stocks dived by 3.0 percent after Health Minister Matt Hancock warned Britain's coronavirus crisis was at a "tipping point", fueling expectations of more restrictions aimed at curbing Covid-19 as government experts said cases could mushroom.

The proposals will be examined by Norway's parliament and may be modified as the government does not have a majority.

The plans were unveiled just as activists from Extinction Rebellion staged a series of protests outside the Royal Palace Park and ministries in Oslo to demand an end to oil exploitation.

Oslo police said 32 people were arrested.

Norway has committed to reducing greenhouse gas emissions by 50 to 55 percent by 2030.

On Wall Street, the Dow also joined the selloff, sliding 2.3 percent shortly after opening bell.

The broad-based S&P 500 and the tech-rich Nasdaq both gave up around two percent.

Frankfurt, Paris, Milan tumbled three percent while Madrid sank by 3.5 percent after a partial virus lockdown began in the Spanish capital's densely populated south.

The European single currency was pushed under \$1.18 as dealers sought the traditional safety of the dollar, while oil prices shed almost 2.0 percent on weak energy demand concerns.

"Sentiment was ice cold in the markets... as the FTSE 100 fell sharply below the 6,000 (points) mark," remarked investment director Russ Mould at online broker AJ Bell.

"The move followed mixed trading in Asia and matched

similar-sized drops on other European exchanges as investors weigh concerns around a new wave of coronavirus infections and fears that central banks are not immediately coming to the rescue with a fresh round of stimulus."

He added: "Travel stocks again faced severe turbulence amid the rising fears over new (government) restrictions -- with British Airways owner International Airlines Group the top FTSE 100 faller."

IAG stock spiralled 12.3 percent lower mid session to stand at 96.98 pence and no-frills rival EasyJet lost 8.1 percent to 496.40 pence.

Most Asian bourses also fell following a disappointing performance Friday on Wall Street, on growing alarm over an uptick in coronavirus infections in Europe and the United States -- as well as the lack of movement in Washington on a new stimulus.

Shares in major banks dived after Buzzfeed News and the International Consortium of Investigative Journalists published findings over dirty money allegedly flowing through institutions.

The investigation points in particular to five major banks -- JPMorgan Chase, HSBC, Standard Chartered, Deutsche Bank and Bank of New York Mellon.

Elsewhere, Sweden unveiled a budget including a plan to reboot the virus-hit economy with a ten billion euro stimulus which will take the country's finances into deficit for the first time in five years by 4.2 percent of GDP this year and 1.6 percent next year.

KEY figures around 1350 GMT

NEW York - Dow Jones: DOWN 2.3 percent at 27,034.10
LONDON - FTSE 100: DOWN 3.2 percent at 5,816.83 points

FRANKFURT - DAX 30: DOWN 3.6 percent at 12,647.64
PARIS - CAC 40: DOWN 3.2 percent at 4,817.99
MADRID - IBEX 35: DOWN 2.8 percent at 6,635.90
MILAN - FTSE MIB: DOWN 3.0 percent at 18,938.23
EURO STOXX 50: DOWN 3.3 percent at 3,174.10
HONG Kong - Hang Seng: DOWN 2.1 percent at 23,950.69 (close)

SHANGHAI - Composite: DOWN 0.6 percent at 3,316.94 (close)
EURO/DOLLAR: DOWN at \$1.1771 from \$1.1840 at 2100 GMT
POUND/DOLLAR: DOWN at \$1.2829 from \$1.2917
EURO/POUND: UP at 91.76 pence from 91.66 pence
DOLLAR/YEN: DOWN at 104.44 yen from 104.57 yen
WEST Texas Intermediate: DOWN 1.9 percent at \$40.34 per barrel
BRENT North Sea crude: DOWN 1.8 percent at \$42.39

Bailout will keep Air France-KLM afloat for less than year: CEO

AFP
PARIS

BAILOUTS provided to Air France-KLM by the French and Dutch governments will keep the airline flying less than a year, its CEO Benjamin Smith said Monday and evoked the possibility of injecting new capital.

In an interview with the French daily l'Opinion, Smith also warned that calls for airlines to contribute more to fight climate change could be catastrophic for their survival which is already under threat due to the coronavirus pandemic.

When countries imposed lockdowns earlier this year to stem the spread of the coronavirus airlines faced steep drops in revenue that have claimed several carriers.

A number of countries stepped in with support, including France which provided 7 billion euros (\$8.2 billion) to Air France and the Netherlands which received a 3.4-billion-euro package.

"This support will permit us to hold on less than 12 months," said Smith.

The reason is that air traffic is picking up very slowly as many northern hemisphere countries are now fearing a second wave of infections.

"If we base it upon the past few weeks, it is clear that the recovery in traffic will be slower than expected," according to Smith, who said when the bailout was put together the airline was expecting a return to 2019 levels only in 2024.

Smith said discussions were already underway with shareholders on shoring up the airline group, and steps would be taken before the next regular annual meeting in the second quarter of next year.

"One, three or five billion euros? It is too early to put a figure on a possible recapitalisation," he said.

The airline group had 14.2 billion euros in cash or available under credit lines.

Major shareholders include the French government with a 14.3 percent stake, the Dutch government at 14 percent, as well as Delta and China Eastern airlines which each hold an 8 percent stake.

One proposal that has come from a citizen's convention convoked by President Emmanuel Macron would cost airlines an estimated 4.2 billion euros.

Major banks moved vast sums of illicit money, says ICIJ

AFP
WASHINGTON

MASSIVE sums of allegedly dirty money have flowed for years through some of the world's largest banking institutions, said an international journalism investigation published Sunday, which denounced shortcomings in sector regulations.

"Profits from deadly drug wars, fortunes embezzled from developing countries, and hard-

earned savings stolen in a Ponzi scheme were all allowed to flow into and out of these financial institutions, despite warnings from the banks' own employees," according to the probe from Buzzfeed News and the International Consortium of Investigative Journalists (ICIJ).

The investigation, which was led by 108 international media outlets from 88 different countries, is based on thousands of suspicious activity reports (SARs) submitted to

the government, but kept from public view, expose the hollowness of banking safeguards, and the ease with which criminals have exploited them," wrote US outlet Buzzfeed News, in the introduction of its report.

The documents relate to \$2 trillion in transactions that circulated between 1999 and 2017.

The investigation points in particular to five major banks -- JPMorgan Chase, HSBC, Standard Chartered, Deutsche Bank and Bank of New York Mellon -- accused of continuing to move assets of alleged criminals, even after being prosecuted or convicted for financial misconduct.

"The networks through which dirty money traverse the world have become vital arteries of the global economy," Buzzfeed News reported.

In a statement released prior to the investigation's publication, FinCEN said that the "unauthorized disclosure of SARs is a crime that can impact the national security of the United States."

"It's clear that the carbon intensive and highly unequal model of economic growth over the last 20-30 years has not benefited the poorest half of humanity," he said.

"It's a false dichotomy to suggest that we have to choose between economic growth and (fixing) the climate crisis."

With just 1C of warming so far, Earth is already battling more frequent and intense

wildfires, droughts and super storms rendered more powerful by rising seas.

Gore said governments must put the twin challenges of climate change and inequality at the heart of any Covid-19 recovery plan.

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"It's a false dichotomy to suggest that we have to choose between economic growth and (fixing) the climate crisis."

Richest 1% pollute twice that of poorest 50%: Analysis

AFP
PARIS

THE richest one percent of people are responsible for more than twice as much carbon pollution as the poorest half of the world's population -- 3.1 billion people -- new research showed on Monday.

Despite a sharp decrease in carbon emissions due to the pandemic, the world remains on pace to warm several degrees this century, threatening poor and developing nations with the full gamut of natural disasters and displacements.

An analysis led by Oxfam showed that between 1990 and 2015, when annual emissions ballooned 60 percent, that rich nations were responsible for depleting nearly a third of Earth's carbon budget.

The carbon budget is the limit of cumulative greenhouse gas emissions mankind may produce before rendering catastrophic temperature rises unavoidable.

Just 63 million people -- the "one percent" -- took up nine percent of the carbon budget since 1990, research conducted for Oxfam by the Stockholm



Environment Institute found. Highlighting an ever-widening "carbon inequality", the analysis said the growth rate of

the one percent's emissions was three times that of the poorest half of humanity.

"It's not just that extreme economic inequality is divisive in our societies, it's not just that it slows the rate of poverty reduction," Tim Gore, head of policy, advocacy and research, told AFP.

"But there is also a third cost which is that it depletes the carbon budget solely for the purpose of the already affluent growing their consumption."

"And that of course has the worse impacts on the poorest and least responsible," Gore

added.

The 2015 Paris climate deal commits nations to limit global temperature rise to "well below" two degrees Celsius above pre-industrial levels.

But emissions have continued to rise since then, and several analyses have warned that without a thoroughly re-tooled global economy prioritising green growth, the pollutions savings due to Covid-19 will have an insignificant mitigating impact on climate change.

With just 1C of warming so far, Earth is already battling more frequent and intense

DEAL OR NO DEAL?



Youths ride bicycles past the office building for US-based technology company Oracle in Beijing recently. (AFP)

Trump vows to block any TikTok deal that allows Chinese control

ByteDance, under pressure in China not to give in to US demands, said it would hold an 80% stake in TikTok Global after an IPO

AFP
WASHINGTON

A deal to restructure ownership of the popular video app TikTok was thrown into doubt on Monday by US President Donald Trump, who vowed to block any deal that allows its Chinese parent firm to retain any control.

The comments raised fresh concerns over a weekend deal that appeared to avert a US-ordered ban of TikTok, which the Trump administration has called a national security risk and has threatened to ban without ownership changes.

The deal would make Silicon Valley giant Oracle the data partner for TikTok with retail giant Walmart also taking a stake in a new entity to be called TikTok Global.

But details of the plan re-

mained unclear, amid differing accounts on the American and Chinese shares of the new firm, and who would be in control of the data and algorithms.

Trump on Monday told Fox News that TikTok's Chinese parent firm ByteDance "will have nothing to do with it and if they do, then we just won't make the deal."

He added that Oracle and Walmart "are going to own the controlling interest. Everything is going to be moved into a cloud done by Oracle... and it's going to be controlled -- totally controlled by Oracle."

ByteDance, under pressure in China not to give in to US demands, said it would hold an 80 percent stake in TikTok Global after a public share offering.

The Chinese firm said the current plan "does not involve

Oracle and Walmart 'are going to own the controlling interest. Everything is going to be moved into a cloud done by Oracle... and it's going to be controlled -- totally controlled by Oracle'

US President Donald Trump

the transfer of any algorithms and technologies" and that reports to the contrary were "rumours."

A separate statement from Oracle offered a different view of the transaction.

"Upon creation of TikTok Global, Oracle/Walmart will make their investment and the TikTok Global shares will be distributed to their owners, Americans will be the majority and ByteDance will have no ownership in TikTok Global," Oracle vice president Ken Glueck said.

TikTok -- which became a global phenomenon with its brand of short, addictive phone videos -- has come under fire in recent months as tensions escalate between China and the west.

Trump has increasingly put national security and his aggressive stance toward China at the center of his re-election campaign, claiming without providing evidence that TikTok is collecting user data for Beijing.

It is the latest digital battleground between Beijing and Washington, which has also sought to cut off Chinese giant Huawei from the global tech supply chain on similar security concerns, and has moved to ban the multi-usage Chinese app WeChat in the United States.

Some analysts expressed skepticism that the TikTok deal could be structured in a way to win approval both from the US and China.

"It looks like Oracle and TikTok have made just enough

concessions to pass the US administration but now comes the test of whether these concessions are too much for China," independent technology analyst Richard Windsor said in a blog post.

The plan unveiled over the weekend would allow Oracle to take a 12.5 percent stake in TikTok and Walmart a 7.5 percent stake in a share offering valuing the platform at some \$60 billion.

The ownership stake held in Chinese hands has been subject to differing interpretations since ByteDance is 40 percent owned by American investors.

Also in doubt was Trump's claim that the new entity would make a \$5 billion contribution to a "patriotic education" initiative.

Oracle and Walmart said TikTok Global would "pay more than \$5 billion in new tax dollars" as part of the plan, which according to US officials would also lead to 25,000 new US jobs.

HSBC shares hit 25-yr low on report of China 'unreliable list'

AFP
HONG KONG

SHARES in banking giant HSBC plunged to a 25-year low on Monday on fears it could be added to a Chinese list of firms deemed a threat to national security and following news it had been accused of allowing fraudulent activity to go unpunished.

The troubled lender tanked 5.33 percent to close at HK\$29.30 -- a level not seen since mid-1995 -- as investors fret over its ability to continue doing business in China and Hong Kong, which make up a crucial portion of its growth.

The sell-off came after the Global Times, a state-run English tabloid in China, reported the bank could be one of the first firms to be named on Beijing's "unreliable entity list" as part of a tit-for-tat stand-off with several western countries.

The report pointed to HSBC's participation in Washington's investigation of Huawei and the arrest of its chief financial officer Meng Wanzhou in Canada.

Among penalties that can be meted out are restrictions on trade, investment and visas.

"If the company is listed as an unreliable company by China, which looks certain since it's a Global Times article, the bank will be facing lots of difficulties to do business in China," Banny Lam, at CEB International Investment Corp., told Bloomberg News.

"They may have trouble expanding the mainland business, after investing so much there over the past few years."

HSBC was also among a group of banks said to have allowed fraudsters to transfer millions of dollars around the world even after it had learned of the scam.

The International Consortium of Investigative Journalists (ICIJ) cited leaked official US documents that said the bank "kept profiting from powerful and dangerous players" in the past two decades.

HSBC told the investigation team that it has always met its legal duties on reporting suspicious activities.

In a statement, it said the ICIJ report was "historical and predates the conclusion of our

Deferred Prosecution Agreement (DPA) in 2017".

It added that it had been overhauling its ability to combat financial crime across more than 60 jurisdictions since 2012 and Britain's Justice Department determined the bank met all its obligations under the DPA.

"HSBC is a much safer institution than it was in 2012," the bank said.

Shares in another Hong Kong-listed bank, Standard Chartered, also tumbled more than six percent after it was mentioned in the report.

HSBC has seen its share price more than halve so far



A man walks past an HSBC sign in Hong Kong on Monday. (AFP)

The report pointed to HSBC's participation in Washington's investigation of Huawei and the arrest of its chief financial officer Meng Wanzhou in Canada

this year, hit by the pandemic -- net profit slumped 69 percent in the first six months -- and China-US tensions.

The lender acts as a major business conduit between China and the West but that has left it more vulnerable than most to the crossfire of the increasingly bellicose relationship between the superpowers.

The bank has tried to stay in Beijing's good graces, vocally backing Hong Kong's national security law, sparking criticism in Washington and London.

Analysts saw it as an attempt to protect its access to China, which has a track record of punishing businesses that do not toe Beijing's line. But that has not shielded it from Beijing's wrath.

Founder of truck maker Nikola resigns after fraud allegations

AFP
NEW YORK

SHARES of embattled auto startup Nikola were under renewed pressure on Monday following the sudden resignation of company founder Trevor Milton in the wake of fraud allegations.

The Phoenix-based company said in a statement late on Sunday it had accepted Milton's resignation and he would be replaced immediately by Stephen Girsky, a Nikola board member and former vice-chairman at General Motors.

The resignation of Milton, who served as executive chairman, was the latest twist in a heady two-week period that saw the company soar after scoring an alliance with GM, and then reel as it was hit by fraud allegations that put the company on the defensive.

Shares of Nikola fell more than 20 percent in mid-morning trading to \$27.40.

Milton launched the company in 2015 to develop trucks and pick-ups powered by electric batteries or hydrogen fuel cells, and though Nikola has not yet built anything it caught attention by signing strategic partnerships with such re-



File photo of a Nikola Refuse truck. (AFP)

owned groups as GM and German engineering giant Bosch.

The announcement of the GM partnership on September 8 caused shares to leap 41 percent on the New York Stock Exchange amid hopes that the Arizona company would be the next Tesla.

But two days later, investment company Hindenburg Research published a report accusing the startup of "intricate fraud" based on multiple lies by Milton, who it said "misled partners into signing agreements by falsely claiming to have extensive proprietary technology."

That announcement triggered a plummet in share value, with stock diving 36 percent in

three days.

It also sparked an investigation by the Securities and Exchange Commission, according to sources cited by Bloomberg.

Milton hotly denied the charges and said he would refute them, and in the statement announcing his resignation, he said, "The focus should be on the company and its world-changing mission, not me. I intend to defend myself against false allegations levelled against me by outside detractors."

Nikola also rejected most of the claims in the Hindenburg report. But it did not deny that it staged a 2017 video of one of its prototypes apparently in action. According to Hindenburg,

"Nikola had the truck towed to the top of a hill on a remote stretch of road and simply filmed it rolling down the hill."

Nikola responded that it "never stated its truck was driving under its own propulsion in the video" simply saying that it was "in motion."

On Monday, Milton described as Girsky as "the right leader to guide our vision at the Board level."

Girsky, who worked in senior roles at GM from 2009 through 2014 and served on the board when the auto giant emerged from bankruptcy after the 2008 financial crisis, thanked Milton for his leadership.

"Trevor saw the possibility of creating an end-to-end zero-emission transportation system when the industry was still in its nascent stages and took action to build the Nikola of today, with world-class partnerships, groundbreaking R&D and a revolutionary business model," Girsky said.

Nikola CEO Mark Russell said company leaders are "laser-focused on executing our strategic initiatives and laying the groundwork to become a vertically integrated zero-emission transportation solutions provider."

Lufthansa to cut more jobs as coronavirus pummels travel

AFP
FRANKFURT AM MAIN

LUFTHANSA said on Monday it will slash more jobs on top of 22,000 previously announced cuts and put more planes out of service as the coronavirus continues to crush travel demand.

The German airline group said in a statement it was losing some 500 million euros (\$590 million) a month, and bookings were declining after a brief rebound over the summer.

To cut costs, Lufthansa now plans to reduce its roughly 800-strong fleet by 150 planes by 2025, compared with an earlier plan to scrap 100 aircraft.

"The previously announced personnel surplus amounting to 22,000 full-time positions will increase as a result of the decisions taken," it said.

The group did not give a figure for the additional job cuts, but sources close to the negotiations put the number at around 5,000.

Lufthansa said it would engage in talks with labour representatives to "limit the number of necessary redun-

dancies".

Managers will also be hit, with one in five management positions to go in the first quarter of 2021.

The company's negotiations with unions are proving difficult however, and German media have said pilots at subsidiary Germanwings could be among the first to face redundancy in 2021.

German union Verdi, which represents ground staff, accused Lufthansa of lacking a clear vision for the future.

"It's clear to everyone that things can't go on without cuts," Verdi's Mira Neumaier said in a statement. "But the company will not be saved through job cuts alone."

Lufthansa, which also owns Swiss, Brussels and Austria Airlines, was saved from bankruptcy through a German government bailout worth nine billion euros in June.

But the airline has repeatedly warned that the government rescue would not be enough to stave off painful cuts as the sector weathers an unprecedented crisis.

"The outlook for inter-

national air traffic has significantly worsened in recent weeks," Lufthansa said, in a nod to the rapid uptick in coronavirus cases across Europe.

Lufthansa said its previous assumption that travel demand could reach half of last year's in the fourth quarter "no longer seems realistic".

Its homebase Germany is also planning new rules from October, requiring travellers arriving from risk zones to go into quarantine for at least five days before taking a test.

Lufthansa would prefer it if corona tests were expanded prior to departure, saying it would be a "better alternative than changing inconsistent entry and quarantine regulations".

Germany's new quarantine plans would essentially rule out intra-Europe weekend city hops -- something which had resumed over the summer months.

"The continuing high level of uncertainty in global air traffic makes short-term adjustments to the current market situation unavoidable for the foreseeable future," said the group.