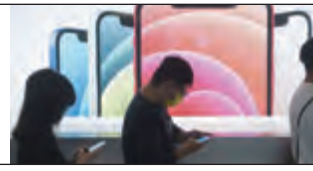




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Apple's largest supplier rushes to hire workers with high cash bonuses **PAGE 7**



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▲ SENSEX **52975.80**
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▲ GOLD **1,805.90**
-0.18 %

▲ BRENT PRICE **74.10**
PERCENTAGE +0.42 %

▲ WTI PRICE **72.07**
PERCENTAGE +0.22 %

▲ SILVER **25.23**
-0.58 %

Lulu strengthening Qatar's food security efforts: OBG

Lulu's expansion into previously underserved areas has boosted food accessibility in Qatar

SATYENDRA PATHAK
DOHA

LULU Group has made concerted efforts to support Qatar in its endeavours to strengthen national food security since it opened its first store in the country in 2000, Oxford Business Group (OBG) has said in its latest report.

The new COVID-19 Response Report produced by OBG in partnership with the retail chain Lulu Hypermarket maps out Qatar's successful efforts to strengthen food security and enhance self-sufficiency by stepping up domestic production capacity and easing reliance on imports.

Titled 'Food Security in Qatar', the report provides an in-depth analysis of the topic, ranging from food production to retail, in an easy-to-navigate and accessible format, supported by key data and infographics.

The report charts the critical role Lulu is playing in Qatar's efforts to meet its self-sufficiency targets, which include engaging closely with domestic farmers to ensure a consistent and quality supply of local produce in its stores.

According to the report, Lulu's retail footprint expansion into previously underserved areas has boosted food accessibility in Qatar.

Over recent decades, the report said, Qatar's rapid economic development and proliferation of mega infrastructure projects have helped to attract a large influx of international workers to the country. As a result, new urban and suburban real estate developments have sprung up in Doha and its environs to cater to the needs of a diverse range of residents.

"In tandem with this, major supermarket chains like Lulu Hypermarket have expanded their footprint to ensure that the residents of fast-growing settlement areas have



Lulu opened its 14th Qatari store at the e18hteen Tower, Lusail City, in November 2020.

access to essential food retail services. Lulu now has a diverse portfolio of stores across the country, employing some 4500 staff," the report said.

As it continues to expand its retail footprint in Qatar, the report said, Lulu is engaging closely with domestic farmers to ensure a consistent and high-quality supply of local produce, which is marketed in dedicated in-store spaces.

"In tandem with this initiative, Lulu continues to expand its storage capacity in the country to ensure reliable stocks of staple foods, which hedges against disruption in global supply chains. This strategy is supported by a global network of export distribution centres that are located in 22 countries," the report said.

Thanks to ongoing investment in logistics facilities and storage capacity, combined with sustained engagement with local producers, the report said, Lulu was able to meet heightened demand for food products in 2020 as con-

sumers spent more time at home during the COVID-19 pandemic.

"The company generated growth of 10-12 percent across all categories in 2020, which it says was achieved without any inflation in food prices from transferring the 'pandemic cost' onto the consumer," the report said.

Notably, Lulu experienced growth of 37 percent in the fresh food category, supported by the opening of two new stores over the course of the year. Locally produced food witnessed higher sales in most categories, it said.

Lulu entered the pandemic with a diverse portfolio of 12 stores serving a wide variety of geographic areas and social segments in Qatar, the report said adding that Lulu stores provide an extensive variety of fresh and frozen food products and consumer staples from local and international sources.

Lulu opened two new stores in Qatar in 2020 despite the pandemic, it said.

"Lulu opened its 14th Qatari store at the e18hteen Tower, Lusail City, in November 2020. The 2000-sq-metre store is the first to be opened by a retail chain in Qatar's flagship new smart city, which will eventually house 200,000 residents," the report said.

According to the report, 2021 is projected to be the biggest ever in terms of store openings in Qatar.

"Lulu plans to open five new stores in 2021 in fast-developing areas including Abu Sidra, Muaither, Ain Khalid and Pearl Qatar. Three more stores are planned to open in 2022, bringing Lulu's total retail footprint in Qatar to 22 stores. Lulu plans to boost reach and service offerings ahead of Qatar's hosting of FIFA World Cup 2022," the report said.

Social distancing and the accelerated migration to e-commerce during the COVID-19 pandemic have changed the face of food sales and forced retailers to adapt to rapidly evolving consumer

demands.

As a result, the report said, Lulu had to accelerate its pre-existing strategies for digital transformation and omnichannel retail solutions to keep pace.

"Omnichannel retail is a multiplatform approach to sales that seamlessly blends the customer experience between online and offline channels. With a mall culture firmly embedded among the increasingly tech-savvy Gulf consumer class, Lulu is placing omnichannel retail at the centre of its strategy for post-pandemic growth in Qatar and the region," the report said.

By enhancing the efficiency and effectiveness of e-commerce services, the report said, Lulu helped to enhance food security during the pandemic by expanding consumers' access to essential groceries while minimising the need for human contact that could potentially lead to COVID-19 transmission.

Given the fact that food retailers have a key role to play in the transition to a sustainable economic model, Lulu Hypermarket has joined the Ellen MacArthur Foundation as a network member to facilitate collaboration in accelerating the transition to a circular economy.

"A circular economy model minimises waste and pollution, maximises resource efficiency, and promotes the reuse, sharing, repair, refurbishment and recycling of materials. Concrete actions taken at Lulu to support a circular economy model include the segregation of packing cartons and paper waste collected by approved recycling partners and converted into reusable products. Customers will soon be offered a refill option in selected grocery categories, enabling them to refill their containers when they run out," the report said.

Qatar was in resilient position in terms of food security when pandemic began, says Althaf

SATYENDRA PATHAK
DOHA



Lulu Group International Director Mohamed Althaf

QATAR was in a relatively resilient position in terms of food security when the pandemic began, Lulu Group International Director Mohamed Althaf has said in an interview with the Oxford Business Group.

"Qatar faced serious challenges and supply chain disruptions in 2017 when trade restrictions were imposed by some Gulf neighbours. The country quickly learned from this experience and was able to develop effective solutions. Qatar diversified its sources of food imports, recalibrated various supply chains, upgraded logistics capabilities with a new port, streamlined cargo movements at the airport, and enhanced storage and cold-chain facilities. As a result, the country was in a relatively resilient position in terms of food security when the pandemic began," Althaf said.

Althaf said that there was a decisive shift in consumer preferences towards local produce and healthier food during the pandemic as consumers became more health-conscious.

Shoppers preferred less-processed food and showed increased interest in organic options and products with the potential to boost the immune system, he said.

"We also witnessed a boom in home baking and culinary experimentation as people found themselves with more leisure time at home due to travel restrictions, curbed business hours and a ban on large gatherings," he said.

Talking about his assessment of the local innovation ecosystem when it comes to the deployment of agri-tech solutions to mitigate challenges such as water scarcity and desertification, Althaf said that the pandemic highlighted food security challenges and led to a re-

evaluation in the way that technology is employed in agriculture.

"New technological solutions like vertical farming are generating increased attention, and both public and private sector stakeholders are exploring options to reduce import dependency and shorten the distance between growers and consumers. Climate-sensitive practices to extend growing seasons and more diverse crop selections are also being actively explored," he said.

About initiatives taken by Lulu to introduce healthy food options and strengthen long-term food security in Qatar, he said, "To us, food security means that food is not only available but also sustainably sourced, affordably priced and easily accessible. Lulu has already made commitments to reduce fat, sugar and salt in all in-house products by 30 percent, and we have the largest selection of fresh produce available in Qatar. We are also pioneers in offering plant-based protein products not only in the specialty vegan category but across product groups in our stores. All in-store, ready-to-eat meals contain balanced nutrition, and Lulu carries a dedicated 'free from' organic label to help people make informed, healthy choices."

Hedge fund gains 400% as China faces off with high commodity prices

AGENCIES
LONDON

WHEN China's government started paying more attention to surging commodity prices a few months back, hedge fund manager Richard Lee's trading models told him a correction was imminent.

Inventories of reinforced steel bars, a key construction material, started rising before the arrival of the summer slow season, and China's State Council had warned repeatedly on price increases, he said in an interview. "Our models were flashing strong signals of a reversal," said Mr Lee, the general manager of Shanghai-based Regan Group, which manages about 10 billion yuan (\$1.6bn). By the middle of May, rebar prices began to plunge, leaving Regan's CTA (commodity trading adviser) No. 3 fund up 125 per cent for the month.

As China battles commodity prices which threaten to derail the nation's economic

recovery, the quantitative offerings of so-called commodity trading advisers have outperformed, drawing a flood of investor interest. Hangzhou-based Qihe New Asset Management's Chenxing No. 1 delivered the best returns among all CTAs in China, topping 400 per cent, for the first half.

David Harding's Winton Group, one of the most prominent global names in the space, has also seen a boost. Local assets under management surged 50 per cent this year to 6bn yuan, according to a person with knowledge of the matter, helping make the fund a rare success among dozens of international names jostling for attention in China's crowded hedge fund market. And while performance for CTAs - hedge funds specialising in buying futures and options, frequently tied to commodities - has dipped in recent weeks, home-grown players point to a tide of new money with even retail investors now wanting in.

QDB launches 10th edition of Al Fikra

QNA
DOHA

QATAR Development Bank (QDB) launched its 10th edition of Al Fikra National Business Competition, an educational competition designed for Qatari led Start-ups and entrepreneurs, enabling them to develop business ideas that can be turned into successful private value-adding businesses by providing the participants with a series of training that equips them with the knowledge and skills to be able to conceptualize and develop their business ideas.

The QDB will start receiving applications as of Sunday, July 25, 2021 and will continue receiving them for one month. All those interested can visit QDB's website for full details.

QDB CEO Abdulaziz bin Nasser Al Khalifa pointed out the importance of the competition as a broad national gate that has been receiving innovators from various fields over the past years.



The QDB headquarters in Doha.

He added that the bank is launching the 10th edition of Al Fikra, which has been developing year after year, to meet the aspirations of entrepreneurs in Qatar in order to encourage them to participate in this educational competition so that they can contrib-

ute effectively to enriching the entrepreneurship system and resulting support for the Qatari economy.

Al Fikra Business Competition is designed to encourage the establishment of new companies and foster a culture of entrepreneurship

in Qatar and aims to develop high performing individuals to be successful entrepreneurs through providing high-quality entrepreneurship training; educate participants on how to develop business models for their ideas and turn them into operational business ven-

tures; and provide more opportunities for entrepreneurs to launch their businesses through providing winners with pre-seed investment and advisory services to help launch the commercialisation of their business ideas.

Al Fikra will be divided into three categories. The first is Al Fikra challenges, which focuses on several sectors, namely the technology sector, the environmental sector, the education sector and smart cities. Participants in this category must devise business ideas that address the challenges in the market.

The second category is Al Fikra Startup, which is a competition for general business ideas; while the third is Al Fikra Mashroie which targets university students, who have previously participated in university competitions in the field of entrepreneurship, and who are nominated to be representatives of their universities to compete on their behalf in the competition.

Tesla's factory in Berlin runs into activists, red tape and lizards

NYT

GRÜNHEIDE, GERMANY

THE vast pale gray factory with its own exit on the autobahn, surrounded by a pine forest east of Berlin, was supposed to be producing shiny new Teslas by now. Instead it has become a manifestation of what happens when Silicon Valley ambition collides with German procedure.

The \$7 billion factory, which will supply the fast-growing European market for electric cars, is at least six months behind schedule, according to local officials. And Tesla may be even further away from producing cars in Germany because construction has only just begun on an adjacent factory that will supply batteries. Tesla declined to comment.

Tesla's first major assembly plant in Europe has strong support from regional political leaders, but it has been held up by legal challenges from environmental groups, delays in the approval process by regional and national agencies, and the carmaker's own revisions to the plan. Tesla must also find new homes for the site's current residents: a species of lizard, and the kind of snake that likes to eat it.

The slipping start date could prove costly to Tesla. It buys time for competing manufacturers like Volkswagen, Mercedes-Benz and Renault to try to establish their own expanding lineups of electric cars.

Tesla's Model 3, which the company imports to Europe from China or the United States, is the top-selling electric vehicle on the continent. But Volkswagen's electric models, like the ID.3 hatchback and ID.4 sport utility vehicle, introduced during the last year, have surpassed Tesla in combined sales, according to Matthias Schmidt, an independent analyst in Berlin who tracks electric car sales in Europe.

"The European market is completely hot at the moment," Schmidt said. "Definitely it's an opportunity missed for Tesla and an opportunity gained for European manufacturers."

The history of U.S. carmakers that have jumped the Atlantic and found a profitable home in Europe is a thin one. Dealing with troublesome labor unions and difficulties reading the preferences of local car buyers have made Europe a money pit for foreign carmakers.

General Motors in 2017 sold its European Opel and Vauxhall operations to the company now known as Stellantis after decades of losses. Ford of Europe has struggled to arrest a decline in market share, which was a meager 4% in May in the European Union. Even Toyota, with 6% of the European market, has been unable to match the popularity it enjoys in Asia and the United States.

Elon Musk, Tesla's chief executive, appears to have chosen Germany for the company's third major assembly plant, which will be able to produce an estimated 500,000 vehicles a year, in part because he wanted to tap the expertise in engineering and manufacturing that has allowed Mercedes-Benz, Audi and BMW to dominate the global market for luxury passenger cars. Last year, he dressed up in a black vest, white shirt and wide-brimmed hat, the traditional dress of a German journeyman builder, for a celebration marking the completion of the factory's girder structure.

The get-up masked a more fundamental clash of cultures at work. "On the one hand you have the American enthusiasm for new ideas, for imple-



menting them as quickly as possible," said Rolf Lindemann, county commissioner of Oder-Spree, the site of the factory. "On the other side you have that German approach, to think things through all the way to their conclusion, see the consequences and to try to minimize risks — to analyze the whole thing deeply."

The delay is nothing new for Tesla, which has a long history of overly optimistic timelines for autonomous driving, electric long-haul trucks and rocket launches.

But Musk may have gotten more German culture than he bargained for. Germany is a country of implacable environmental activists like Manuela Hoyer, a 61-year-old former union organizer who lives about six miles from the factory and is one of the few people who believe it can still be stopped before it produces its first car. That may be unrealistic, considering that the factory appears to be close to completion, with workers putting the finishing touches on the exterior and installing machinery inside.

"When the second-richest man in the world shows up, they roll out the red carpet and give him everything he asks for," said Hoyer, who has been charged with trespassing on the site. (The charges were dropped.) "That really is a crime, not just against the environment but also against the population here."

Hoyer, who is part of a small citizens' group that keeps an eye on the Tesla project, speaks up at public hearings on the project, and is a fierce letter writer who sends missives to local officials or calls the police whenever she sees something at the site that she considers an infringement of local clean water laws or other ordinances.

Two other groups, the Nature Protection Federation of Brandenburg, known as NABU, and the Green League, have gone to court to force Tesla to relocate a population of sand lizards, roughly 10 inches in length and bright green and gray, that thrive in the site's sandy soil, as well as several 30-inch-long smooth adders. Both species are considered threatened under German and European law.

Complicating the operation, which is supposed to be completed by the end of the summer, the snakes prey on the lizards. The environmentalists say the lizards must be moved first so they can adjust to the new habitat and stand a fighting chance to survive once their predators arrive.

The environmental groups trying to sue Tesla say they do not expect to be able to stop the project. But they want to prevent Tesla from cutting corners, and they have so far succeeded in reducing the number of trees the company was allowed to cut down.

"Not everything can be done at Tesla speed," said Christiane Schröder, the regional head of NABU.

Tesla pushes for lower taxes on EVs in India

AGENCIES

TESLA Inc has written to Indian ministries seeking a big reduction in import duties on electric vehicles (EVs), a move it says will boost demand and generate revenue for the government, two sources with knowledge of the matter said.

Its pitch, however, is likely to face resistance from Prime Minister Narendra Modi's administration which has championed high import taxes for many industries in a bid to boost local manufacturing.

Other luxury automakers in India have also lobbied the government in the past to lower taxes on imported cars but have had little success due to opposition from rivals with domestic operations.

Tesla, which aims to begin sales in India this year, said in a letter to ministries and the

country's leading think-tank Niti Aayog that slashing federal taxes on imports of fully assembled electric cars to 40 per cent would be more appropriate, according to the sources.

That compares with current rates of 60 per cent for cars priced below \$40,000 and 100 per cent for those above \$40,000.

"The argument is that at 40 per cent import duty, electric cars can become more affordable but the threshold is still high enough to compel companies to manufacture locally if demand picks up," one of the sources said. The sources declined to be identified as the letter has not been made public.

According to Tesla's US website, only one model - the Model 3 Standard Range Plus - is priced below \$40,000.

Tesla and Niti Aayog did

Tesla registered a local company in India in January and has ramped up local hiring while also scouting for showroom space

Daimler's Mercedes Benz began selling its EQ luxury EV in India last year for \$136,000, and Audi launched three electric SUVs this week with sticker tags that begin at around \$133,000.

While lower duties would give Tesla a better chance to test the market, its plan to begin sales in India does not hinge on a change in government policy, both sources said.

Tesla registered a local company in India in January and has ramped up local hiring while also scouting for showroom space.

India's transport minister Nitin Gadkari told Reuters in March that India would be willing to offer incentives to ensure Tesla's cost of production in the country is less than that in China, but only if it manufactures locally.

Apple's largest supplier rushes to hire workers with high cash bonuses

AGENCIES

THE world's largest iPhone factory, located in the central Chinese city of Zhengzhou, is raising its cash rewards for new workers to yet another record-high as Foxconn Technology Group ramps up production capacity amid extreme levels of rainfall that has led to the death of at least 56 people and displaced more than 7.5 million.

The Taiwanese company's integrated Digital Product Business Group (iDPBG) unit — a division of Foxconn that is responsible for iPhone assembly — is offering up to 10,000 yuan (US\$1,542) as a signing bonus to people who are willing to work on the factory's production line as the city continues to struggle with the aftermath of the flood.

The latest cash bonuses, effective immediately on Saturday, are already 2,000 yuan higher than the rewards offered just a week ago and are the highest since the factory started operations in 2010, according to the South China Morning Post's review of past recruitment advertisements.

New iDPBG workers will get a signing bonus ranging from 8,500 to 9,500 yuan after working on the production line for 90 days, according to the company's latest recruit-



Visitors queue up outside Apple Store at IFC in Central China.

ment ad. Those who refer new workers will also get a bonus of 500 yuan, bringing the total cash rewards to 10,000 yuan.

The record-high bonus initiative at the Zhengzhou facility comes as Foxconn is under pressure to meet production targets ahead of the launch of Apple's newest iPhone, expected in September.

Apple is targeting to ship 130 to 150 million new iPhone units for the second half of 2021, according to Dan Ives, managing director at investment firm Wedbush Securities, in a research note published in June. Its supply

chain in Asia will enable the production of 90 to 100 million units to meet the initial orders for iPhone 13, Ives said.

The floods have made this more difficult after the company was forced to put workers at its facility in Zhongmu County, outside Zhengzhou's city centre, on leave for at least three days.

Foxconn told Chinese media the 21st Century Business Herald on Friday that the Zhongmu plant was mainly responsible for manufacturing PC components, and its major plants responsible for the production of smartphones

remained normal operations. The manufacturing giant has over 250,000 workers spread through its three Zhengzhou facilities. During peak season, that number can exceed 300,000.

China, home to more Apple suppliers than any other country, is integral to the Cupertino-based company's supply chain. The country has also been able to recover quickly from the Covid-19 pandemic while India and Vietnam, where Foxconn's other iPhone production facilities are located, have been hit by new waves of outbreaks.

Exceeding expectations: For airlines, it's looking more like 2019 again

NYT

THE aviation recovery is gaining momentum.

A summer travel bonanza is exceeding expectations, helping airlines earn profits again and brightening the outlook for the rest of the year. It's a welcome relief for a battered industry and a sign that the rebound that began this spring appears to be here to stay.

The economic upturn, aggressive cost-cutting and an enormous federal stimulus that paid many salaries have helped to improve the finances of the largest carriers, which took on vast amounts of debt and lost billions of dollars during the pandemic.

This month, consumer spending on airlines briefly exceeded 2019 levels on a weekly basis for the first time since the pandemic began, according to Facteus, a research firm that monitors millions of online payments. Ticket prices have rebounded, too: In June, fares were down only 1% from the same month in 2019, according to the Adobe Digital Economy Index, which is similarly based on website visits and transactions.

And on Sunday, the Transportation Security Administration screened more than 2.2 million travelers at its airport checkpoints, the most in one day since the start of the pandemic.

"As people have gotten vaccinated and things have reopened, the demand is just very, very strong — and I think, in general, it's stronger than people thought it would be," said Helene Becker, an airline analyst at the investment bank Cowen. "People have money and time, and they're using it to travel."

A full recovery rests on the return of two pillars of the business, corporate and international travel, but executives said they expected both to improve meaningfully over the coming months. And while the delta variant of the coronavirus could still threaten the travel rebound, customers are so far undeterred.

"We haven't seen any impact at all on bookings," Scott Kirby, CEO of United Airlines, said this week on a call to discuss quarterly financial results with analysts and reporters. "The most likely outcome is that the recovery in demand

continues largely unabated."

His comments aligned with those of executives at American Airlines and Delta Air Lines, who said on similar calls that they had seen no drop in demand because of the variant. Both Delta and United added that a vast majority of employees and regular customers had received coronavirus vaccines, which appear to provide protection against the variant.

The rising demand has prompted hiring across the industry. American said Wednesday that it planned to hire 1,350 pilots by the end of next year, a 50% increase over previous plans. Last week, the company announced that it planned to hire hundreds of flight attendants and bring back thousands who volunteered for extended leaves during the pandemic.

Southwest Airlines said in June that it would increase its minimum wage to \$15 an hour to retain and attract workers, while Delta is in the middle of hiring thousands of employees. United last month announced plans to buy 270 new planes in the coming year, the largest airplane order in



Mask-wearing travelers queue at Miami International Airport, June 23, 2021. In welcome relief for a battered industry, airlines say a summer travel bonanza is exceeding expectations, helping them earn profits again. (SAUL MARTINEZ/THE NEW YORK TIMES)

its history and one that would create thousands of jobs nationwide.

Southwest on Thursday reported a profit of \$348 million for the quarter that ended in June, its second profitable quarter since the pandemic began. American reported a \$19 million profit over the same period, while Delta last week reported a \$652 million profit, a pandemic first for each airline. United this week reported a loss, but projected

a return to profitability in the third quarter as its business improved faster than forecast.

The financial turnaround has been buoyed by an infusion of \$54 billion of federal aid to pay employee salaries over the past year and a half. Without those payments, none of the major airlines would have been able to report profits for the quarter that ended in June. The aid precludes the companies from paying dividends through September

2022. Each airline offered a hopeful outlook for the current quarter. American projected that passenger capacity would be down only 15% to 20% from the third quarter of 2019, while United projected a 26% decline and Delta forecast a 28% to 30% drop. Southwest, which differs from the other three large carriers in that it operates few international flights, said it expected capacity to be comparable to the third quarter of 2019.

"We are just really excited about the momentum we're seeing in the numbers," Doug Parker, American's CEO, told analysts after the company delivered its earnings report.

The financial results and forecasts for the rest of the summer are the latest sign of strength in a comeback that has been building for months. But the airlines have vast amounts of debt to repay — American, the most indebted carrier, announced a plan Thursday to pay down \$15 billion by the end of 2025 — and the rebound hasn't been free of setbacks.

Passenger volumes are still down nearly 20% from pre-pandemic levels, and airlines

suffered widespread delays and cancellations as passengers returned in droves last month, according to data from FlightAware, a flight tracking company. About 17% of Delta's flights were delayed at least 15 minutes in June, along with more than 20% for United, more than 30% for American and 40% for Southwest.

"While the rapid ramp-up in June travel demand provided stability to our financial position, it has impacted our operations following a prolonged period of depressed demand," Southwest's CEO, Gary Kelly, acknowledged in a statement Thursday. "Therefore, we are intensely focused on improving our operations as we restore our network to meet demand."

Carriers have also struggled to get workers in place to meet that demand. American suffered shortages of catering and wheelchair operators last month, while it also accelerated pilot training to bring more than 3,000 back from extended leaves. Last week, Ed Bastian, CEO of Delta, said the airline had struggled to train new or long-sidelined employees.

Creating an Olympic soundscape at a fan-free Tokyo Games

AGENCIES

NUNO Duarte claps in Tokyo's Aomi Urban Sports Park and the sound echoes around the empty stadium, which will host Olympic sport climbers and 3x3 basketball players -- but no spectators.

"It's very strange for the athletes. They are not used to this," said Duarte, senior audio manager at Olympic Broadcast Services which has created an immersive soundscape for the virus-postponed Games.

While the stands will be empty at Olympic venues in Tokyo, ambient crowd sounds

-- customized for each sport -- are meant to stop arenas feeling like atmosphere-free shells.

To make the soundtracks, Duarte and his team combed audio from Rio 2016 and London 2012 to extract rare unsullied moments of spectator noise and applause.

They painstakingly pieced these clips together over three months, fine-tuning what they hope will immerse TV viewers in the action and encourage athletes without distracting them.

"Sports have their own dynamics. Some of them are very strong, very animated... oth-



Fake crowd noise will be broadcast in the absence of spectators.

ers require silence because the athletes need concentration," Duarte said.

For sports not seen in Rio or London like baseball, sport climbing and karate, the team selected similar atmospheres from the archives.

"Karate is very similar to judo for crowd reactions," explained Duarte, audio manager for OBS, which films and distributes thousands of hours of Games action to television clients worldwide.

Crowd sounds will be played "very low, like a murmur" to avoid stealing the show from the world's top competitors.

"The sport itself is the most important" element for viewers, Duarte said.

And the quiet venues will offer a unique experience for those watching at home.

"You're going to listen to details of the sports you never listened to before," he added.

For the first time, Games footage will be distributed to international networks in 4K, an ultra-high-definition format accompanied by so-called "immersive" sound.

It is the "third dimension of audio," Duarte said -- showing off a microphone resembling a submarine mine, or perhaps a

coronavirus particle.

"At the moment, we only have two dimensions, left-right and front-rear. Now we go for up high." The operation requires military organization and is coordinated from a control room at the Olympic media centre.

Three audio supervisors will be there throughout the Games, asking venues to adjust the audio mix when needed.

On TV, it's important to get a smooth and consistent balance between the sound of the athletes and the canned crowd, said audio supervisor Daniel Bekerman.

Sales of e-cars on the rise as Europe prepares to ditch petrol and diesel

AGENCIES

ELECTRIC cars -- key to reducing emissions and meeting climate change goals -- have boosted their market share in Europe, data showed Friday, as the region prepares to abandon petrol and diesel.

Battery electric vehicles more than doubled their share of new car sales in Europe in the second quarter, according to the European Automobile Manufacturers' Association (ACEA) which groups together major car firms. All-electric vehicles accounted for 7.5 percent of new car sales in Europe in the three months from April through June, against 3.5 percent during that period last year.

In absolute terms, sales of battery electric vehicles more than tripled across Europe to reach 210,298 cars.

The ACEA said there were substantial gains in the region's top four markets, led by sales more than quadrupling in Spain and Germany.

The publication of the data comes a week after the European Commission unveiled plans for what amounts to an effective ban on sales of new petrol and diesel vehicles from 2035.

It believes such a move is necessary for Europe to meet its goal of becoming carbon neutral by mid-century and meet its goals under the 2015 Paris accord that aims to limit the global rise in temperatures.

The ACEA also found sales jumped of different types of hybrid vehicles, which are seen by some as a transitional technology as they can reduce emissions from standard petrol or diesel vehicles.

"Plug-in hybrid electric vehicles (PHEVs) had an even more impressive second quarter of 2021, with registrations jumping by 255.8 percent to 235,730 units," said the ACEA. That took their market share to 8.4 percent.

Sales of hybrids which cannot be recharged from power mains also more than tripled to 541,162 vehicles, remaining the largest category of alternatively-powered cars with a 19.3 percent market share.

Meanwhile, registrations of new petrol and diesel vehicles increased given the low number of vehicles sold in the second quarter last year, when many European countries had severe restrictions on businesses due to the pandemic.



All-electric vehicles accounted for 7.5 percent of new car sales in Europe during the quarter.

Failing to act on US debt limit risks 'irreparable' economic harm: Yellen

Yellen says Treasury Dept would begin taking 'extraordinary measures' to avoid breaching the so-called debt limit

AGENCIES

TREASURY Secretary Janet Yellen warned Congress that the US economy faced "irreparable harm" if lawmakers failed to raise or suspend the nation's borrowing cap and that the Treasury Department would begin taking "extraordinary measures" to avoid breaching the so-called debt limit.

In a letter to Congress, Yellen said the nation's debt will hit its statutory limit Aug. 1 and that it is possible that soon after lawmakers return from their August recess the United States could face the dire prospect of defaulting on its obligations. Urging Congress to act, she recalled that in 2011 the threat of default caused the nation's credit rating to be downgraded.

"Even the threat of failing to meet those obligations has caused detrimental impacts in the past, including the sole credit rating downgrade in the history of the nation in 2011," Yellen wrote. "This is why no president or Treasury secretary of either party has ever countenanced even the suggestion of a default on any obligation of the United States."

Yellen also warned that the pandemic had made it difficult for the Treasury to predict how long it could delay breaching the debt ceiling given uncertainty around the timing of government payments and tax receipts.

The Treasury often takes what it calls "extraordinary measures" to avoid breaching



(FILE) Treasury Secretary Janet Yellen speaks to reporters at the White House in Washington.

the debt limit, which is a cap on how much the government can borrow. Those measures include suspending investments of the Exchange Stabilization Fund and suspending the issuing of new securities for the Civil Service Retirement and Disability Fund and the Postal Service Retiree Health Benefits Fund.

The Congressional Budget Office estimated this week that the Treasury Department could run out of cash by October or November.

Yellen noted that the government was required to make a payment of \$150 billion for a Department of Defense-related retirement and health care investment on Oct. 1, which will deplete its cash reserves.

Brinkmanship over the debt limit has become common in Washington. Republicans have traditionally resisted raising or suspending the debt limit when Democrats

control the White House. They backed a two-year suspension of the debt limit in 2019 as part of a spending agreement with Democrats while former President Donald Trump was in office.

Sen. Mitch McConnell, R-Ky., the minority leader, suggested this week that Republican senators would not back a debt ceiling increase and that Democrats would have to deal with it on their own.

White House officials said they remained hopeful that lawmakers would work together to avert a debt limit crisis.

"We certainly expect Congress to act in a bipartisan manner as they did three times under the prior administration to raise the debt limit," White House press secretary Jen Psaki said Friday.

Yellen said in her letter that suspending or increasing the debt limit did not author-

ize future spending but, in fact, allowed the Treasury Department to pay for expenses that Congress had already approved.

"The current level of debt reflects the cumulative effect of all prior spending and tax decisions, which have been made by administrations and Congresses of both parties over time," Yellen wrote.

Democrats haven't yet decided on a legislative strategy to deal with a debt-limit impasse.

But Yellen's letter could steer them toward putting a provision extending the debt limit into a bill Congress will have to approve before Oct. 1 to prevent a government shutdown that day. The regular spending bills financing federal agencies for the fiscal year that begins Oct. 1 are unlikely to have been enacted by then.

That tactic would dare Republicans to block a bill that,

if rejected, could result in both a federal shutdown and a default. Most politicians would be averse to being blamed for such events, especially heading into an election year.

Responding to McConnell's comments this week, Senate Majority Leader Chuck Schumer, D-N.Y., called them "shameless, cynical and totally political."

Yellen's reference to the use of "extraordinary measures" to allow the government to keep borrowing to meet its debt service obligations and make payments on such benefits as Social Security refers to a variety of book-keeping maneuvers past Treasury secretaries have used.

Those include disinvesting funds from accounts that pay pension benefits to government workers. Once the debt ceiling is dealt with, the funds that have been disinvested from various government accounts are replaced.

Toyota halts all 3 of its Thai plants due to supply crunch

AGENCIES

TOYOTA Motor Corp has suspended operations at all three of its plants in Thailand through next Wednesday due to a shortage of parts, as the latest coronavirus outbreak has forced an auto parts plant in the country to shut down, company officials said.

The three Toyota plants in Thailand, which are located in suburbs of Bangkok and have a combined output capacity of 760,000 units per year, serve as key production bases for the Japanese carmaker in Southeast Asia.

Toyota has yet to decide whether operations at the three plants will resume on July 29. It will take into account the COVID-19 infection rates in the area when determining whether to resume operations or extend the suspension further, the officials said.

The automaker also announced it will suspend part of the production at its affiliate's plant in central Japan for a total of five days in late July and early August "due to a parts shortage resulting from the spread of COVID-19 in Southeast Asia."

Operations at the Toyota Auto Body Co plant in Aichi Prefecture will be suspended for two days next week and three days in the first week of August, Toyota said in a press release.

The production line to be suspended manufactures five models, including the Alphard and Vellfire minivans.

In Vietnam, COVID-19 infections have been rising sharply, prompting local authorities to impose restrictions on daily life, while other Southeast Asian countries are also struggling to contain the coronavirus.

UK's summer getaway takes off but nothing like pre-COVID

AGENCIES

WITH all British schools now closed for the summer, airports and airlines were looking a tad more normal on Saturday, although the number of families heading off for warmer climes remains way down from before the coronavirus pandemic.

This weekend traditionally marks the great summer getaway from Britain, with airports jam-packed with excitable children and their anxious parents heading off mostly to the popular beach resorts of southern Europe, from Portugal's Algarve coast in the west to the sun-soaked island nation of Cyprus to the east.

However, with travel to and from many popular destinations facing varying and often confusing quarantine and testing requirements, it's clear that many British families think it's all too much hassle and have opted again to holiday within the U.K.

For the second year running, it's all about the "staycation."

What's not to like about fish and chips and a game of crazy golf by the seaside or enjoying a marshmallow over a campfire at the Latitude music festival in eastern England that is being attended this weekend by some 40,000 people?

Still, the numbers venturing abroad are certainly on the rise, partly as a result of the U.K.'s rapid rollout of coronavirus vaccines that has seen nearly 70% of the adult population receive the requisite two doses and over 87% get at least one dose.

The British government, which has been operating a traffic-light system for overseas travel, recently tweaked its rules to make it simpler for fully-vaccinated individuals and their families to travel. Now, anyone arriving back in England from "amber" list destinations -- including



Passengers at the Gatwick Airport in London.

Greece, Spain and the United States -- are exempt from the government's 10-day quarantine requirement subject to testing requirements.

Although France is on the "amber" list, anyone returning from there to England still has to quarantine for 10 days amid concerns over the beta variant first identified in South Africa. Industry leaders said the

changes have helped buoy up the travel sector, one of the worst affected during the pandemic, as well as many destinations in Europe that rely heavily on British tourists.

Airports and airlines across the U.K. are enjoying their busiest weekend of the year so far. London's Heathrow Airport said it was expecting about 129,000 passengers

on Saturday and Sunday. Though welcome, that's about half the number it saw two years ago.

"We look forward to welcoming back even more passengers as vaccination rates climb in the U.K. and abroad," said CEO John Holland-Kaye.

Gatwick, Britain's No. 2 airport, was expecting between 25,000 to 27,000 passengers a day over the weekend. Again that's far lower than the equivalent weekend in pre-COVID times, when it could see around 100,000 travellers a day.

Holiday company Tui said it has almost double the number of passengers traveling Friday to Sunday compared with last weekend. It will be resuming flights to a series of destinations including the Greek islands of Kefalonia and Skiathos, and Marrakech in Morocco. For most people in Britain, though, getting on those flights will have to wait. There's always next year.