

Business

NBK, Ooredoo ink MoU to collectively provide digital services and solutions

Partnership to contribute to enriching customer experience in both institutions

KUWAIT: National Bank of Kuwait (NBK), the leading provider of digital banking services in Kuwait and the region, and Ooredoo Telecom - Kuwait, the first telecom company to provide innovative digital services in Kuwait, signed a memorandum of understanding to develop digital services, products and solutions that contribute to enriching customer experience in both institutions.

The signing ceremony held at NBK Headquarters yesterday was attended by Salah Al-Fulaij, CEO of National Bank of Kuwait - Kuwait, Abdulaziz Al-Babtain - CEO of Ooredoo - Kuwait, Mohammad Al-Othman, GM of Consumer Banking Group, National Bank of Kuwait, Fadi Kawar - COO of Ooredoo - Kuwait, Tapan Tripathi - CMO of Ooredoo - Kuwait, Hisham Al-Nusif, Deputy GM of Consumer Banking Group, National Bank of Kuwait, Sundus Al-Shatti - Director Digital Service of Ooredoo - Kuwait, and Mijbil Alayoub - Senior Director, Corporate Communications of Ooredoo - Kuwait.



KUWAIT: Salah Al-Fulaij, Abdulaziz Al-Babtain, Mohammad Al-Othman, Fadi Kawar, Tapan Tripathi, Hisham Al-Nusif, Sundus Al-Shatti and Mijbil Alayoub during the MoU signing ceremony at NBK headquarters yesterday.



KUWAIT: Salah Al-Fulaij, CEO of National Bank of Kuwait - Kuwait, and Abdulaziz Al-Babtain, CEO of Ooredoo - Kuwait after signing the MoU.

The MoU was signed by Salah Al-Fulaij, CEO of National Bank of Kuwait - Kuwait, and Abdulaziz Al-Babtain, CEO of Ooredoo - Kuwait. The signing of the MoU comes as part of the strategic partnership and well-established relationships between NBK and Ooredoo, and their keenness to provide cutting-edge digital services and solutions that contribute to meeting the needs of all customers to get an exceptional experience from leading institutions in both the financial services and telecommunications sectors.

Commenting on the signing, Salah Al-Fulaij, CEO of National Bank of Kuwait - Kuwait, said: "We are pleased to sign a cooperation agreement with an institution of Ooredoo's stature, as part of our endeavors to create partnerships with the leading brands with a view to meeting the needs of all our customers, and enriching their banking experience."

"We are keen to accelerate the implementation of

Al-Fulaij: Our digital transformation yielded advanced services and solutions that increased our readiness for the ongoing changes in the banking industry. Our partnership with leading companies contributes to meeting our customers' needs and enriching their banking experience

Al-Babtain: The Company's leading position in the telecommunications and IT sector, especially digital services, necessitates making effective partnerships with major companies that will contribute to enriching customers' digital experience and achieving development and progress

digital transformation roadmap in line with our strategy started years ago, which contributed to our success in providing the most advanced digital services and payment solutions to our customers," Al-Fulaij added.

Al-Fulaij affirmed that NBK is committed to upgrading its digital channels, basically NBK Mobile Banking App and NBK Online Banking, which saw unprecedented popularity during the exceptional circumstances prevailing all over the world, demonstrating the bank's readiness for the successive changes in the banking industry.

On his part, Abdulaziz Al-Babtain, CEO of Ooredoo Kuwait, expressed his pleasure for signing this MoU with NBK, saying: "Given its leading position, especially in the IT sector, Ooredoo Kuwait seeks to establish effective partnerships with renowned institutions that contribute to the development and progress of Kuwait. This partnership stems from the Company's effective role, most notably by providing the unique 5G technologies. This also helps improve the quality of customers' digital experience by providing more innovative products and services that redefine both the digital telecommunications technology and the banking sectors in the country."

Al-Babtain added: "We have the pleasure to conclude this agreement between the two leading institutions, each in its sector, and we pride in such high-value partnerships, which will yield the introduction of new financial and technological services that meet the needs of all segments of society, especially considering

NBK's leading position as a provider of world-class financial services, leading banking expertise, and digital culture that keeps pace with the era of advanced technology."

Al-Babtain pointed out that, in light of the COVID-19 pandemic, the entire world is looking forward to new technologies and efficient digital solutions to help people cope with the new prevailing conditions and emerging working methods. While this partnership offers promising opportunities to empower businesses in the country, in line with Kuwait's Development Plan (New Kuwait 2035), both NBK and Ooredoo - Kuwait, seek to enhance their digital capabilities in supporting business environment and providing innovative solutions for financial technology platforms, promoting digital transformation process in the telecommunications sector, achieving the new Kuwait 2035 development vision, and creating direct job opportunities in the business environment.

Unexpected risks of long-arm justice

The following article is an excerpt from the report "Long-Arm Justice: Some unexpected risks of doing international business" by authors Dr Victor Meijers, lecturer at Leiden University and Civil-Law Notary in The Hague, and Jinghan Cheng, a Chinese lawyer in The Hague.

With increasing financial sanctions imposed on Chinese companies by the US government in recent years, the practice of long-arm justice is ever more relevant for international business. The term "long-arm justice" is a comparatively recent concept that is more publicly known as a US practice. However, jurisdiction models with "long-arm" characteristics (i.e. a certain country's far-reaching power of authority) can be traced back much further in different regions of the world for various historical and practical reasons.

Therefore, law enforcement is following international criminals across the globe. Under the rule of law, in an ideal world, such international activities will be founded in international treaties that clearly define "international jurisdiction", also to avoid conflicts between nation states in defining what is "criminal". In other words: there should also be an international "rule of law".

Among international players who promote universal jurisdiction, the United Nations is actively involved and representative of how "long-arm" policy is practiced in international society from a positive perspective. The most dominant principle of jurisdiction exercised by the UN is universal jurisdiction, which allows states or international organisations to claim criminal jurisdiction over an accused person regardless of where the alleged crime was committed, and regardless of the accused's nationality, country of residence, or any other relation with the prosecuting entity.

We should also take a look at specific examples of legal conflicts being settled outside this UN judicial framework between individual countries which also have "long-arm" characteristics based on the background of a worldwide flow of capital and persons. Long-arm justice is the ability of local courts to exercise jurisdiction over foreign defendants, whether on a statutory basis or through a court.

In the US, such jurisdiction over non-US companies can be exerted through means such as national security reviews of foreign investments, anti-money-laundering and anti-corruption laws, and securities regulations. Different states possess their own respective "long-arm" statutes, whether on specific types of cases, or to grant jurisdiction more generally. There are some noteworthy cases that demonstrate long-arm justice in the US. As a large corporation with global reach, Huawei has come under fire recently due to some countries' suspicions of its potential security threats. There are concerns that

with the expansion of Huawei's infrastructure and the proliferation of Huawei's products all around the world, this hardware can be tapped into for surveillance and espionage. Responding to these suspicions and accusations, Huawei has released their annual reports audited by KPMG to show that Huawei is a private company, wholly-owned by its employees. Huawei makes the point that the Chinese government does not hold a single share in the company. Despite these statements expressed by Huawei, an escalation still occurred under the influence of long-arm justice applied by the US government.

On 1st December 2018, Ms Meng Wanzhou, CFO of Huawei, was arrested in Canada at the request of a New York court, and is currently facing charges related to Huawei's purported violations of US sanctions on Iran. The defendant has presented evidence to show that Meng Wanzhou did not conceal facts from HSBC, which is a lender involved in Huawei's dealing with Iran. Meng's lawyer claimed that Meng had provided HSBC executives with all relevant facts concerning Huawei's business in Iran. Meng's lawyer also stressed the fact that Iran had informed HSBC of the necessity of assessing its risk of doing business with Huawei. Meng claimed that she was the victim of a "fraud", in which HSBC was accused of lying about Huawei and its being aware of Huawei's activities in Iran during an investigation by the US department of justice. What has become clear is that HSBC didn't suffer from financial losses because the United States did not punish HSBC - instead, the US opted to bypass HSBC and prosecute Huawei and Meng Wanzhou, despite her having no apparent direct relations with the United States.

In addition to the Huawei case, there have been other cases where the US government has tried to apply long-arm justice but failed, which show that long-arm justice does not always turn out entirely favourably in all cases from the perspective of the US. More recent cases represent the current unilateral interpretation of long-arm justice and its prevalence. The jurisdiction principle underscores the US government's ability to control and regulate foreign commercial and business practices without possibilities to appeal.

From an academic perspective, it is remarkable that a nation state can give itself such authority without the counterbalance of international accountability. The necessity of long-arm justice in a more globalised society is evident, but the "rule-of-law" framework is not yet in place. From a practical perspective, a caveat is in order. Foreign companies doing international business that potentially get scrutinised by US inspection must carefully take mandatory requirements under US law into consideration.



LONDON: A pedestrian passes a closed branch of the fashion retailer Topshop in central London yesterday. — AFP

ASOS buys Arcadia clothing brands; 2,500 jobs to go

LONDON: Online clothing retailer ASOS bought Monday brands including Topshop from collapsed Arcadia but has snubbed its stores, resulting in around 2,500 job losses. ASOS, which has enjoyed strong demand during the pandemic, also clinched the purchase of the Topman, Miss Selfridge and H&M brands in a transaction worth £330 million (\$452 million, 372 million euros), administrator Deloitte said in a statement.

ASOS' website-based business model already sells Arcadia's key brands. Arcadia collapsed late last year capped a spectacular fall from grace for owner Philip Green. He was once dubbed "the king of the high street" but saw his reputation damaged by the high-profile collapse of UK department store chain BHS in 2016.

'Fallen kingdom'

"After much speculation, ASOS has won the prized assets from the fallen kingdom of Arcadia," said Russ Mould, investment director at stockbroker AJ Bell. "This looks like a decent deal and one that gives ASOS the ability to earn higher margins from clothes that it was already selling through its platform under a previous partnership deal."

The announcement comes after rival online retailer Boohoo on Friday said it was in talks with Arcadia's administrator to buy three of its other brands-Dorothy Perkins, Wallis and Burton. Boohoo last week agreed to purchase the intellectual property assets of failed department store chain Debenhams.

Arcadia and Debenhams collapsed in December-costing up to 25,000 jobs-having struggled to transition from a bricks-and-mortar business, long before the coronavirus pandemic forced shoppers online. ASOS yesterday said its deal did not include the 70 retail stores that are attached to the brands it is purchasing. Those outlets will therefore close, resulting in around 2,500 job cuts.

"The downside of ASOS's actions is the large number of people working for Arcadia who will now become unemployed as stores are shut," added Mould.

"It is only keeping approximately 300 staff, which is only a fraction of the number who worked for the brands being acquired. "It means the high street is left with even more vacant stores, and names strong enough to keep standing, such as Zara and H&M, are left in an even stronger position." ASOS is paying £265 million for the four brands, plus £65 million for current and pre-ordered stock.

Retail landscape redrawn

Britain's retail landscape has been dramatically redrawn by pandemic lockdowns that have increasingly forced consumers to shop online from the safety of their own homes. That has handed a major boost to online businesses which are not burdened by the cost of physical high-street stores-enabling ASOS and others to chase rapid expansion.

"Online retailers... are certainly taking advantage of the current challenging operating environment for physical retailers (to) take the opportunity to broaden their portfolios," noted analyst Maria Bogdanova at research consultancy Euromonitor International. ASOS said the "iconic" Arcadia brands it is gaining would "resonate" with its youthful customer base. "This acquisition represents a compelling strategic opportunity in support of our mission to become the number one destination for fashion loving 20-somethings worldwide." — AFP