

Technology

Ola's India electric vehicle trial a red flag for Modi plan

India targets electrification of all new vehicles by 2030

NAGPUR, India: Indian ride-hailing firm Ola's pilot project to test a fleet of electric vehicles in the western city of Nagpur was expected to herald a coming revolution in the Indian autos industry. So far, though, it has only exposed fractures in Prime Minister Narendra Modi's ambitions to make all new vehicles electric by 2030.

With an initial investment of about \$8 million, Softbank-backed Ola launched the project last year at an event that had all the trappings of a state function, including a big gathering and flagging off by Transport Minister Nitin Gadkari.

But nine months later, the program has hit a snag: Ola drivers, unhappy with long wait times at charging stations and high operating expenses, want to return their cars and switch to fuel-guzzling variants. Out of 20 Ola electric car drivers interviewed by Reuters in Nagpur, more than a dozen said they have either returned their electric taxis and switched to diesel, or are planning to do so.

Ola had said it would make 50 charging points available across four locations in Nagpur - a city of about 2.5 million people - for its fleet of 200 electric vehicles, but on a visit to the city in late January, Reuters found only about a dozen charging points. Ola has since added 10 additional charging points but is still short of its target. Ola did not respond to requests for comment for this article.

Getting infrastructure built in the world's biggest democracy where a not-in-my-backyard culture proliferates is a barrier for a lot of businesses in India. And it is proving to be the same for charging stations - Ola was forced to close one in Nagpur last year after protests by residents angered by traffic jams caused by drivers. It took more than five months to get government clearances to begin operating another station.

The hurdles faced by Ola in setting up sufficient charging stations for a fleet of expensive electric cars with a limited driving range expose the challenges the Indian government and automakers will face if they are to get anywhere near realising the 2030 vision.



Global carmakers want long-term policy, sops for EVs

Global auto makers have repeatedly warned that India is not ready for electrification, saying the government must first lay down a clear, long-term policy, provide incentives to encourage manufacturing of electric vehicles to bring down their cost and create the charging infrastructure.

Gadkari added to uncertainty when he said last month that the government will no longer draft a separate electric vehicle policy. He did not comment on the 2030 vision.

The Ola project has not turned out to be economically viable for either the company or its drivers, said one industry source familiar with Ola's strategy.

"The project's not flying as of now and the economics is not working out," the source said. Electric car sales in India, one of the world's fastest-growing auto markets, made up less than 0.1 percent of annual sales of more than 3 million passenger cars.

The lack of demand is mainly because they are expensive - due to high battery costs - and as their range is limited and there isn't a charging infrastructure.

By comparison, in China in 2017, electric vehicles made up about 2 percent of annual passenger car sales of 24.7 million. The Indian government had been determined to promote electric vehicle use, starting with public transport and taxis, to combat rising pollution and reduce the nation's dependence on imported oil. India's 2030 ambition was part of a broader move by countries like China and the United Kingdom, which have set similar goals. This has spurred billions of dollars in investments by carmakers like Volkswagen and Ford Motor even as many in the industry say they are unsure who will buy the massive numbers of electric vehicles governments want them to produce.

Magnitude challenges
Mahindra & Mahindra is the only electric carmaker in India and the high cost of even its entry-level model, which starts at 760,000 rupees (\$11,665) is a barrier for many first-time car buyers, and a non-starter for taxi drivers who can get a diesel or

gasoline propelled car for about half the price.

Ola has deep pockets and while it has tied-up with Mahindra for the pilot project, its struggle to make the fleet viable in a small Indian city with much less congestion and space constraints than the biggest cities like Mumbai, underscores the magnitude of the challenges. A shortage of stations and the limited range of cars - about 100 kilometers - has meant longer queues to recharge. During summer months when batteries discharge faster and need to be recharged more, the situation may worsen unless more charging points are added, said several drivers, none of whom wanted to be named as they feared retribution from the company.

The cars are owned by Ola and leased to drivers for 1,000 rupees a day, but many complain that the amount is too high and they need to work for 12-16 hours to make a decent living, given they waste 3-4 hours a day on charging. One of the drivers said that after paying Ola the rent for the car and shelling out 500-600 rupees per day for charging, he is left with about 500 rupees (\$7.71) at the end of a 14-hour day giving him little time to rest or spend with his family.

"If they don't give us the (charging) facility, why should we drive these cars," said the driver, who had just spent an hour

waiting for his turn to charge the car, and would have to wait for another 90 minutes while it charges.

Ola founder and CEO Bhavish Aggarwal told Reuters last April that the company would pilot a few thousand electric vehicles in several Indian cities in 2017 and then scale up in a major way. However, almost a year later it has still to take the experiment beyond Nagpur.

Huge risks

At India's biennial auto show in February, electric cars took centre stage but most were at a concept stage or sold only in global markets as automakers like Toyota, Honda and Renault took a circumspect approach to the new tilt toward electrification.

"Once we make an investment there are huge risks," said Akito Tachibana, managing director of Toyota's India arm, adding as of now there is no clarity on who would buy such cars and what incentives the government will offer.

Charging infrastructure is a big piece of the puzzle that needs to be resolved for EVs to be viable - India has only about 222 charging stations with 353 charging points, according to a January report by global consultancy EY. —Reuters



This would likely help Chinese competitors such as telecommunications firm Huawei, particularly in the emerging 5G blazing fast wireless internet, where a stronger China could present a national security issue.

The head of Huawei last week defended his company following concerns its equipment could be used for spying, saying the firm had a "very strong track record regarding security."

Huawei reportedly lost a deal with AT&T in the US that would have given it an improved foothold in the handset market after US lawmakers expressed unease "regarding Huawei and Chinese espionage."

CFIUS last year opposed the takeover of US semiconductor manufacturer Lattice by a Chinese state group backed by a US investment fund, and President Donald Trump then blocked the deal.

In the semiconductor sector, the committee-whose deliberations are secret-in 2016 recommended that then-President Barack Obama oppose a deal between the German group Aixtron and Chinese fund Grand Chip because there was a US subsidiary of the German group.

Sensitive sectors
Fear of China is not new, said Andrew Hunter of the Center for Strategic and International Studies in Washington, DC. "What has changed from 10 years ago is not the level of concern about China per se, but the extent of Chinese foreign direct investment into sensitive sectors of US industry," he said. The corporate battle has intensified alongside rising protectionist measures in Washington, and as Trump complains of the "massive trade deficit" his country has with Beijing.

Dismissing warnings of a trade war, Trump on Thursday imposed tariffs on imported steel and aluminum which could spark retaliation from China and other economic powers.

"Qualcomm's work is too important to our national security to let it fall into the hands of a foreign company - and in a hostile takeover no less," said Senator Tom

Cotton, from the same Republican party as Trump. Not only security but also US competitiveness is at stake in a Broadcom takeover of Qualcomm, said IHS Markit analyst Lee Ratliff.

"Many, many industry observers believe that Broadcom would stifle innovation at Qualcomm," Ratliff said. "This would have negative effects far beyond Qualcomm and even the American tech industry."

Broadcom's initial offer was tinged by politics, coming just after the company's chief executive, Hock Tan, appeared at the White House with Trump to announce plans to move the firm back to the United States from Singapore.

Because Broadcom is based in the Southeast Asian financial hub essentially for tax purposes, the US government's "case is terribly misinformed" regarding a purchase of Qualcomm, said Stacy Rasgon, an analyst at Bernstein, a market research firm.

"I get the concerns about China taking our intellectual property etc... but I think they are misplaced in this specific case," Rasgon said.

Broadcom said it will fully cooperate with the security review, but rejected any national security concerns since it is a US-controlled company, and is in the process of relocating back to the United States. Qualcomm is a leader in wireless internet technology, particularly the race to 5G networks considered vital to innovations such as self-driving cars and smart cities.

In that context, it says it has a bright future on its own. —AFP



world and voter behavior. The minister, Dorothee Baer, said she would open talks with Facebook and Google on the way that posts on social media platforms were sequenced. "At the moment, the algorithms sort according to relevance or popularity," she told the newspaper Die Welt in an interview published on Saturday. "That pushes to the top old posts that often have little to do with the truth. I want to see real-time timelines again that confront people not with what they want to know, but what they need to know, what is happening at this moment."

The shock victories of Donald Trump in the 2016 US elections and of the "leave" camp in Britain's referendum on European Union membership have led to widespread concern that "social media bubbles" make it impossible to discern what voters are reading and whether it is true or not.

In Germany, where the experience of living under two different totalitarian regimes in the 20th century has created enormous concern at the privacy implications of social media, platform usage is lower, but growing. —Reuters

journal Science Advances.

Until now, official government flood maps and projections have been based solely on estimates of sea level rise. "The ground goes down, sea level comes up, and flood waters go much farther inland than either change would produce by itself," said lead author Manoochehr Shirzaei, assistant professor in Arizona State University's School of Earth and Space Exploration.

Most of the San Francisco Bay shoreline is sinking by less than two millimeters a year, but "in several areas we discovered subsidence rates of 10 millimeters (half an inch) a year and more," said the study.

At particular risk are structures built mostly on landfill, such as the San Francisco International Airport which handles more than 200,000 annual landings

and sees 56 million passengers passing through each year. "When land subsidence is combined with projected rising sea levels, water will cover nearly half the airport's runways and taxiways by the year 2100," said the study.

Another trouble spot is Foster City, also built on reclaimed land between San Francisco and San Jose.

Since real estate is costly and hard to come by, an increasing number of companies have established themselves where "significant parts of the city will be at risk of flooding by 2100," said the report.

Treasure Island, located between San Francisco and Oakland, is also sinking fast, at a rate of one-half to three-quarters of an inch (12 to 20 millimeters) per year. —AFP



Waymo self-driving rigs to haul Google cargo

SAN FRANCISCO: Google-owned Waymo on Friday said that its self-driving trucks will haul cargo bound for the internet giant's data centers in Georgia.

Rival Uber made a similar announcement on Tuesday, saying it is using self-driving semi trucks to augment human-driven rigs in its on-demand trucking service in the US state of Arizona.

Waymo driverless trucks will go to work in the Atlanta area tomorrow as part of a pilot program intended to help integrate autonomous big rigs with the operations of shippers, ports, terminals, factories, and distribution centers, according to the company.

"Our software is learning to drive big rigs in much the same way a human driver would after years of driving passenger cars," Waymo said in an online post. "The principles are the same, but things like braking, turning, and blind spots are different with a fully-loaded truck and trailer." Human drivers will be on board Waymo trucks to take control if needed. Waymo for years has been testing self-driving cars, racing against smartphone-summoned ride star Uber, whose trucking service uses humans to pick up cargo from Uber Freight customers and drive it in trailers to transfer hubs.

There, the trailers are hitched onto self-driving trucks for long highway hauls, according to the San Francisco-based company.

The self-driving vehicles head to transfer hubs close to their destinations, where the trailers are connected back onto human-steered rigs to complete their journeys. Uber has been testing self-driving truck technology since 2016, and began using autonomous rigs for hauls late last year.

The company claims to have made the first commercial shipment ever by a self-driving truck when it hauled a trailer full of Budweiser beer over about 120 miles (193 kilometers) of highway in Colorado.

Paving the road

Autonomous-vehicle technology has been touted as having potential to save fuel, ease congestion, and make transportation safer. Waymo and Uber last month said they had settled a lawsuit over allegedly stolen trade secrets from the former Google self-driving car project.

Waymo filed the suit last year but after four days of testimony before a federal judge, Uber agreed to a financial settlement, a source said. In September, Transportation Secretary Elaine Chao released new guidelines that permit more testing of self-driving cars and address regulation between the federal government and states.

She said self-driving technology could reduce accidents and improve mobility for the elderly, disabled and other restricted populations.

But the non-profit Consumer Watchdog warned that roads are being turned "into private laboratories for robot cars with no regard for our safety." US states set their own rules for roads, and a handful have passed laws allowing self-driving vehicles. California and Arizona have been particularly encouraging, hoping that companies developing autonomous technology in those states will create local jobs and facilities devoted to a promising new industry. —AFP

Concern over China influence shadows chip sector deal

SAN FRANCISCO: Concern over China's potential influence, and rising US protectionist sentiment, hangs over an effort by California-based Qualcomm to repel a Singaporean firm's hostile takeover bid.

If finalized, a tie-up between Broadcom and Qualcomm would be worth an estimated \$117 billion and potentially the biggest-ever deal in the tech sector. But Qualcomm rejected multiple Broadcom offers during weeks of parries and thrusts between the two firms since the proposed deal emerged in November.

In the latest move, Qualcomm, which makes most of the world's microprocessors for smartphones, postponed until April 5 an annual shareholders' meeting set for this week after secretly requesting a national security review of Broadcom's bid. Shareholders were to vote whether to replace six of the firm's 11 board members with candidates backed by Broadcom, essentially endorsing the merger.

The Committee on Foreign Investment (CFIUS) ordered Qualcomm to delay its shareholders' meeting for 30 days to allow time to fully investigate the proposed acquisition, according to the US Treasury Department.

The Committee can review any acquisition by a foreign corporation of a US firm that may impair national security, and can recommend the president block a deal.

CFIUS has stopped some transactions but foreign companies often withdraw once it appears a deal will be prohibited. The Committee noted that a Broadcom-Qualcomm merger could weaken Qualcomm's leadership in the field.

New German minister to challenge Google and Facebook's presentation of news

BERLIN: Germany's incoming minister with responsibility for digital policy says she will push social media giants to make users' information feeds more diverse and timely to avoid creating "echo chambers" for the like-minded. Companies such as Facebook have come under pressure from regulators around the world as evidence has emerged of how the recirculation of a particular selection of news and views on their platforms can narrow perceptions of the

Land beneath Silicon Valley is sinking fast: Study

MIAMI: The San Francisco Bay area's Silicon Valley is home to a plethora of wealthy tech companies, but the sinking land beneath risks leading to far worse floods in the years to come, researchers said Wednesday.

This sinking, or subsidence, coupled with sea level rise, doubles the territory in the area known as Silicon Valley at risk of flooding by 2100, said the report in the