

Business

Nigeria's youth breathes new life into business for good: Global poll

Social enterprise looking to tackle Nigeria's youth unemployment problem

ABUJA/LONDON: When Olamide Ayeni-Babajide discovered an expensive ornament she purchased on a trip abroad was made of old corn husk it opened her eyes to the potential of Nigeria's own waste problem. In 2016 she founded Pearl Recycling, which remodels solid waste such as old tyres into furniture in Lagos, Africa's most populous city with 21 million people and home to one of the world's largest garbage sites.

The social enterprise - a business that aims to do good - is also looking to tackle Nigeria's youth unemployment problem, training hundreds of young locals to recycle disused materials, with most of them going on to set up their own waste ventures.

"Nigeria is a good place for social entrepreneurs because there are diverse problems to be solved," said Ayeni-Babajide.

The Thomson Reuters Foundation's second global poll on the best country to be a social entrepreneur found the three African nations among the world's 45 biggest economies surveyed - Nigeria, Egypt and South Africa - failed to make the top 20. But Nigeria came sixth when about 900 social enterprise experts were asked where young people are playing a key role in the growing sector. Egypt came fourth and South Africa 34th in the youth ranking in the

poll, supported by Deutsche Bank.

In Nigeria - a young country where the median age is about 18 - young people are rising to find business solutions to challenges ranging from poverty to environmental and cultural issues - from illiteracy to pollution - neglected by the government. Facing a youth unemployment crisis - with more than half of 15-35 year olds out of work or not in full-time jobs - a new generation of social entrepreneurs wants to create opportunities and economic prosperity themselves.

Passion and energy

Femi Taiwo, executive director of LEAP Africa, said encouragement from faith-based organizations, motivational speakers, an array of local and international programs and competitions for young leaders has helped pave the way. "These initiatives and many more put a spotlight on young people making a change, and inspired many more to jump on the bandwagon," said Taiwo, whose Lagos-based youth leadership non-profit provides free training for social innovators.

But with this zeal for social entrepreneurship comes risks. "The enthusiasm, the energy, the drive of young people is incomparable," said Atinuke Lebile, 31, founder of Ibadan-based social

enterprise Cato Foods.

"However, young people often lack experience and the patience to learn," added Lebile, whose biotechnology business aims to reduce malnutrition and poverty by creating fortified food products, such as custard enriched with vitamins A and C. In addition to young people, women are increasingly well represented in leadership positions in social enterprises in Nigeria, which jumped to joint ninth place on this issue from 40th in the inaugural global poll in 2016.

Ayeni-Babajide, 36, who worked as an engineer in a male-dominated sector for almost a decade before founding Pearl Recycling, finds Nigerians are gradually getting used to women in leadership positions.

"Women now know their rights and power they possess," she said, but added that women still found it hard to access funds. "The majority of laid down rules are favoring men, especially access to capital. Women need access to funds and an enabling environment devoid of gender profiling to thrive."

Like Nigeria, in Egypt there has also been a concerted push to support young social entrepreneurs, especially since the country's 2011 uprising, said Iman Bibars of Ashoka Arab World, a non-profit organization that supports social entrepreneurs.

Egypt, like Nigeria, has a large youth population with 34 percent of people under the age of 14 compared to 44 percent in Nigeria, according to World Bank data from 2018.

"After the Arab Spring there was a lot of interest in the youth, there were a lot of programs by the government and international donors and CSR [corporate social responsibility] in trying to figure out how to support young people," she said.

This year Ashoka Arab World launched a Young Changemakers scheme with the British Council and social enterprise Red Ochre to help support females aged 16-20 from rural Egypt develop social enterprise ideas.

Egypt rose to 22nd place from 29th three years ago when asked if women were well represented in social enterprises. South Africa was in 23rd place, also up from 29th. "The reason why young people are excited is it gives them an opportunity to be leaders, it gives them an opportunity to be of help to others and recognition, and this is something that young people did not have before," said Bibars.

"Since there are so many social problems in the country and poverty, there is a lot of space for them to innovate." —Reuters

Infosys shares plunge 14% after charges

MUMBAI: Shares in Indian IT giant Infosys slumped more than 14 percent yesterday as the firm launched a probe into whistleblower complaints alleging its top executives acted unethically to inflate revenues. The letter, a copy of which was sent to the US Securities and Exchange Commission, said the CEO and chief financial officer asked executives to not fully disclose US visa costs in a bid to boost short-term profits, according to media reports.

Infosys chairman Nandan Nilekani said the company was looking into the complaints, adding that chief executive Salil Parekh and chief financial officer Nilanjan Roy have been recused from the probe to ensure its independence. Its shares dived 14.1 percent to 659.10 rupees in Mumbai, having seen its stock on New York's Nasdaq collapse 12 percent on Monday. The whistleblower letter accused Infosys, which has been at the vanguard of Indian firms taking on the IT operations of corporations worldwide, of concealing information from auditors. "Several billion-dollar deals of last few quarters have nil margin," the complaint says. Indian IT outsourcing firms including Infosys have struggled in recent years after US President Donald Trump threatened to cap H-1B visas, largely issued to Indian IT professionals. The resulting pressure and allegations of anti-American bias in hiring forced the firms to employ more local staffers for their US operations. Infosys earns more than 60 percent of its annual revenues of around \$12 billion from the United States.

In the July-September quarter, Infosys raised its forecast for earnings growth from 8.5-10 percent to 9-10 percent in dollar terms for the current fiscal year. In 2017, the company's founders locked horns with its former management over alleged corporate governance lapses and payment packages for top executives including then chief Vishal Sikka. —AFP

Does the 737 MAX crisis threaten Boeing's future?

NEW YORK: Seven months after the 737 MAX was grounded, Boeing remains stuck in crisis mode. Revelations from recently-released text messages between two Boeing pilots add to questions facing the aviation giant.

Uncertainty continues to cloud Boeing's timeframe for returning the MAX to service. The accident has already cost the company billions of dollars and sparked calls to reform the company's culture and transparency issues. Here are some of the main questions facing the aviation giant:

Why has the MAX been grounded?

Boeing's single-aisle 737 MAX has been grounded since March following accidents of Lion Air in October 2018 and Ethiopian Airlines in March 2019 that killed 346 people. In both accidents, preliminary crash investigations pointed at the Maneuvering Characteristics Augmentation System, an automated flight-handling mechanism that pilots were unable to control.

A report released by international regulators said the US Federal Aviation Administration lacked the manpower and expertise to fully evaluate the MCAS system when it certified the plane.

The MAX is the subject of numerous probes in the US.

What are the latest revelations?

Boeing faced new scrutiny following text messages from November 2016 in which a Boeing pilot described the MCAS during a simulation as "running rampant" and behaving in an "egregious" manner.

Boeing has known about the messages for months and shared them with the Department of Justice in February in February. But the FAA learned of their existence only last week and publicly criticized Boeing for withholding the documents.

Does crisis threaten future of the MAX?

Most aviation experts and financial analysts are confident the MAX will fly again once Boeing emerges from the current crisis. But when that happens remains murky. Boeing has said it expects to receive regulatory clearance in the fourth quarter of 2019, but analysts increasingly view that schedule as unlikely. "As we are now into the fourth quarter and Boeing has not submitted the final software package to the FAA, we expect the entry into service of the 737 MAX to shift into the first quarter of 2020," said a note last week from Bank of America Merrill Lynch. Boeing has not lost orders of the 737 MAX due to the crisis, but some airline executives have publicly criticized Boeing's handling of the crisis.

Will Boeing's CEO survive?

Boeing has not ousted any senior executives since March, but the latest revelations have raised questions about how much longer Chief Executive Dennis Muilenburg will lead the company. Muilenburg was stripped of his title of chairman earlier this month, even as he was kept on as CEO.

Some analysts think Muilenburg's days are numbered, but that he won't exit until after the MAX returns to service. The CEO is scheduled to appear on Capitol Hill later



In this file photo, the Boeing Company logo is seen on a building in Annapolis Junction, Maryland. —AFP

this month for a hearing for the first time in the crisis.

What other risks face Boeing?

Boeing's development of the MAX and its representations to regulators during the certification are being investigated by the Departments of Justice and Transportation. The company also faces numerous lawsuits from family members of victims. While large fines are possible from the US probes, it is difficult to envision a scenario where the jet is permanently grounded, in part because of Boeing's clout in the United States and in the world of international aviation, where Airbus is its only bona-fide competitor.

How much will it cost Boeing?

Boeing has so far recognized costs of

\$8.4 billion, but analysts at Bank of America Merrill Lynch estimates the figure will reach \$17.2 billion based on the hit from production delays, penalties and extra costs to store planes that cannot be delivered.

Does the crisis threaten Boeing's future? The crisis has hit Boeing's bottom line and will continue to do so far for the foreseeable future.

Still, "it's a little too soon to say Boeing's future is at risk," said Michel Merluzeau at AirInsight Research. Boeing's outlook is expected to improve dramatically once the MAX is cleared for service and it can collect payments from airlines for new jet deliveries. Boeing's other assets include the 787 Dreamliner plane and 777 and it also has important businesses in aviation services and military sales. —AFP

Some 300,000 employees of Indian state-led banks strike

MUMBAI: Nearly 300,000 employees of Indian state-run banks went on strike yesterday against government plans to consolidate the sector through mergers as part of efforts to ensure stronger balance sheets. Prime Minister Narendra Modi's government has vowed to cut the total number of

state-owned banks to 12, from 27 in 2017, raising fears of job losses. Under the current round of squeezing, 10 banks will be amalgamated into four.

"Government may call it a merger but in reality it is cold-blooded murder of six banks," a release by the bank unions said. The state-owned banks account for nearly two-thirds of banking assets in the country and also have a lion's share in the nearly \$150 billion of soured loans in the banking sector.

The sector suffered from out-of-control lending in 2006-11 when the economy grew rapidly, and has continued to struggle. Employees stayed away from work across the country and joined in protest marches. Services such as cash deposits and with-

drawals, cheque clearances, ATM operations were affected, according to bank employees.

C H Venkatachalam, general secretary of the All India Bank Employees Association (AIBE), said the plan was to expand the protest movement to other bank employees as well, taking it up to nearly a million workers to force the government to reconsider its decision.

A senior banker, however, said the protests would not derail the merger plans. "We have seen that the unions had taken similar steps even in the last round of merger which included the State Bank of India and then in the case of Bank of Baroda but it quietly died down later," said the chief executive officer of a public sector bank, requesting anonymity. —Reuters



KOLKATA: People walk past as bank employees sit next to banners near the entrance of a closed bank during a strike in Kolkata yesterday. Two banking unions called the strike in response to the Indian government's decision to merge ten public sector banks into four banks. —AFP

EXCHANGE RATES

Al-Muzaini Exchange Co.	
EUROPEAN & AMERICAN COUNTRIES	
US Dollar Transfer	304.150
Euro	340.950
Sterling Pound	396.310
Canadian dollar	223.600
Turkish lira	52.460
Swiss Franc	309.880
US Dollar Buying	296.600
ASIAN COUNTRIES	
Japanese Yen	2.800
Indian Rupees	4.286
Pakistani Rupees	1.961
Sri Lankan Rupees	1.669
Nepali Rupees	2.676
Singapore Dollar	224.220
Hongkong Dollar	38.779
Bangladesh Taka	3.571
Philippine Peso	5.945
Thai Baht	10.083
Malaysian ringgit	77.788
GCC COUNTRIES	
Saudi Riyal	81.161
Qatari Riyal	83.592
Omani Riyal	790.513
Bahraini Dinar	808.160
UAE Dirham	82.863
ARAB COUNTRIES	
Egyptian Pound - Cash	20.900

Dollarco Exchange Co. Ltd	
Egyptian Pound - Transfer	18.781
Yemen Riyal/for 1000	1.222
Tunisian Dinar	110.600
Jordanian Dinar	429.440
Lebanese Lira/for 1000	0.203
Syrian Lira	0.000
Morocco Dirham	32.083
Rate for Transfer	
US Dollar	304.740
Canadian Dollar	230.725
Sterling Pound	375.885
Euro	333.495
Swiss Frank	307.075
Bahrain Dinar	810.415
UAE Dirhams	83.370
Qatari Riyals	84.610
Saudi Riyals	82.160
Jordanian Dinar	431.055
Egyptian Pound	18.729
Sri Lankan Rupees	1.672
Indian Rupees	4.308
Pakistani Rupees	1.949
Bangladesh Taka	3.609
Philippines Peso	5.872
Cyprus pound	18.130
Japanese Yen	3.815
Syrian Pound	1.595
Nepalese Rupees	2.697
Malaysian Ringgit	73.635

BAHRAIN EXCHANGE COMPANY WLL		
CURRENCY	BUY	SELL
Europe		
British Pound	0.387591	0.401491
Czech Korune	0.005232	0.014532
Danish Krone	0.041309	0.046309
Euro	0.331529	0.345229
Georgian Lari	0.010966	0.010126
Hungarian 0.000936	0.029244	0.034444
Norwegian Krone	0.054289	0.071139
Romanian Leu	0.004756	0.004756
Russian ruble	0.009088	0.019088
Slovakia	0.027475	0.032475
Swedish Krona	0.301571	0.312571
Swiss Franc		
Australasia		
Australian Dollar	0.200774	0.212774
New Zealand Dollar	0.189194	0.198694
America		
Canadian Dollar	0.227004	0.236004
US Dollars	0.300050	0.305350
US Dollars Mint	0.300550	0.305350
Asia		
Bangladesh Taka	0.002959	0.003760

Chinese Yuan	0.041604	0.045104
Hong Kong Dollar	0.036687	0.039437
Indian Rupee	0.003686	0.004458
Indonesian Rupiah	0.000017	0.000023
Japanese Yen	0.002713	0.002893
Korean Won	0.000249	0.000264
Malaysian Ringgit	0.069297	0.075297
Nepalese Rupee	0.002622	0.002962
Pakistan Rupee	0.001346	0.002116
Philippine Peso	0.005710	0.006010
Singapore Dollar	0.217855	0.227855
Sri Lankan Rupee	0.001316	0.001897
Taiwan	0.009826	0.010006
Thai Baht	0.009705	0.010255
Vietnamese Dong	0.000013	0.000013
Arab		
Bahraini Dinar	0.800620	0.808664
Egyptian Pound	0.018619	0.021360
Iranian Riyal	0.000084	0.000085
Iraqi Dinar	0.000214	0.000274
Jordanian Dinar	0.424078	0.433078
Kuwaiti Dinar	1.000000	1.000000
Lebanese Pound	0.000151	0.000251
Moroccan Dirhams	0.020805	0.044805
Omani Riyal	0.784875	0.792761
Qatar Riyal	0.082887	0.083719
Saudi Riyal	0.080020	0.081320
Syrian Pound	0.001289	0.001509
Tunisian Dinar	0.103375	0.111375
Turkish Lira	0.045409	0.055254
UAE Dirhams	0.082176	0.083002
Yemeni Riyal	0.000989	0.001069