

Business

Pakistan eventually launches its ambitious electric vehicle plan

Late-stage change leaves cars out of first phase

ISLAMABAD: Ghulam Hussain was used to zipping through the streets of Lahore with his wife and three young children perched perilously on his motorbike, whenever they visited relatives or ran errands.

But now that Pakistan has launched a plan to move vehicles over to electric power, Hussain is excited about the prospect of no longer spending 4,000 rupees (\$24) each month on petrol. "It would be a substantial saving for me to switch to an electric motorbike," said Hussain, who works as a driver for a family in the upscale Gulberg district, earning about 20,000 rupees a month.

"Eventually I'd like to buy a small car for the family, as the children are getting older. I would buy an electric car, if they are affordable." He will have to wait a while to find out. After a lengthy delay, Pakistan's ambitious electric vehicle (EV) policy was approved for implementation this month, but a late-stage change leaves cars out of its first phase. Critics warn this means it will take longer for Pakistan to reap the policy's environmental and financial benefits.

Covering buses and trucks, as well as two- and three-wheel vehicles, including rickshaws and motorcycles, the new policy introduces a raft of incentives to encourage manufacturers to start producing electric vehicles and customers to buy them.

Passed on June 10, the new policy was originally approved by Prime Minister Imran Khan in November, with the goal of cutting air pollution and curbing climate change. It aims to bring half a million electric motorcycles and rickshaws, along with more than 100,000 electric cars, buses and trucks, into the transportation system over the next five years.

The goal is to have at least 30 percent of all vehicles running on electricity by 2030. After pushback from traditional automakers, the first stage of the policy bypasses cars to focus on motorbikes and rick-

shaws - the most common form of transport in Pakistan's densely populated urban areas - as well as buses and trucks.

Malik Amin Aslam, climate change advisor to the prime minister, told the Thomson Reuters Foundation that incentives for cars would be added to the policy "at a later stage", without specifying when. Leaving out cars makes the new policy "like a wedding party arriving with no bridegroom", said Shaukat Qureshi, general secretary of the Pakistan Electric Vehicles and Parts Manufacturers and Traders Association (PEVPMITA).

"The rest of the world is adopting this technology and it is pollution-free. The sooner it comes, the better it is for everyone," he said. Abdul Waheed Khan, director general of the Pakistan Automotive Manufacturers Association, which represents petrol-powered carmakers, told the Thomson Reuters Foundation that the policy "states the broad parameters to which we agreed".

"We appreciate the direction and are awaiting further details," he added.

Policy offers incentives to manufacturers

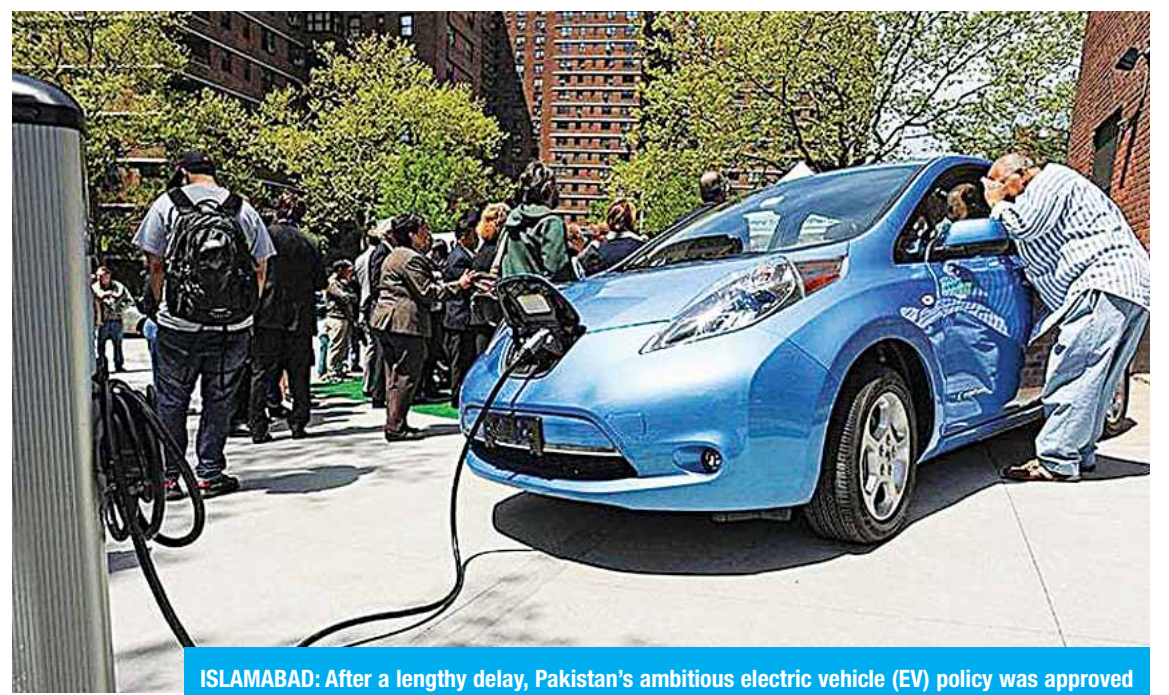
Poorer families left behind

Mian Ali Hameed, marketing director at Sazgar Engineering Works Limited, a leading rickshaw

manufacturer, said his company was ready to start producing electric rickshaws before the end of 2020.

Hameed confirmed that Sazgar's e-rickshaws will be more expensive than traditional versions, costing about 400,000 rupees, compared with 250,000 rupees for a petrol-powered ride. However, customers will soon see savings, as their petrol use drops dramatically and they spend less on maintenance like oil and filter changes, he explained.

"Customers could recover the (purchase) cost in one year, according to our estimates," he said. One potential obstacle to the speedy uptake of EVs is a lack of charging infrastructure. To address that, the



ISLAMABAD: After a lengthy delay, Pakistan's ambitious electric vehicle (EV) policy was approved for implementation this month. —AFP

policy makes it cheaper for authorities and companies to install charging stations in cities and along motorways.

But Qureshi of the PEVPMITA noted that owners of electric motorbikes, e-rickshaws and small electric cars do not need to wait. "You just plug them in at home, like a fan," he said.

Qureshi worries that leaving cars out of the policy for now will disadvantage lower-income families, estimating that switching to a small electric car could save up to 25,000 rupees a month in fuel costs.

"For many families in Pakistan, this much savings per month means a change in their lifestyles," he said.

Good for health

Addressing concerns about the cost of electric vehicles, climate advisor Aslam said the policy

includes incentives for their owners, such as removing yearly registration fees and a 50 percent discount on motorway tolls. In a country where large cities routinely suffer high levels of air pollution, the benefits to Pakistan's environmental health will also be significant, he added.

Each electric vehicle produces 65 percent fewer pollutants than traditional petrol-powered engines, he said. According to the latest World Air Quality Report, Pakistani and Indian cities dominated the most polluted cities in 2019.

Much of that pollution is due to Pakistan's rapid motorization, environmental experts say. A World Bank study published in 2014 noted that the number of vehicles on the country's roads jumped from about 2 million in 1991 to more than 10 million two decades later. —Reuters

Burgan Bank's new KD 125,000 cash prize winner

KUWAIT: Burgan Bank announced Faisal Faleh Aayed Al-Subaiei as the new KD 125,000 cash prize winner in the Yawmi quarterly draw. The winner expressed his excitement for being the winner of the rewarding cash prize with Yawmi Account from Burgan Bank.

The Yawmi quarterly draw offers customers chances to win higher rewards, entitling one lucky customer to win KD 125,000 cash prize every three months.

To enter Burgan Bank's Yawmi quarterly draws, customers should maintain a minimum amount of KD 500 in their account for two months prior to the draw date. Additionally, every KD 10 in the account will entitle customers to one chance of winning.

Huawei loses out in 5G bid in Singapore

SINGAPORE: Nokia and Ericsson have been chosen as Singapore's main 5G network providers, telecom operators said, leaving Huawei with only a minor role as the Chinese tech giant faces growing US pressure.

Huawei has been dogged by allegations of stealing American trade secrets and aiding China's espionage efforts, with Washington pushing countries to bar the company from involvement in their next-generation networks.

Huawei has denied ties with the Chinese government. Singtel, one of the city-state's main telecom operators, said Wednesday it had chosen Sweden's Ericsson to build its 5G network after the government gave final approval.

A joint venture that includes the country's two other major telecom operators, M1 and StarHub, announced it had opted for Nokia to build its main 5G infrastructure. However, both M1 and StarHub said that other firms, including Huawei, could have some involvement in the project.

Huawei only won the contract to be a provider for a smaller, local network system, operated by TPG Telecom, a more minor player. The Southeast Asian city-state tries to maintain good relations with both the US and China, and Information Minister S. Iswaran insisted that no company had been excluded in the selection process.

"We have run a robust process spelling out our requirements in terms of performance, security and resilience," he said, adding that mobile network operators also had their own criteria. "There is a diversity of vendors participating in different parts of the 5G ecosystem, and... there remain prospects for greater involvement in our 5G system going forward."

Iswaran said the 5G investments will run into "billions of dollars". —AFP

Ooredoo Group ranked 25th in ME's top 100 firms: Forbes

DOHA: Ooredoo Group was honored recently when Forbes, the prestigious global business brand founded in 1917, published its listing of the leading 100 enterprises in the region. Ranked 25th, Ooredoo Group is in the top quarter of all MENA-based enterprises, thanks to the efforts of its companies across the Middle East, North Africa and South East Asia.

Targeting an audience of business leaders and influencers, Forbes promises 'Global 2000

Boeing 737 MAX ready to take off

NEW YORK: Boeing's 737 MAX plane could take its first test flight today, a crucial step for the survival of the company's star model that has been grounded for 14 months. Two sources close to the case told AFP Friday the flight could take place early the following week.

Neither Boeing nor the Federal Aviation Administration confirmed the flight when asked for comment on Sunday. "We continue to work diligently on safely returning the 737 MAX to service. We defer to the FAA and global regulators on the process," a Boeing spokesperson said.

The MAX has been grounded globally since March 13, 2019, following an Ethiopian Airlines crash that killed 157 people. That catastrophe came just a few months after a Lion Air MAX crash that killed 189 people.

The troubling similarities between the two accidents, both of which occurred shortly after takeoff, along with the pilots' inability to regain control of the plane, led global aviation authorities to ground the model indefinitely.

For months, the US aviation giant has been struggling to get its medium-haul aircraft — whose sales were its main

source of revenue before the grounding — back into service.

The model's anti-stall flight system, the MCAS, was partially to blame for both crashes. But other technical malfunctions, including one involving electrical wiring, were subsequently detected during the aircraft's modification process, slowing down its recertification. For weeks, Boeing has been awaiting the green light from authorities to conduct test flights to prove the modifications provide maximum safety.

Boeing Field

Civil aviation authorities cannot approve the modified model until they have examined how it performs in flight. They will also look at the thousands of data points collected during the flights.

For this reason, three days of test flights have been planned, according to the New York Times. They will take off from Boeing Field, just outside Seattle, the manufacturer's birthplace in the northwestern US state of Washington.

The weather is difficult to predict, but forecasts show Monday will be partially cloudy, with little wind and a 10 percent chance of rain. According to the Times, an FAA pilot will be at the controls to test out the modifications conducted on the plane, and a Boeing test pilot will also be on board. In general, test flights are meticulously prepared for.

Delay after delay

A few months ago, Boeing anticipated

Highlights', by taking readers 'Inside the Numbers of the World's Largest Public Companies'. From this perspective, the magazine also profiles Ooredoo at the end of March 2020 as one of the top three regional telecommunications operators, with sales worth \$8.2 billion and profits of \$611 million.

Reflecting upon this news, Sheikh Saud Bin Nasser Al-Thani, Group Chief Executive Officer, Ooredoo, said: "This latest accolade reflects our phenomenal growth and vision. We have taken giant leaps since the company was founded as the Qatar National Telecom Service in 1949, with one Doha telephone exchange and a capacity of just 50 lines — as Forbes correctly deduces from its thorough overview of the region."

Forbes' commentary is framed by the economic uncertainty which has accompanied the novel coronavirus COVID-19 pandemic. Despite these difficult conditions — to which Ooredoo has developed a robust response — the Group has retained

assets worth \$24.2 billion and an overall market value of \$5.2 billion. Sheikh Saud Bin Nasser Al-Thani added: "Our teams around the world are working together as one to enable the communities we serve by providing much needed relief measures, innovative solutions and digital services."

Forbes also notes that the group employs over 16,000 people, and has football's Leo Messi as a global brand ambassador. According to Sheikh Saud Bin Nasser Al-Thani, such colleagues "exemplify Ooredoo Group's vision and values— expressed in a genuine commitment to our company's goals".



Sheikh Saud Bin Nasser Al-Thani



In this file photo, Boeing 737 MAX 9 airliners are pictured on the flight line at the Boeing Renton Factory in Renton, Washington. —AFP

the MAX would return to service in mid-2020, around June. But the coronavirus pandemic, which resulted in travel restrictions and lockdown measures to try and slow its spread, has upset the schedule.

According to The Seattle Times, European and Canadian aviation authorities have demanded substantial new changes to the plane's flight control system. The two regulators, along with the FAA "have agreed Boeing will be required to make these additional design changes... only after the MAX returns to service," the newspaper reported.

When asked by AFP for further details, a Boeing spokesperson said Friday that safety is the company's top priority.

The spokesperson also said that Boeing is committed to answering regula-

tor questions and meeting all certification and regulatory requirements.

Boeing urgently needs to get the 737 MAX back in the air in order to pull itself out of a historic crisis.

The aircraft accounts for more than two-thirds of the company's order book and is therefore crucial to the mid-term survival of the manufacturer — which, like the entire aviation industry, is suffering from the effects of the coronavirus crisis.

At the end of April, Boeing released details on a downsizing plan to cut total headcount by 10 percent, or roughly 16,000 employees in all.

In March, credit ratings agency S&P downgraded its rating for Boeing to BBB from A-, moving it into a speculative category. —AFP

Global stocks hit two-week lows, oil slides

LONDON: World shares hit two-week lows and oil fell nearly 2 percent yesterday as the relentless spread of the coronavirus curbed optimism on the global economy, prompting investors to take shelter

in safe-haven bonds and gold. European stocks opened slightly lower, after Asian shares ended deep in the red playing catch up with Wall Street's ugly close on Friday as some US states reconsidered their reopening plans.

The global death toll from COVID-19 reached half a million people on Sunday, with one quarter of those in the United States, where cases have surged in a handful of southern and western states. MSCI's world shares index was off 0.2 percent, hitting its lowest level since June 15 dragged down by Japan's Nikkei shedding 2.2 percent and Chinese blue chips

off 0.9 percent. E-Mini futures for the S&P 500 were up 0.1 percent.

"The market is caught in a real battle between recovery optimism and news of increasing cases in certain geographical areas such as the US" said John Woolfitt, director of trading at Atlantic Capital Markets. "I think this battle will remain until the US get a handle on it."

Sovereign bonds benefited from the shift to safety with yields on US 10-year notes near 0.64 percent, having briefly been as high as 0.96 percent early in June. —Reuters