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AN ODE TO OUR READERS

Greetings from the Global Economics!

We are proud to present the 14th Issue of our quarterly magazine and are sure you will have a good time reading it. The past months marked a new hopeful beginning for the global economy as the world welcomed 2023. With global economic growth looking brighter in the first half of 2023, this year so far has seen many positive developments in the business sector.

The world is working together to stabilize the economy after a series of rate hikes by the central banks to bring inflation under control. This situation brought with it its own set of changed dynamics and many economies are still trying to recover from the lingering effects of the pandemic.

Followed by the same, a much-talked-about issue in the past few months has been the housing crisis driving inflation across Europe, causing a cost-of-living crisis.

Central banks across, on the other hand, are struggling to avoid a recession through a soft landing. From global trade seeing exciting new developments to countries creating history in space exploration, the gone months have been unbridled for the business world and global economy.

Traditional sectors, like real estate, have had their fair share of ups and downs. All in all, the past weeks have seen many interesting advancements in the global economic environment which we have tried to include in this edition. We hope that you enjoy this issue of our magazine as much as we enjoyed bringing it to you.

Cheers!

The Global Economics Family



The Global Economics Limited is an established, well respected online and print business magazine based out of London. We provide thoughtful and in-depth analysis of current trends in various global business sectors.

Our publication provides readers with comprehensive coverage of a wide range of business topics, including banking, wealth management, cryptocurrencies, and fintech. In addition, we cover other vital sectors of the global market, spanning technology, real estate, hospitality, energy and other industries. We pride ourselves on providing up-to-date trends and news from the global business world. Our magazine is subscription based, and our readers comprise C-level executives, Directors and key decision makers from medium and large scale businesses.

The Global Economics Limited hosts a dedicated Annual Awards Program, aimed at recognizing key market players in varied business sectors worldwide, and honors them. Our prestigious Awards program delivers global outreach and recognition to winners. The Awards program is free to enter, and open to companies across the globe from sectors like Banking, Insurance, Finance, Technology, Hospitality and Real Estate, amongst others.



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WHY SAUDI ARABIA'S VISION 2030 IS NOT ENOUGH FOR A TRUE MODERNIST TRANSFORMATION



ision 2030 is Saudi Crown Prince Mohammad bin Salman's (MBS) flagship project to modernise and strengthen the country by 2030. The project includes building new cities along the Red Sea coast, such as NEOM Line City, investments in tourism and tech, embryonic social reforms such as allowing movie theatres and female drivers, and the marshalling of an enormous sovereign wealth fund to invest in the future and de-oil-ification. Simultaneously, MBS has also clamped down strongly on internal dissent and rival poles of power, tried to attract foreign capital, initiated a protracted war in Yemen to avoid Iranian encirclement, and improved relations with countries like China, India and Russia. Though his achievements have been immense, the challenges facing the country are immense too, and there are some who wonder whether Vision 2030

What modernisation actually entails

The process of industrialisation and modernisation is so much more than building new cities and attracting tourism. Modernisation is a much deeper process involving the levelling of class differences, the onset of mass political participation in state affairs (even in authoritarian systems like the USSR and China, which are fundamentally different from a religious monarchy like the KSA), the development of modern workforces and skills, complete overhaul of state bureaucratic and military apparatuses, the spread of new humanist ideologies, and the acquisition of economic power by the populace. Any effort which does not take all of these (and many more) factors into account ends up being unbalanced and inflationary. The situation that Saudi Arabia is most reminiscent of currently is actually that of Iran on the eve goes far enough in such a short time scale. of the 1979 Islamic Revolution. There too,

the country was ruled by an autocratic monarch, trying to forcibly modernise the country through a despotic surveillance state and relying on foreign powers for capital and security.

However, that did not end well, as the strong Iranian religious establishment and a dissatisfied populace overthrew the Shah and installed a revolutionary Islamic government, completely changing the map of the Middle East. Many point to Ataturk's overhaul of Turkey as an example of a successful state modernisation accomplished in a short time, but that analogy ignores several key differences. Turkey had a centuries-long history of being a bureaucratic 'high-end' state, with a sizable industrial, military, and agricultural base already, strong ethnic cohesion based on Turkish nationalism and the complete destruction of any rival power poles in the aftermath of World War I. Most notably, the transformation was not overnight, having started a century before in the Tanzimat era, with Ataturk just being the culmination of the process. Saudi Arabia has none of these advantages and faces much more significant challenges with much fewer resources (except oil).

Saudi Arabia's multi-vector crisis

Saudi Arabia today is one of the most fragile states in the world, even more so than traditional examples like North Korea, Pakistan or Venezuela. The country has an acute oil export dependency, with 87% of its state budget and almost half of its GDP based on energy exports. Significantly, the country lacks the capacity to run these energy operations by itself, being highly reliant on foreign capital, technical skill and security to be able to keep exporting oil. The country also faces a demographic bomb. Though its extremely young population could be viewed as an asset, that is only the case if it is able to leverage that population into gainful employment by creating opportunities.

ficult for the Saudis. Agriculture is a no-go, as the country has a severe lack of arable land or irrigation water. Industry, too, is difficult, as most of the population lacks experience or skills working in manufacturing, and there is an acute male-female imbalance. If the country cannot generate sufficient opportunities, population growth could be a liability. The final and most acute problem the Saudi state faces is that of security. The country is surrounded by unstable or hostile states, from Yemen in the South, Iraq and Syria to the North, and Sudan and Er-

itrea across the Red Sea.

All of these countries are going through significant internal conflict and economic stability, posing a headache for the Saudis. But the most important adversary is across the Persian Gulf in the form of Iran. Not only is Iran a very powerful state, spreadthe Kingdom's northern flank, as well as Yemen in the South, but its stated ideological goal is to destroy all monarchies in the Islamic World, most significantly Saudi Arabia. Though the two countries have recently tried to mend relations, their interests are diametrically opposed and cannot be relied upon as a long-term trend.

Saudi Arabia has faced these problems for a while, but the reason they are biting now is that the country is losing the favour of its main security guarantor, the United States. The USA has been pulling back from the region for a while now as it focuses on its tumultuous internal politics, and its once ironclad security guarantee is now being called into question. For example, in 2019, after the Iranian drone attacks on Saudi oil facilities, America expressed ambiguity over whether it would back the Saudis, something which shook the country's diplomatic establishment to the core.

Simultaneously, the world is entering a new period of turmoil, with

Unfortunately, that seems dif- the Russian-Ukrainian war disrupting food and energy markets (the Kingdom is completely dependent on importing foreign food) and China's slowdown affecting oil demand.

Conclusion

That's not to say that Saudi Arabia is doomed to fail, however. The country does have significant strengths, too, such as an enormous war chest of trillions of dollars, the geopolitical clout that comes from being the global swing oil producer, deep influence over the Islamic world as the protector of the holy cities of Mecca and Medina, a number of capable allies such as the UAE, Egypt, and increasingly, India and Israel, a high GDP per capita, and soft power through its investments in religious seminaries, sports, and tech.

However, the challenges the ing its influence across the whole of country faces are also enormous, as a restless population clamours for more rights, the religious establishment looks increasingly uncertain of its position within the country, a belligerent Iran bides its time across the Gulf, unstable or failed states all around, a dependency on exporting oil (which is slowly going out of fashion) and importing food and manufactures, and an increasingly unstable international order. Vision 2030, with its glittering new high-tech cities and initial social reforms, is a step in the right direction, but MBS needs to go much further to actually pull it off. A deeper political and social transformation needs to accompany the weaning away of oil and better relations with foreign powers. Whether he can pull it off is an open question, as even though countries have achieved this before, none have done so on such a short time scale.

> Vision 2030 is a good first step, but the entire marathon remains to be run, and the results will decide what the Middle East and global energy look like for future generations.

A MASSIVE HOUSING CRISIS IS DRIVING **UP INFLATION ACROSS EUROPE**

goal for many young adults, forcing them to delay major life decisions and dampen consumption.

Rising construction costs, exacerbated by high inflation and interest rates, have aggravated the housing

s Europe grapples with a growing housing shortage, its citizens find themselves trapped between increasing inflation and low growth, causing a cost-of-living crisis.

Research by Eurofound indicates that the precarious housing situation is exacerbating the economic troubles of the continent, with private sector tenants experiencing housing insecurity, high inflation, rising interest rates, and escalating construction costs. In some provinces, housing and heating expenses now exceed 50% of monthly income, putting immense strain on families.

In the EU-27, house prices surged by an astonishing average of nearly 40% between 2015 and 2021. The rental sector, though a little sluggish in responding to price growth, inevitably follows prices over the long term, indicating an impending increase.

This surge can partly be attributed to changing investor perceptions, with residential property increasingly viewed as an investment-class asset.

In countries like Estonia, house prices have nearly tripled in a decade, while Hungary, Luxembourg, Latvia, and Austria have seen a 'mere' doubling of prices. Even nations like Germany and Scandinavia, renowned for rentals, and deteriorating building their social security net, have been hit hard by the shortage.

The crisis has been building up sure. over the past decade.

The crisis has several underlying causes. Profiteering by foreign investors, forced evictions of tenants with older, more affordable contracts, foreign investors seeking short-term

conditions all contribute to the problem. Increased immigration in some countries has also added to the pres-

Investments often prioritise profits in the luxury sector over providing affordable houses, further pushing affordable housing out of reach for vulnerable sections and the average renter alike.

The recent influx of immigrants, particularly from Ukraine, has further increased the pressure on rental markets in major European cities. For those seeking rental accommodation, especially in cities like Berlin, the process has become a months-long ordeal.

The dream of owning a home, once synonymous with financial security, has now become an elusive

The affordability crisis is particularly harsh on low-income households. In 2021, a staggering 50% of market renters in the EU-27 were spending at least 40% of their income on housing, compared to just 11.5% of homeowners not repaying loans. Greece had the highest proportion of renters facing this burden, with 96.6%, while the Netherlands was at over 80%.

supply-demand imbalance, leading to skyrocketing rental payments. The brunt of these price rises is borne by low-income households, often residing in social housing, where a significant portion of their budget goes toward essentials like energy and food.

What seems like an investor's dream has become a nightmare for those aspiring to own a home.



Addressing the Crisis

Disparities between housing supply and demand are not new. However, this is not really a shortage but more of a case of misallocated investment, leading several European countries to pass tighter regulations.

Governments have taken various measures, including social housing, rent control and subsidies, but policy gaps persist.

The Netherlands, for instance, has announced new rent regulations and a Residential Building program aimed at creating 900,000 homes by

However, these plans face challenges as they will raise construction costs, paradoxically leading to a decrease in housing construction in 2023. Spain has adopted a "right to housing" approach instead, offering protection against eviction and access to affordable housing.

Barcelona has requisitioned vacant properties for social housing and imposed restrictions on tourist accommodations, redirecting housing supply to the city's residents. Nevertheless, the effectiveness of these measures remains uncertain.

Europe's housing crisis is a complex challenge with deep social and economic consequences. It exacerbates inequalities, threatens financial security, and impedes life quality for young adults, all at a time of already soaring inflation and war.

Synchronising policy and finding long-term solutions remain daunting tasks. The future of housing in Europe hinges on effective measures at a time when governments are already overburdened; but if successful, it would go a long way towards both encouraging growth and curbing inflation.

WHY IS THE BRITISH **ECONOMY IN CONSTANT** CRISIS THESE DAYS?

n January, the International Monetary Fund (IMF) forecast that Britain would be the lone major economy to contract in 2023. Their report anticipated a decline of 0.6%, positioning the UK's economic performance even below that of internationally isolated Russia. Since then, even though the IMF has adjusted its estimates upwards to a rise of 0.4% in the UK's output for this year (ahead of Germany), several other critical economic indicators reveal a negative outlook for the British economy.

Leading up to the global financial crisis in 2008, the United Kingdom had had robust performance within the G7 nations. However, this positive trajectory began to wane in the mid-2000s. By the year 2022, real business investment in the UK remained marginally lower than the levels observed in 2016, in stark contrast to the 14% rise seen among the other G7 economies.

Furthermore, the effect of the pandemic has been pervasive. The UK economy is still roughly the size that it was before the pandemic, meaning that almost three years' worth of economic growth has been

gish post-COVID economic rebound, lingering repercussions of Brexit uncertainties following the UK's departure from the European Union in 2016-2021, and a prolonged period of insufficient investment due to austerity measures implemented after the 2008 financial crisis. These pressures have collectively imposed a huge burden on the economy and have hamstrung policymakers' efforts to find an equilibrium between managing infla-

Reining in costs of living is the primary challenge for the UK.

tion and reviving growth.

Effectively managing inflation, which began soaring in late 2021 and was further fueled by Russia's actions in Ukraine, is pivotal to addressing the UK's economic challenges. While the inflation rate, as gauged by the conthe fourth consecutive month, it still stands six points above the Bank of England's target of 2%. Economists are concerned about the potential for 'sticky' inflation since core inflation is not subsiding as rapidly as the overall consumer price index.

This is noteworthy considering that countries like the US and France have managed to rein in their price rises to below 5% in recent months. In efforts to control inflation, central banks in numerous economies have raised the cost of borrowing. The Bank of England has been more assertive in this regard than many, having raised the base interest rate 14 times since 2021. Currently, the base rate stands at 5%, the highest it has been in 15 years.

Although it is anticipated to rise further this year, concerns about it reaching 6% or more have abated. This offers a measure of relief for mortgage holders, renters, and busi-

nesses, as the increases have placed sharp brakes on business investment. British consumers are acutely experiencing the impact on their disposable incomes. According to the most recent market research data, consumer confidence is as fragile as it was during the depths of the global financial crisis in 2008-09 and the pandemic in 2020-21, despite a minor improvement in the first half of 2023.

The great tragedy of Brexit

Another critical political decision continues to have lasting effects on the economy: the United Kingdom's departure from the European Union's single market in January 2021, coinciding with the Covid lockdowns. Subsequent to this, the UK's international trade has lagged behind that of the other G7 nations. Both the import and export values for Britain remain below the levels before the pandemic.

In contrast, countries like Italy, Germany, and Japan have all seen growth in their global trade. The repercussions of Brexit have already caused a 4% reduction in the UK's GDP and approximately £100 billion per year in lost economic output, as estimated by Bloomberg. The UK has also experienced sluggish growth in productivity. This reflects a slower rate of innovation and technology dissemination across industries.

The Way Out

Implementing a stable strategy to encourage business investment is crucial, and this could encompass an array of tax incentives that extend beyond just plant and machinery. Such a measure has the potential to bolster investor certainty and confidence.

Furthermore, directing public investment towards infrastructure projects, particularly in areas like transportation, healthcare, networks, and

draw in more private investment. This approach, often called "crowding-in," leverages public spending to stimulate private sector participation. In addition, authorities might contemplate the idea of unlocking pension and insurance funds for investment in riskier projects with higher returns. However, such a move would need to be executed carefully, considering its implications for the stability of the financial system. In order to facilitate these proposed reforms, upcoming budgets should account for essential public investments along with the necessary expenditure to uphold top-tier public services, with a particular focus on healthcare and education.

the green transition, could effectively

Balancing these requirements while ensuring that the national debt remains stable concerning GDP would necessitate further changes in taxation and government spending. The headlines about the UK's economic decline should be taken with a pinch of salt. Yes, the country is experiencing an acute crisis of its own making and is lagging behind its peers currently in social indicators and manufacturing. But it is still the world's sixth largest economy, owning a global currency, a major international financial centre and a highly developed and skilled economy. The true root of the UK's woes is its constant political instability and revolving-door governments, and if the British can fix that first, the path out of its current troubles will be a good deal easier.

not seem dramatic, they have certainly added up to a big loss over time. The major cause of Britain's current crisis can be attributed to the energy shortage stemming from the Russia-Ukraine conflict. This is accompanied by a slug-

lost - so while headline figures may sumer price index, has declined for

IS BRAZIL HEADING FOR YET **ANOTHER LOST DECADE?**

in the 2000s, the country was made a level and GDP per capita having conpart of the BRICS as one of the econtracted by 10.8%. omies of the future.

country has barely grown in the last ten years; a quarter of its workforce is still underemployed, with almost 13.4 million Brazilians out of work. Something has gone seriously wrong in Brazil's economy, turning it from a poster child to a global laggard.

with a severe crisis, no doubt. The past decade has unfolded as yet another "lost decade" for the nation, reminiscent of the one in the 1980s. In fact, this recent decade has proven to be the worst of the past 120 years.

years, Brazil has faced two major economic downturns. The first recession occurred from 2014 to 2016, followed by another that began in 2020. Regrettably, there appears to be no clear resolution in sight.

The situation is way worse than it seems

Between 2011 and 2020, Brazil's GDP registered an average annual growth of a mere 0.27% - a sad figure for a developed state, let alone like Brazil.

In comparison, during the earlier "lost decade" (1981–90), the average annual growth was six times higher at omy at current trends. 1.57%. Moreover, in the period 1981 to 1990, GDP per capita saw a decline of 0.4%, compared to a steeper drop welfare schemes is a major

of too long ago, Brazil of 0.56% from 2011-2020. New data reason, but the country has also been was the darling of global from 2020 underscores the country's investors. After register- economic struggles, with its GDP ing red-hot growth rates now standing 6.4% below the 2014

Furthermore, Brazil is undergo-Fast forward to today- the ing a rapid process of deindustrialisation, marked by a sharp decline in its manufacturing sector. During its zenith in 1985, manufacturing contributed 36% to the country's GDP.

However, in the aftermath of the challenges of the previous decade, industrial production has plummet-Brazil's economy is grappling ed by 12.4% compared to the levels observed in 2011. As of 2020, a mere 11.3% of Brazil's GDP comes from manufacturing.

This figure is lower than levels seen over the past seventy years, showing just how much the country's Over the course of the last ten economy has moved away from manufacturing. The proportion of high and medium-high technology within Brazil's exports has also regressed, declining from 43% in 2000 to 32% in 2019, being the lowest level recorded since 1995.

> These statistics paint a picture of an economy where the industrial sector is mired in low technological investment and products with limited value addition.

Public finances aren't doing so a supposedly vibrant, developing one great, either. The country has one of the largest debt burdens among developing countries at almost 80%, and with a deficit of over 4.60%, its public debt will soon be larger than its econ-

Profligate spending on social

mired in massive graft and corruption, with the high-profile 'Lava Jato' scandal being emblematic of a much more pervasive problem.

What went wrong?

A number of factors have combined to deal with Brazil's economy with a losing hand. The country's massive growth in the 2000s was based in large part on sky-high global commodity prices.

An exploding Chinese economy was gobbling up the global supply of commodities such as soybeans, iron ore, and energy, and Brazil's economy benefited greatly from this period of high demand. However, while some infrastructure was built, the gains from this period seem to have been mostly squandered.

Instead of using the windfall to raise the country's growth trajectory and invest in education, infrastructure, technology and industrialisation as a means to move up the value chain, the government mostly spent huge sums on social welfare schemes providing monthly payments to the poor.

While these schemes have no doubt had a positive impact on people's welfare and greatly reduced human suffering, they proved to be unsustainable in the long run, as the global commodities bubble burst, and the state has been running itself ever deeper into deficit since.

Nor did these schemes go far enough in the first

place. While they had a positive immediate impact, they seem to have failed to generate enough human capital to pivot Brazil's economy to higher value-added sectors and, instead, provided an impetus for wages and productivity to remain low.

Brazil's household consumption is now stalling as families tighten their belts, and productivity has also dropped by most estimates.

Political instability has also been a major pain point. The country's pervasive political corruption reached a head with the Lava Jato graft scandal, which helped bring in the government of Jair Bolsonaro with its neoliberal agenda and pro-austerity stance.

Recently, that government was also removed amidst a whirlwind of controversy, and current President Lula has vowed a reversal of Bolsonaro's policies and a leftist revival.

While these policies may turn out to be good for Brazil long term, the country can ill afford these seesaws in policy positions at a time when crime rates are skyrocketing, more and more Brazilians are being pushed into poverty and hunger, the economy has rapidly become over-reliant on agriculture and financialisation at the cost of all other sectors, and global demand for Brazil's primary exports is struggling.

What the country needs most is a strong and assertive central government which

collaborates with local bodies to provide good urban services, a national infrastructure grid both to generate employment and connectivity, a strong push for education and skill development, and an industrial policy to help the country move up the value chain. Brazil does not lack skilled labour, with two of its most notable successes being aviation

That's a tall order for any government, but Lula has shown his mettle in the past, and the fate of millions of Brazilians depends on him being able to deliver once again.

manufacturer Embraer

and its advances in agro-

tech. However, it needs

to scale its institutions up

massively to meet its po-

tential, all while keeping

public debts in check.



tries have, at some point in their history, been under French colonial rule. This historical legacy has profoundly influenced various aspects of culture, military, and economic affairs. However, six decades after gaining independence, the landscape is shifting, and France's once-dominant position is waning. In spreading like wildfire, are complex. a destabilising trend, a number of French-speaking African countries in the Sahel region are grap- France- a perceived economic predator, is pling with a surge in military coups, with Gabon being the latest addition to the list.

in Niger, Guinea, Burkina Faso, Mali, and Chad,

of election results in Gabon on August 26. President Ali Bongo Ondimba was poised to extend his 14-year rule, further solidifying his family's 56-year grip on the nation. However, the military intervention abruptly altered the political landscape. The underlying factors fueling these coups in the region since 2020, originating in Mali and

losing its grip in the region.

France, historically entwined with its for-This wave of coups follows recent upheavals mer African colonies due to its colonial past, continues to maintain close ties with these nations. highlighting a region in serious turmoil. The most These ties have taken the form of agreements in-

The engagement of France in Africa is, in large part, driven by its economic interests aimed at protecting its investments on the continent. A major aspect of this relationship lies in the defence pacts that provide France with a unique level of influence, as well as the local currency union controlled by Paris.

Notably, seven out of the nine West African Francophone nations still use the CFA franc, a currency pegged to the Euro and supported by France- a legacy of France's economic policies during its colonial era.

One example of this can be seen in Niger, a country that hosts a French military base and is the world's seventh-largest producer of uranium—a crucial resource for nuclear power. Approximately a quarter of this uranium is exported to Europe, with a its origins to the early 2000s. Over the major portion going to France. In recent years, however, a new generation ally lost its status as Africa's primary of Africans has become increasingly critical of France, viewing it as both an economic predator and a missionary of Western values that often clash with local cultures.

This sentiment has been particularly fervent among orthodox and radical Islamic groups. While not all of these groups engage in terrorist activities, they vehemently reject the political and social models adopted by African countries since gaining independence. Accusations of France wielding too much control often encompass a broad spectrum of issues. Historical legacies of colonialism, perceptions of neocolonialism, concerns about French interference in African politics, and cultural tensions all contribute to this sentiment.

Furthermore, there's a growing demand for greater autonomy and self-determination among African nations, which can manifest as resistance to external influence, including French influence. Over the years, France has been known to support leaders who, despite their corruption, align with French objectives in exchange for aid.

However, this approach has generated discontent among the populations of these nations, ultimately contributing to the rise in post-coup pro-military protests. These protests have revealed a surprising level of support for coup leaders and often voiced anti-French sentiments. In some instances, demonstrators have called for closer ties with Russia, presenting an intriguing geopolitical twist.

Decreasing value of exports from France, Rise of Russia and

The decline of French dominance on the African continent traces past two decades, France has gradusupplier and investor. While French exports to Africa have indeed increased, their overall value has experienced a significant decrease between 2000 and 2021.

In this new landscape, Russia emerges as a regional power poised to benefit from the rising hostility towards France. Moscow has been strategically expanding its presence across the African continent, learning from the missteps of its French counterpart.Russia has positioned itself as an anti-imperialist ally, gaining traction with African nations disenchanted with their former colonial ties.

China is capturing more market share, replacing France.

Furthermore, China began encroaching on France's market share in Africa in the early 2000s, ultimately surpassing it in 2007. As of now, China commands a 17% share of the African market, three times more than France. This shift in economic influence has far-reaching implications.

The geopolitical dynamics of the region are shifting, and the consequences of these developments have far-reaching implications, not only for France but for the world. As Africa grapples with its post-colonial identity and navigates its relationships with former colonial powers and emerging global players, the continent finds itself at a crossroads. While China, Russia, and other emerging players reshape the economic landscape, anti-French sentiments persist due to historical, cultural, and political fac-

WILL SOFT LANDING HELP U.S. **ECONOMY AVOID A RECESSION?**

onfidence mounts amongst economists and analysis on the Federal Reserve to avoid pushing the US into a recession. The inflation is slowing gradually and the economy persists in growth even after 11 consecutive rate hikes.

The previous week saw another rate hike by a quarter percentage point, marking it the most significant hike in 22 years. Chair Jerome Powell also shared important updates regarding the Federal Reserve's economic projects. According to the Fed's revision in the recent forecast, the central bank can deliver a soft landing.

What is Soft Landing?

Even after a lot of predictions, the US economy has not fallen into a recession. Falling into recession would require a considerable shrinkage of economic activity. The word 'soft landing' figuratively means the smooth landing of a "The staff plane. Economists connow has a noticesider the term suitable slowdown in growth able as the word starting later this year in the describes the guidance necessary to orecast, but given the resilience steer the economy of the economy recently, they back from higher

Mr. Powell Achieving a soft landing could be a difficult task as it requires a keen and delicate understanding of economic conditions even if the central banks lack the required tools.

a recession,"

According to data the central bank, currently, can lower the inflation rates through tighter monetary activities.

Chief economist at Goldman Sachs, Jan Hatzius, stated that the

United States could avoid a recession. The US investment banking company reduced the probability of a recession to 20 percent last

Hatzius stated that they believe Fed to be taking the right path. "The data this week has been consistently good. It adds to my conviction," added Jan Hatzius.

The US Bureau of Economic Analysis reported that the Fed's favoured measure of inflation, which is the personnel consumption expenditures index cooled down in June reaching 4.1 percent which is the lowest level since October 2021.

The employment cost index also rose by 1 percent in the second quarter which was down from the 1.2 percent during the first three months of the year. The are no longer forecasting ECI and PCE figures were lesser than the predicted rate by the economists.

Heidi Shierholz, a former chief economist at the Department of Labor and the current director of policy at the Economic Policy Institute stated that the economy is already seeing inflation moderate dramatically, and "we will continue to see inflation policy without destroying economic moderate and not see a big rise in unemployment." Heidi Shierholz also added that if the economy had a re-

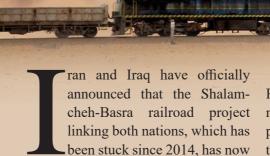
cession, it would have been a policy failure, and it would have been because the interest rates were increased too much by the Fed. Jerome Powell mentioned that the central bank staff had withdrawn their forecast for a US recession while acknowledging that there is still work to be done to bring inflation under control.

Analysts presume that even if the Fed's target is to return to a 2 percent inflation, a soft landing close to 2 percent would also be sufficient. The S&P 500 stock index is nearly 20 percent up in the year and this increase could be based on the anticipation surrounding the artificial intelligence.

Factors such as the market ebullience, and the strength of the US economy could force the Fed to keep the interest rates higher for a longer period which could crush the labour market would send the United States economy into recession.

Jerome Powell recently stated that achieving disinflation without having any negative impact on the labour market is a positive thing but stronger growth could again stir up inflation.

IRAN AND IRAQ START WORK ON THE DECADE-OLD RAILROAD PROJECT - NEWER CHALLENGES AWAIT



begun its construction work. After its

successful completion, it would be a

huge relief for the Iranian pilgrims to

visit the holy sites in Iraq.

Mohammad Mokhber, Iran's First Vice President, and Mohammed Shia al-Sudani, Iraq's Prime Minister, marked the commencement of construction work on the railroad project to be built alongside their borders last week.

Shalamcheh-Basra railroad

This railroad will join Shalamcheh, the border town of Iran, with Basra, the southeastern city of Iraq. It is a 32 km (20 miles) long railroad which is expected to be completed in the next 18 to 24 months.

Both countries had first discussed this agreement to develop connectivity via railways back in 2014, but it was paused after a short time due to ISIL (ISIS) group's violent, offensive activities all across Iraq.

In the winter of 2021, when Iraq's political stability and security situation improved, it came forward to restart the project, which had almost negligible progress over several years. But, the work went on slowly with missing deadlines for the past two years.

The Iraqi Transport Minister Razzag Al-Saadwi visited Tehran and met his counterpart, Mehrdad Bazrpash, in April this year. The construc- be favouring the Development Road tion of the railroad was a major agenda of their talks. The meeting ended with the signing of an agreement, which so far looks the most promising in terms of completion of the project.

built on an overpass on the waterway which separates the two countries. The waterway in Iran is called Arvand and Shatt al-Arab in Iraq. The bridge is said to be moveable because it is a passage for ships as well.

Challenges ahead

The waterway will have to be dredged to make it accessible for the ships as well as the movable bridge above. The waterway was last dredged before the 1979 revolution; that's several decades of sediment deposits on the riverbed. Another dangerous challenge happens to be mines. On the Iraq side, they haven't begun construction of railway tracks near its border, which is heavily infested with mines. While on the Iranian side, they have achieved substantial success in removing mines and setting up tracks. These mines were planted back in the 1980s during the Iran-Iraq war when Saddam Hussein invaded Iran and started a war that lasted 8 years. The Iranian media has been playing a big role in this project. They have been anticipating that Iraq might be slowing down the development of and Russia via Iran.

the railroad under the influence of the United States. They also raised speculation that the Iranian officials might project with Turkey over Shalamcheh-Basra.

Geopolitical importance

Under the guidance of President The project is planned to be Ebrahim Raisi, Tehran is working on several projects for railway development as it eyes on expanding its domestic network for enhanced regional integration. The rail project between Iraq and Iran is likely to benefit Tehran more as it looks forward to integrating its rail networks to establish itself as a regional power.

> The Shalamcheh-Basra railroad will connect Iran to Najaf and Karbala in Iraq, both of which happen to be major hubs for the transportation of millions of pilgrims who visit Iran for the Muslim holy sites.

> This project will economically benefit Iran, which is under the clutches of numerous sanctions from the United States after the White House unilaterally withdrew itself from the Iranian nuclear deal in 2018. The railway will enhance its transportation capabilities, which will boost trade and help the Islamic nation to develop itself as a major centre for transportation lines. Iran is also working on the International North-South Transport Corridor, a multi-modal transport network connecting India to Central Asia

inflation rates.



Dr. MOHAMMAD AL-SULIMAN

CEO, National Real Estate Registry Services Company "RER"

He has broad experience across numerous leadership positions spanning various sectors, including telecom, banking and finance, investment OPS, and more.

Dr. Al-Suliman has won several awards, including:

- 2020 Silicon Valley organization (SVUS Awards) bronze medal for CEO of the Year category in the insurance sector
- 2020 Best CEO in the insurance sector award by International Business Magazine
- 2021 "Excellence in Innovative Operational Implementation" award in the Kingdom of Saudi Arabia from British magazine Global Brands

Dr. Al-Suliman enjoys a distinguished academic background. He holds a PhD in Strategic Management and Information Technology from Peter Drucker Business School, a Master's degree in Information Systems and Technology from US-based Claremont Graduate University, and a Bachelor of Science degree in Management Information Systems from King Fahd University of Petroleum and Minerals in Saudi Arabia.

Congratulations on your winning of Most **Innovative Real Estate Solution Provider!**

Could you please introduce our readers to **RER** company?

he National Real Estate Registration Services Company, known as the Real Estate Registry, is a PIF-owned company that is responsible for digitalizing real estate registration processes. The company takes on the mission of building a comprehensive real estate database to promote trust, improve transparency, and maximize operational efficiency.

Our mission resonates with PIF's overarching strategy of harnessing the Kingdom's abundant resources to achieve a thriving and diversified economy, in line with Saudi Vision 2030. As such, RER is wholly committed to developing the Kingdom's real estate wealth by increasing trust, transparency, and accessibility of ownership information.

This is a significant leap in Saudi Arabia's ambitious economic roadmap, offering more streamlined services and fostering a thriving real estate sector that impacts the wider economy.

How do the underlying principles and values of RER shape its day-to-day operations and its relations with beneficiaries?

The real estate sector is a key enabler in Saudi Arabia's transformation journey, and we are strategically positioning it for significant investment and growth. In collaboration with government partners, RER drives the real estate sector towards enhanced transparency and efficiency, fosters market confidence, and creates a favorable business environment.

Our core values of Innovation, Customer-Centricity, Trust, Inclusive Collaboration, Impact, Integrity, and ethics are at the heart of our culture and guide our decisions. We strive to make a meaningful change in the real estate sector. Our ultimate goal is to transform the customer journey by leveraging digital transformation across the real estate sector. By embracing innovation and collaboration and adopting global best practices, RER supports efficient and sustainable real estate services that can leverage advanced data-based solutions in the future. Our internal and external relationships are based on trust, fostering an environment of openness and reliability. We are unwavering in our commitment to uphold these values as we propel RER to the next level, ultimately contributing to a reliable and transparent real estate sector.

RER's establishment and mandate are associated with a full-fledged Title Registration System. Could you tell us more about the services RER will offer and how they will change real estate transactions for beneficiaries?

In response to the challenges and opportunities in the real estate sector, RER has embarked on a mission to simplify property registration processes. We have created a unified platform to drive digital transformation across the real estate sector in line with global best practices.

This transformation positions us to harness advanced data-based solutions in the future, including geospatial technologies like manned and unmanned aircraft, digital geospatial systems, remote sensing technologies, artificial intelligence, and satellite positioning using GPS. These tech-powered solutions will support efficient and sustainable real estate services for all beneficiaries. Our system offers two core services. The First Registration involves listing all real estate units in the Real Estate Registry. Each unit will have a record of the Registry dedicated to it. The other service is Subsequent Transactions.

Once all properties are listed, this service is used to record any change in ownership due to selling and buying, or any other changes following the First Registration. All of that builds up a huge data resource and serves as a real estate data bank, that offers analytical reports to smartly understand the market by data intelligence enablement. At RER, we have designed a streamlined customer journey in accordance with the best practices to ensure a smooth and hassle-free experience for our users.

Accordingly, this system offers multiple benefits to the public, including providing conclusive proof of ownership, ensuring the protection of rights, and reducing disputes. It also streamlines ownership transfer transactions and enhances the accuracy and transparency of real estate data.

The real estate sector is thriv- Let's delve into the influence in Saudi Arabia. This, in turn, will ing amidst the economic diversification roadmap of Saudi Vision 2030. Could you provide some of RER's insights into the future of the Saudi real estate industry, major projects, investment initiatives, and urban development?

Saudi Arabia's real estate sector is witnessing rapid growth driven by various economic and regulatory changes. Since 2018, the total value of mortgages issued, to both commercial and individual beneficiaries, has exceeded SAR731 billion. In line with this surge, the Kingdom of Saudi Arabia has become the compass of the world's biggest real estate development projects in residential, commercial, retail, tourism, and entertainment properties.

These multi-phase developments set new standards and provide investment opportunities for years to come. At RER, we anticipate the future of a sustainable real estate sector, guided by intelligent decision-making and the creation of futuristic cities that prioritize the well-being of both people and the planet. Our ultimate vision is to create user-friendly e-channels where real estate transactions happen seamlessly as buying e-commerce consumer goods with clear product descriptions - property type, size, dimension, geospatial location clear selling prices, and easy access to the property's history.

Each property would have a unique serial number to protect owners against deed duplication. With the goal of registering around 80% of properties in the Kingdom within five years, we strive toward a sustainable real estate sector powered by smart decisions.

of the digitized real estate registry in Saudi Arabia. How do **you see it shaping investment** dynamics, and what role does it play in the future cities of the Kingdom is smart city develop-**Kingdom?**

The real estate registry in Saudi Arabia has undergone a monumental transformation in today's digital era, where nearly all homebuyers research properties online. RER stands as a beacon for driving profound impacts on the real estate

Economically, RER enhances transparency, bolsters investor confidence, and stimulates economic activity. It also improves efficiency by reducing transaction times and maintaining property values. On a social level, it plays a pivotal role in securing property rights, promoting inclusivity, and swiftly resolving disputes, thereby fostering social stability. In the realm of digital transformation and Proptech, we aspire to be a catalyst for growth within Saudi Arabia. Our platform will unlock pathways for innovation and entrepreneurship, within a dynamic ecosystem that fosters integration with other digital services, such as online mortgage lenders and insurance providers for a seamless real estate transaction journey.

Furthermore, the data collected by our registry empowers developers, investors, and policymakers with valuable insights, facilitating informed decision-making in a real estate market that continues to expand, particularly with large-scale projects across the Kingdom. The fusion of technology in real estate holds immense promise for the future, revolutionizing how we approach property transactions and shaping the real estate landscape

contribute to the dynamism of the sector, stimulating innovation, and attracting investors. A big part of the transformation journey of the ments. RER seeks to play a central role in smart city developments. Our collaboration with NEOM, the sustainable region taking shape in the northwest of Saudi Arabia, underscores our commitment to shaping efficient and forward-thinking property development.

NEOM is a prime example of RER's impact on the futuristic smart cities of the Kingdom. By maintaining a comprehensive data record of property ownership transactions, RER streamlines administrative processes. RER facilitates data-driven decisions in infrastructure development, transportation systems, and land allocation. It promotes proficient land use by identifying and repurposing vacant or underutilized properties, enhancing sustainability, and improving residents' quality of life. By enabling seamless contracts, RER helps automate transactions to boost efficiency and reduce time and costs. It also supports infrastructure development by harnessing advanced technologies like IoT sensors, smart grids, and intelligent mobility systems. In disaster management, RER can assist authorities in identifying affected properties, accurately assessing damages, and planning effective recovery efforts. RER also contributes to sustainability by providing insights into property energy consumption, promoting land conservation, and fostering green building initiatives. Our steadfast dedication to creating an efficient, sustainable, and technologically advanced future remains at the heart of reshaping the Saudi Real Estate sector and urban development.



he recently held G20 summit in Delhi had a series of significant announcements made. A surprising one was New Delhi's declaration being accepted with 100% consensus under the presidency of India for the 18th summit of the Group of 20 – the inclusion of the African Union and passing of the Presidency baton to Brazil for the next year's summit. The talk of the town is the economic multinational rail and shipping corridor between Saudi Arabia, India, the United States, and the European Union.

India-Middle East-European Economic Corridor (IMEC) connects India, Saudi Arabia, the European Union, the United Arab Emirates (UAE), France, Germany, Italy and the United States. The corridor is di- Developments for the deal vided into two halves, the southern part connecting India with the Persian Gulf and the northern half connecting the Arab region with the European Union. IMEC corridor is considered to be a tight slap on China's economic ambitions in the region. The White House is using this opportunity to counter China's Belt and Road Initiative by resurrecting itself as a reliable investment and development partner for the G20 nations.

Jake Sullivan, the national security advisor for the Biden administration, said that the IMEC corridor reflects efficient American leadership and advanced investments. He pointed out that the American investments would improve the infrastructure capabilities for economic growth in the Middle Eastern region and develop it as an important economic trade hub connecting South Asia with Central Asia and Europe. Even President Biden emphasised in his speech that it's a really big deal.

Earlier this year, China made headlines by becoming a mediator in the Middle East by mediating a Saudi-Iran deal, countering the hegemony of the United States in that region. This pushed the White House to come forward and make a move on its own, which resulted in talks for Saudi recognising Israel as a country of certain conditions assured by Washington. The Saudi-Israel link is important for both the upcoming US elections and for the corridor as well.

There are suspicions as to how the deal will function as it involves numerous countries with diversified interests. But most of the corridor has been constructed easily in batches Etihad Rail, a 1,200 km long railway line that is a part of the \$100 billion Gulf Cooperation Council (GCC) aims to connect the important Middle East and countries like Saudi Arabia. Oatar, UAE, Kuwait, and others. The Saudi Rail network is another bridge to connect the transport line from the ports on the Gulf Coast to the borders of other Central Asian nations. These two railway lines can lay the foundation stone of the corridor. Both of them have signed a strategic agreement for cooperating in services exchange.

Maersk's, the logistic giant, has a dedicated India-Gulf feeder service, Shaheen Express, that has been loaded with for shipping FMCG products, besides chemicals, textiles, and electronics between the regions. DP World is increasing its logistics capacity by expanding its foothold in the Indian terminal with the concession to build and operate a box facility at the Deendayal Port at Kandla, Gujrat.

These transport lines can be strengthened further with cooperation from Tel Aviv. The talks resembled that the corridor line would be connected from the Adani-led-Haifa port. Further ahead, it would be connected with Italy, but it is unsure about the exact port. Rumours signal that Adani is eyeing the ports of Greece, like Kavala, Volos, or the Alexandroupoli.

The other important component of the IMEC corridor will be the freight costs. Shipping costs went through the roof during the Ukraine war and have now been pacified, but they can rise again. Ship transport is generally cheaper than the roadways, as it can carry massive loads of up to 6,000 tonnes.

The IMEC will also be using the corridor for the transport of clean hydrogen, besides other biofuels. The clean hydrogen industry is where Riyadh is extensively investing to diversify its crude dependence. The IMEC will also lay cables for electrical and digital connections.

EXPANSION DILEMMA OF THE BRICS CLUB



to Western hegemony, will meet for their 15th annual summit on August 22 in Jo-Africa. It is a group of major developed and emerging economies of the world – Brazil, China, India, Russia, and South Africa. The group represents 40% of the global population and 25% of the global economy. It is counter ern-led developed countries.

about the operations of the China-based to the summit.

RICS, the alternative New Development Bank (NDB), also called the BRICS bank. It is being developed as an alternative to the US-led World Bank. The United Arab Emirates, Bangladesh, and Egypt are stakeholders in the hannesburg, South bank, though not a part of the group.

The main agenda of this annual summit will be discussed on the last day, Thursday, to discuss the expansion of the group. The five BRICS members have varied opinions regarding new entries to the to forums like the G7, a group of West- alliance, and the major difference comes down to admission eligibility. Some 67 nations across Asia, the Caribbean, Afri-The leaders will conduct a meeting ca, and Latin America have been invited

Modi of India, President Xi Jinping of China, President Cyril Ramaphosa of South Africa, and President Luiz Inacio Lula da Silva of Brazil will be attending the meeting in person.

President Vladimir Putin will be joining them virtually, as he is under an international arrest warrant. His Foreign Minister Sergey Lavrov will be present there.

South Africa said that almost 40 countries had expressed their desire to join the group. Some have announced it to the public, whereas some have privately approached them.

The majority of the countries are approaching to join the group to safeguard themselves amidst the ongoing geopolitical polarisation.

ing its gates to new members, and it views this as a stage to counter American power. Russia has also demonstrated it wants to expand the group as a move to showcase Moscow's loyalty towards its allies. India is involved in a border dispute with China, which makes it suspicious of China's wrongful dominance in the group.

Brazil is slightly undecided as there is no clear idea about what their economy will gain from the expansion of the group. And South Africa is calculatedly aligned with China and Russia as they neither want to upset their allies nor hamper their relations with the United States.

Steve Tsang, director of the SOAS China Institute in Lon-

Prime Minister Narendra don, said that Beijing is moulding BRICS for its interests, especially to exert its dominance in the Southern Hemisphere. He added that India is unlikely to agree with the Chinese proposal as they know that it will serve the Chinese interests.

> China holds significant influence over the bloc due to its economic might. It wants to flex the group as its circle of influence. This is counter to President Joe Biden's summit in its backyard with Japan and South Korea. Xi is strongly pushing for the expansion of the group to display itself as the leader of the developing world.

India is eyeing a more cautious approach to curtail Beijing's dominance in the group. It has hands-on experience with the dirty tactics of China. It is looking for a way where each member will have a definite say in the proceedings of China is in favour of open- the bloc, rather than China gaining seizing power from the members.

> Even China is aware of India's concern, as they are all part of an alliance called QUAD, consisting of the United States, Japan, and Australia.

Brazil has a similar approach, where it advocates for establishing a set of standards for the admission of new members and that any change should be based on the mutual interest of all members.

A set of standards proposed include a base of minimum population or gross domestic product and a willingness to group's New Development Bank.

President Lula wants the group to be a platform for a large

number of emerging economies rather than just a geopolitical alliance known for its anti-Western stance. He is in favour of Saudi Arabia, the United Arab Emirates, and Argentina joining the group. He suggested Indonesia as a sound addition because of its size and influence in the South Asian region.

Russia views this as an opportunity to bring together the developing world. But Sergei V. Lavrov, who would be present at the summit on behalf of Putin, might be questioned about their stance on backing out from the Black Sea grain deal, which has caused food prices to jump across several countries.

South Africa has been caught up amidst international and domestic criticism for its close relations with the Kremlin. They have, however, displayed a neutral stance over the ongoing conflict.

President Ramaphosa led a peace mission along with other African leaders to St. Petersburg to meet with Putin and Zelensky last month. But those meetings didn't draw any kind of conclusion.

South Africa was the last country to join the bloc in 2010 after Beijing's recommendation. They are constantly in the struggle to balance their relations with the West and the East.

They have scheduled a meeting for a continental trade agreement with their second-largest trading partner, the United States, after China. South African hearts lie in the East, but their wealth lies in the

JAPAN DUMPING FUKUSHIMA WASTE DISRUPTS ASIAN SEAFOOD INDUSTRY

In international trade, the main importers of seafood from Japan in 2019 were China (24.3%), the USA (20.4%), South Korea (17.5%), Hong Kong (13.6%), and Taiwan (7.4%).

reactor meltdowns at the Fukushima Daiichi nuclear power plant, Japan is releasing around 1.2 million metric tons of treated radioactive wastewater into the ocean, a process which began last Thursday. This move has seriously (where Japan is a major player) over health and environmental concerns. This is despite the International Atomic Energy Agency (IAEA) giving its stamp of approval to the move, stating that there is little to no health risk and all precautions have been met.

What exactly is happening?

In the aftermath of the 2011 tsunami disaster, which led to a catastrophic nuclear plant meltdown, Japan has been storing tainted groundwater and coolant water from the nuclear facility in large storage tanks. These tanks are anticipated to reach their maximum capacity soon. Consequently, the Japanese government has opted to release the treated radioactive wastewater into the Pacific Ocean after a two-year period.

The rationale behind this decision is that it aligns with globally recognised nuclear safety norms, taking into account all available alternatives. The government contends that the existing tanks must be cleared to make space for plant decommissioning necessities, such as storing highly contaminated waste and the remains of melted fuel de-

bris. The tanks currently stand at 96% capacity and are projected to reach

welve years following the their maximum limit of 1.37 million tons in the autumn. Seafood holds a major position in international trade for food, even more so than meat and the IAEA and calling it a necessary dairy. According to the United Nations database, the global trading of seafood has increased from \$7.57 billion in 2009 to \$12.36 billion in 2019, disrupted the Asian seafood market which is a rapid growth of 63.2% over the decade.

How are people and businesses reacting?

In international trade, the main importers of seafood from Japan in 2019 were China (24.3%), the USA (20.4%), South Korea (17.5%), Hong Kong (13.6%), and Taiwan (7.4%). Since the 2011 Fukushima incident; however, the contamination of water has drastically affected the seafood industry of Japan. South Korea, previously the largest importer of fish from Japan, greatly reduced its seafood imports from Japan from around 81.5 thousand MT in 2010 to 29 thousand MT in 2019.

China has responded with a total ban on all aquatic products from Japan, citing health and environmental safety concerns. While many con-

sider this overblown and more a political move than a 'health' one, the Chinese government, for now, has refused to reconsider. Chinese people, too, have been up in arms, with several reports of phone harassment

of the Japanese embassy. The USA, meanwhile, has firmly supported the move, citing the track record of move. In the meantime, South Korea has been more reserved, expressing trust in the IAEA's judgment and partially restricting seafood from certain districts in the area. However, South Korean businesses and consumers are not so sure, and many have stopped buying all Japanese seafood. North Korea, too, has criticised the move.

Within Japan, there's a noticeable split in public opinion as well. The government has undertaken initiatives to assuage citizens' concerns and pacify the industry. They've pledged financial support in the form of subsidies and a contingency plan to purchase excess seafood if sales plummet. Recently, authorities in Osaka suggested offering Fukushima seafood in government facilities to prove its safety. While most authorities seem to agree that the contamination is well below dangerous levels, most East Asians seem unconvinced. Whether their opinions can be changed will decide the future of the already struggling Fukushima fishing industry.

INDIAN PRIME MINISTER NARENDRA MODI **PUSHES FOR AFRICAN UNION'S G20 MEMBERSHIP**



ndian PM has proposed a full membership to the African Union and become a part of the Group of 20 (G20). Mr. Narendra Modi also put forward India as the way out of supply chain woes before the G20 summit commences in New Delhi in September.

On addressing the Business 20 Summit in New Delhi, Mr. Modi emphasized the vision of inclusiveness of the G20 and mentioned that with the same vision they have invited the African Union to become a permanent member of the G20.

The summit is set to take place from September 9-10 in New Delhi. The Group of 20 major economies consists of the European Union (EU) and 19 other countries.

This would make up about 85 percent of the global gross domestic product (GDP) and two-thirds of the world's population. But from the African continent, South Africa is the only member. US President Joe Biden in December stated his interest in the African Union to become a G20 member. He also added that the membership had been a long time in coming, but it's going to come.

New Delhi has also called for including the pan-African bloc, which had \$3 trillion GDP collectively last year. India being the host of the G20

summit this year, has clearly struggled to settle the disputes and differences among its members especially on the topic of the Russia-Ukraine war. India strategically refused to join the West's policy of alienating Moscow.

India has also become the biggest buyer of the Russian crude. G20 delegates in its previous meetings have not issued any information which also raises doubts regarding the September meeting. The African Union currently has 55 members and has its headquarters in Addis Ababa, Ethiopia's capital. The five military-ruled nations are now suspended.

New Delhi is currently boosting its manufacturing capabilities to compete with China and Mr. Modi emphasized that India is the solution to creating a trusted and efficient global supply chain after the sector has been disrupted by the pandemic.

"The world before COVID-19 and after COVID-19 has changed a lot – the world cannot view the global supply chain as before,"

"That is why today when the world is grappling with this question, I want to assure that the solution to this problem is India."

Narendra Modi.

The tensions between India and China have grown since 2020 after a Himalayan border clash that resulted in the death of 20 Indian soldiers and nearly four Chinese servicemen in 2020. Washington is using the current situation in an attempt to counter China and has been seeking to improve its relations with New Delhi.

Despite the pressure from the Western countries, India continues to engage with Russia and attended a summit of the BRICS. BRICS group of emerging economies in a way poses a threat to the Western powers.

Brazil's prime minister recently asked BRICS nations to create a new currency that would dethrone the dollar from ruling the global markets.

Chinese President Xi Jinping and Indian Prime Minister Narendra Modi held a face-to-face talk on the sidelines of the summit. Beijing mentioned that the leaders held an in-depth discussion to reduce and ease tensions between the two countries regarding the border issues.

BRICS has also invited six countries- Argentina, Egypt, Iran, Ethiopia, Saudi Arabia, and the United Arab Emirates as its new members during the annual three-day summit held in Johannesburg on Thursday.

RUSSIA AND NORTH AFRICAN COUNTRIES ARE WORKING ON AN FTA

ussian President Vladimir V. Putin announced in a cabinet meeting that Russia and four North African countries, namely, Algeria, Egypt, Morocco, and Tunisia, are in talks for a free trade area. This would then be amalgamated with the economic group of Russia, Belarus, Kazakhstan, Kyrgyzstan, and Armenia, called the Eurasian Economic Union. This announcement came after the second summit of Russia and Africa in St. Petersburg in the previous month.

Currently, the trade volume of Russia with African nations is considerably low, and the majority is saturated in a select few countries. They deal with their fellow member from BRICS South Africa, Morocco, and Algeria.

> The trade last year between the two was worth a meagre \$18 billion, with \$4.7 billion in food supplies. This trade amount seems negligible in front of the trade of China and African nations, which went as high as \$282 billion just last year.

solar farms. They have ambitious targets but are lacking way behind in terms of energy generation. RUSS ASAFRICA Morocco imports huge amounts of coal from Russia to fulfil their

The country's trade with of the sanctions list by the West Morocco, its third largest trading for unknown reasons. partner in that region, happens to be on a J-curve. A Spanish outlet, **Mutual Economic Benefits** Atalayar, reported that from 2020

to 2021, their trade rose by a stag-

gering 42%, clocking up to \$1.6

billion in trade. The Moroccan

Foreign Ministry said that since

2021 their bilateral trade has wit-

nessed an improvement of over

25% and that growth continues in

food, metals, technology, hy-

drocarbons, and derivatives like

ammonia and potash for the de-

mand of fertilisers to Morocco.

Likewise, Morocco exports vege-

tables and fruits like lemons and

tomatoes, besides fish, to Russia.

Morocco also imports discounted

diesel from Russia in recent times. Atalayer reported that diesel im-

ports from Russia went up from

66,000 tons in 2021 to 735,000 in

working to secure its economic

needs amidst juggling with the

sanctions imposed by the West.

According to the official records

of the European Union and G7

nations and Australia report that

they have frozen reserves worth

300 billion (\$326 billion) of the

Russian Central Bank and 70%

towards becoming a carbon-neu-

tral nation by investing heavily in

coal-powered electricity genera-

tion plants. They have managed to

import them as they were left out

The country is tirelessly

2022.

system.

Russia exports chemicals,

the current year as well.

Egypt and Tunisia will particularly benefit significantly from a free trade zone with Russia. They will be relieved to import Russian grains and fertilisers. After Moscow backed out from the Black Sea grain deal, a large number of nations were stressed out due to the lack of food supply, which could trigger a food crisis in their country. With an FTA, at least these few nations will be safeguarded of their dining table

This agreement would actually rectify the trade imbalance between these countries. The amount of Russian exports to these smaller nations like Algeria, Tunisia, and Egypt is way higher than the exports of these countries to Russia. This agreement is designed to involve other sectors of the economy as well, like tourism, which is an important revenue generator for Egypt and Tunisia. Algeria is also building its tourism

Jon Alterman, director of the Middle East Program at the Center for Strategic and International Studies, thinks that this free trade of assets of the Russian banking agreement with Russia would just provide some minor benefits and would not significantly impact Morocco is rapidly working either side of the parties. A sanctioned Russia is offering discounted deals which are helping them in some ways. These African nations are major food importers, and Russia happens to be a major exporter of grains and other staples.

> Russia has a historical association with African nations and commands influence all across

Africa. They enjoy healthy decade-long relations with Algeria and also have a foothold in Libya since 2011. Food security is a major primary concern for these nations, and Russia happens to be their trusted ally in this matter.

Associated Risks

Algeria, Moscow, and Tunisia are opening themselves up for a possible sanction from the sanction for signing a formal free trade agreement with Russia Specifically, Rabat and Tunis are working to establish relationships beyond the European Union. Recently, Morocco and Israel signed the Abraham Accords, which led Tel Aviv to recognise the western Sahara as Moroccan territory, this upset Algeria, which supports the pro-independence Polisario Front

Russia has a certain level of influence in the North African region, with close relations with Egypt and Algeria. But their trade with Morocco is at an unmatched level with any other country in the continent, despite the United States having a far better strategic partnership with Rabat.

The United States is also an important ally of Algeria. Last week, the Algerian foreign minister was at the White House to seal US investment in the same sectors where Russia is trying to strengthen its relations. This happens to be the energy, agriculture, and pharmaceutical sectors.

Moscow stands to gain politically from the optics of working closely with countries that have failed to form an economic union amongst themselves. It also intends to send a signal to Washington of its influence in the African continent.

SOFTBANK LOOKS TO RAISE **\$4.87 BILLION** WITH UPCOMING **IPO**

oftBank Group is anticipating raising almost \$4.87 billion in its long-awaited initial public offering. This marks a lower expectation for an IPO as the company anticipated to generate nearly twice that amount. Softbank's Arm plans to offer 95.5 million American depositary shares for \$47 to \$51 each, according to the company filings.

The deal will value SoftBank's Arm at \$54.5 billion at the high end, reports Bloomberg. Underwriters have the option of buying just about 7 million additional shares. The Arm earlier tried to raise \$10 billion in the top end and the target was reduced due to sudden changes. SoftBank decided to buy a 25% stake held by its Vision Fund and then hold onto a larger portion of the shares in the company.

According to the official statements, the firm will control about 90% of the Arm's shares after the initial public offering. Even if we calculate at the bottom of the sharesale range, the company's IPO would overtake the \$4.37 billion listing by Johnson & Johnson consumer health spinoff Kenvue Inc., making it the JPMorgan Chase & Co., Barclays biggest in the world this year.

Arm's listing could also motivate the IPOs of other firms and startups who planned to go public in the United States and have been stuck during the longest listing since the 2009 financial crisis.



Bank's Arm is an integral part of the chip

supply chain and earlier the company had expected to be valued at \$60 billion to \$70 billion in the IPO. Soft-Bank's Vision Fund transaction valued Arm at exceeding \$64 billion. Whether the company decides to raise more or less money will be dependent on the investor's demand. September 13 is the date the company selected to price its shares and the stocks are expected to start trading from the very

Arm has a very large clientele base and some of its customers include Alphabet Inc.'s Google, Intel Corp., MediaTek Inc., TSMC Partners Ltd., Apple Inc., Nvidia Corp., Advanced Micro Devices Inc., Cadence Design Systems Inc., and Synopsys Inc. These companies have also consented to be the main investors and have expressed interest in buying nearly \$735 million of the shares.

Arm had also extended an agreement with Apple so that the pact lasts beyond 2040. Arm's offering is led by Goldman Sachs Group Inc., Plc, and Mizuho Financial Group Inc. Arm also plans to change its name to 'Arm Holdings Plc' before it begins trading on Nasdaq. Arm's target valuation shows the expectation that it will benefit from the hype that surrounds generative AI and artificial intelligence chips. This

expectation is not completely wrong though, Nvidia received around \$1.2 trillion valuation as a result of this industry shift. Arm is not a well-known name among its consumers despite its technology being used in almost all smartphones. Arm basically licenses technology known as instruction set that shows how software programs communicate with those chips. They also sell blueprints required to design the microprocessors.

Arm is also trying to work beyond the smartphone market which has faced difficulties in recent years. The firm is trying to unfold further innovations in advanced computing, especially for AI applications.

In order to keep up with the rapid developments in AI, companies will need the proper chip to run the complex software. The company has also started adding new functionalities in order to make everything

The revenue of Arms fell just about 1% reaching \$2.68 billion for the fiscal year ended on March 31. SoftBank had earlier attempted to sell Arm to Nvidia through a deal worth \$40 billion. This would have been the largest chip industry takeover. However, the deal didn't happen since it faced resistance from authorities and Arm's own customers.

HOW INDIA'S RICE EXPORT BAN IS AFFECTING THE GLOBAL ECONOMY

ndia imposed a rice export ban rice, three days after Russia pulled out of the black-sea grain deal. This was followed by a ban on the export of broken rice, which was announced in September last year. The reasons for the rice ban were purely domestic- sky-high inflation, increasing food prices, and fear of rice shortages due to El Nino to point out a few. The ban's impact is becoming more severe and is affecting globally, with prices increasing.

India's involvement in the international rice market.

India is the world's biggest exporter of rice and accounts for nearly 40 percent of global rice exports in What is the reason for India's 2022. The country exports 22 million tonnes which is worth \$9.66 billion to 140 countries. In the current scenario, India exports basmati and parboiled rice, meeting its international commitments halfway. The prices have increased by 25 percent since the ban. With the price increase, the poor are hard hit especially in countries like Nepal and Bangladesh. They depend mainly on India's white rice.

The Russia-Ukraine war on July 20 on non-basmati white had already shot up grain prices and it has increased further since Russia exited from the Black Sea Grain Initiative. This initiative would have allowed the grain from Ukraine to reach the world markets. Along with India, the possibility of a rice ban from countries like Pakistan, Thailand, and Vietnam, which together contribute to 30 percent of global rice sales, if their crop production gets hurt by El Nino. The shortage of rice will have a spillover impact on wheat, maize, soya bean, and corn, mainly because they are used as rice substitutes. This would lead to creating a domino effect on the demand and prices of food and fuel.

ban on rice exports?

India produces around 135 million tonnes of rice annually which is more than enough to meet the domestic demands of nearly 105 million tonnes. Samarendu Mohanty, the Asia regional director at the International Potato Center and previous principal scientist at the International Rice Research Institute (IRRI) in the Philippines mentions that the country has enough buffer stock.

"We have around 41 million tonnes of rice in [government] warehouses. We don't have any shortage". Samarendu Mohanty also

warns that the domestic price along with other food prices is also rising. Rice prices are more than 10 percent high in India in the light of the Russia-Ukraine war, reports Al Jazeera.

The latest export ban was introduced to cool down domestic prices as a precautionary measure. A plan to offload 2.5 million tonnes of rice in the open market to control the prices is being made by the Indian govern-

El Nino and its effect on the global production

Rice from Asia accounts for almost 90 percent of the global production and when we look at El Nino as a leading factor, paddy production is especially vulnerable. El Nino is a climate pattern that is caused by the warming of surface waters in the eastern Pacific Ocean, causing droughts and heavy rainfalls. Raghu Murtugudde, earth system scientist and emeritus professor with the University of Maryland and Indian Institute of Technology Bombay stated that India gets affected by El Nino 60 percent of the time but places like Indonesia get affected by this 100 percent of the time. Apart from El Nino, extreme climate changes due to global warming are also affecting crop production. Murtugudde mentions that the whole country is on a monsoon break and El Nino tends to extend these breaks. "We have to see if El Nino creates a long break this August, in which case it'll create serious deficits in rainfall," said Murtugudde.

Now India is expecting a normal crop of 135 million tonnes, but the months of August and September are crucial in terms of rainfall for paddy. The crops in Pakistan this year were damaged due to massive floods. All of this adds concern to the rice-producing and exporting countries. The countries have also begun to make stockpiles to use in case of shortages.









THE ANNUAL GLOBAL ECONOMICS

















AWARDS - 2022 CEREMONY AT BANGKOK











country in the southwestern ing area with world leaders rushing to hold diplomatic discussions. The China-US struggle to have sues. influence over the Pacific regions has already grabbed the world's attention but now, it's not just them.

The arrival of the leaders of other countries suggests a broader interest in the once-ignored region. Indian sectors. prime minister Narendra Modi visited Papua New Guinea in May and later two warships were docked in PNG by August.

Indonesian President Joko Widodo also visited Papua New Guinea in July. And it's not just PNG attracting the leaders. French President Emmanuel Macron visited New Caledonia before he visited Papua New Guinea.

The Pacific also saw Korea-Pa-

rea and the summit invited 12 leaders Pacific is becoming a buzz- from the region to discuss maritime change, and many other pressing is-

> Delegates from the middle eastern countries also held diplomatic discussions and agreed to bolster their cooperation in environmental protection, investments, and various other

So why is there a newfound in- Samoa, and Vanuatu. terest in the Pacific Island?

The Reasons:

Countries like South Korea, Indonesia, and India are seeking into having an influence as the region is an essential hub for global shipping channels and critical to the economy of the oceanic region.

cific Islands Summit being hosted in countries are mainly focused on safe- over the nations occasionally.

apua New Guinea (PNG), a May for the first time by South Ko- guarding and defending their national interests than siding with any of the superpower nations. This would, cooperation, energy security, climate however, help the Pacific Island nations to choose from a number of partners and they can conveniently avoid being caught in the rift between the US and China.

> The Pacific Island nations include the Solomon Islands, Cook Islands, Niue, Micronesia, Kiribati, Nauru, the Marshall Islands, Papua New Guinea, Fiji, Palau, Tonga, Tuvalu,

All these nations have been close allies of the US, United Kingdom, Australia, and New Zealand. Australia, New Zealand, French Polynesia, and New Caledonia are members of the Pacific Island Forum (PIF). The PIF was formed to promote the shared interest of the region globally in 1971.

Things are not favourable cur-According to experts, these rently as geopolitical tensions take

Nauru, Marshall Islands, Palau, and Tuvalu favour Taiwan more than China. Earlier these numbers were larger, but China promised more trade and investment opportunities to break away from Taipei's partners.

The United States has also increased its regional diplomatic presence and security. Other nations are also trying to deepen their relationship and presence in the region.

For the nations that are looking to emerge as regional powers, the geography of the Pacific Island makes South Korea them valuable partners. Let us now look at some of the nations that are rushing to have good diplomatic relations with the Pacific islands.

India

India's Modi visited Papua New Guinea recently and this was not his first visit to the region and the renewal of the relationship is not all about multipolar approach and is looking to

Some Pacific Island states like countering China. When we look at make a footmark in the region. South India, climate change is one of the main reasons for its relationship with

> Back in 2014, Modi announced a \$1 billion climate adaptation fund for the region and India gives \$200,000 in aid annually to the Pacific nations.

porter of palm oil, India imports large volumes of kitchen staples from PNG. It is also the second-largest buyer of PNG's palm oil in 2021.

The Pacific Island nations have visit to Jakarta. been in the interest books of South Korea for quite some time now, especially in terms of foreign policies. Only 0.3 per cent of the country's imports came from the Pacific Island nations.

But Seoul is now looking for a

Korea can support the region through loans, and technologies, mainly climate friendly to attain a low-carbon transition.

Indonesia

Indonesia hosted the first Indonesia Pacific Forum for Development Being the world's largest im- in Bali last December. Like Modi, Widodo, the president of Indonesia, had previously traveled to the area.

> He paid Papua New Guinea a visit in July. In 2015, he also visited Port Moresby; in 2022, the leader of the nation of the Pacific Islands paid a

As geopolitical conflicts are increasing, most Pacific Island nations are trying to balance their relationship between US and China carefully in order to avoid getting caught between the issues.



US AND CHINA AGREE TO ESTABLISH DIALOGUE CHANNELS TO **FACILITATE TECH EXPORT-IMPORT**

> he US and China slightly downsized their egos and decided to conduct frequent meetings relating to the economic issues and restrictions on the import and export of advanced technologies. This is a great achievement in terms of easing the tensions between the world's top two largest economies, which were engaged in a trade war for quite a long time. Gina Raimondo, the United States Commerce Secretary, was on a visit to Beijing to meet her counterparts and other Chinese officials in Beijing and Shanghai. The announcement was made during this meeting. Earlier, Treasury Secretary Janet Yellen visited Beijing with the agenda of renewing the hampered communication in recent times. In the last ten weeks, the White House has been sending high-ranking officials to Beijing to restore bilateral ties. Secretary of State Anthony J. Blinken, President's climate envoy John Kerry, and many others had collectively conducted three

> > Raimondo said that there would



Discussions were made on topics related to the concerns of the American business community about Chinese actions against Intel and Micron Technology, two semiconductor giants in the United States. China had foiled a merger worth \$5.4 billion between Intel and Tower Semiconductor, an Israeli chip maker, by delaying the review of antitrust laws, making them miss the merger deadline. It had also asked its domestic company that deals with Micron to halt its purchases of products from the company.

be two sets of dialogues established for different purposes. One would be a group of business representatives and would look after the commercial matters. The other one would be a channel for the exchange of information on a governmental level on United States enforcement for its export controls. The United States and China are both interdependent on each other for trading activities. Diplomatic-level discussions about trade, technology, and other commercial interests were common between the two nations, but those talks took a hit in recent years. China went strongly after these bilateral talks and completely stopped eight such channels after Representative Nancy Pelosi, D-California, who was also the then House Speaker, visited Taiwan almost a year ago. A Chinese spy balloon spotted flying over American land was shot down in the Atlantic Ocean, poured fuel over the expanding divide, and also resulted in the cancellation of Blinken's trip to Beijing.

Recent Developments

According to the Chinese ministry readout, they are eager to work in tandem with the White House officials to establish meaningful policies benefiting businesses of both countries. Wentao has displayed serious concerns about the United States tariffs on Chinese imports and especially the Biden administration's efforts to boost the indigenous semiconductor industry by substantially subsidising the companies. He has criticised those subsidy programs and labelled them as discriminatory towards Chinese companies. In the past eight months, Chinese officials have permitted inspection for over 100 industrial inspections. These inspections are to be conducted by American officials from the export enforcement group to determine that the imported American advanced technologies are not used in the development and upgradation of the Chinese military. The United States Commerce Department announced that 27 Chinese companies have passed such inspecadvanced technology.

Political backlash

Republican lawmakers have criticised Raimondo for setting up a working group comprising officials from both nations to ponder upon American export controls. Before her visit, four Republicans argued in their letter that it is deeply concerning that their arch-rival has a say in the export controls levied on national security technologies. Raimondo clarified in a public announcement that the new dialogue is working as an information exchange rather than a working group. She said that it had been es-

about the export controls on advanced technology and that there is no room for any compromise on United States relationship with Russia and has also national security. For this dialogue, hacked Raimondo's email account Raimondo and the Chinese commerce right before the trip, and these reaminister have agreed to meet once annually. There are still questions that remain unanswered regarding the success of the established dialogues. preparing for the trip, and all they Considering the fragile condition of wanted was more channels of comthe political relations between the two countries, a formal dialogue structure investors were caught off guard by the was criticised by Chinese analysts in the United States. Matt Turpin, a visiting fellow at the Hoover Institution, ing transparency in Chinese economic who was also the China director of statistics. This has hampered busithe National Security Council during nesses, and the only solution available the Trump administration, highlighted

tions and have been allowed to import tablished just to share information that China has denied taking action to halt the supply of fentanyl in the United States. It has recently nurtured its sons make it ineligible for such talks. Raimondo said that she had talked with over 150 business leaders before munication. American businesses and unfair requirements of the Chinese government and the rapidly decreasto them is negotiations.

Lifestyle > Tourism

UAE OPENS ITS DOORS TO TRAVELLERS FROM 82 COUNTRIES; TO OFFER VISAS ON ARRIVAL

he UAE has good news for travelers with ordinary passports, as its Ministry of Foreign Affairs announced on Sunday that citizens from 82 countries can travel to the UAE without a prior visa. According to the announcements, the ministry has requested interested visitors to check the official website of the Ministry of Foreign Affairs to see which countries are eligible for the exemption.

Visitors can get two kinds of visas: a 30-day visa that can be extended for ten more days or a 90-day visa. Some countries that will enjoy visa exemptions in the UAE include Barbados, the Republic of Albania, Canada, the Czech Republic, Hungary, Japan, and the Italian Republic. Additionally, citizens of the GCC (Gulf Cooperation Council) countries, Kuwait, Oman, Qatar, Bahrain, and Saudi Arabia, can enter without a visa or a sponsor, as stated by the United Arab Emirates Digital Government (UAE DGov). However, they would have to present a passport or an ID card issued by any GCC country at any point of entry. Including the UAE, there are

six GCC countries. Indians holding an ordinary passport can get a visa on arrival for up to 14 days, and if required, they can apply to extend their tenure by 14 days. However,

there is a catch! These Indian citizens must have a visitor visa, green card, or permanent residency card issued by the United Kingdom, any EU country or the United States. Additionally, the passports of such visitors must be valid for at least six months after entering the country.

While the UAE is attempting to go global, there are still 115 countries that need to acquire a visa before visiting the Emirates. Visitors from these places will need an entry permit issued by their sponsor before they enter the country. The General Directorate of Residency and Foreigners Affairs will issue the entry permit, which will be based on the purpose of the visit to the UAE. Some of these countries are Jamaica, the Arab Republic of Egypt, the Dominican Republic, Mongolia, the Kingdom of Bhutan, and the Kingdom of Morocco. As per the Passport Index website, the United Arab Emir-

passport ranks number one, and it is the most powerful in the world, allowing its holders to easily travel to

180 countries, where 127 countries do not need visas in advance, and 53 countries offer e-visa or visas on arrival. Those planning to travel to the UAE can also check the website of the Federal Authority for Identity and Citizenship to get visa-related details. Airlines can also help travelers in this regard. In early 2023, the UAE Minister of Economy, Abdulla bin Touq Al Marri, stated that the country is expected to grow faster than the global average in 2023 as the UAE joined the 7 percent growth club. Tourism can be a prime non-oil profit-generating center for the country. The new visa policies can be a game changer for international collaborations and open new doors for the UAE

SAUDI ARABIA ACCELERATES **AVIATION EXPANSION TO TAP** INTO LUCRATIVE TOURISM **MARKET**

audi Arabia is a country that is generally hard to get visas for a visit. Visas were hard to get even after the country earns an estimated \$12 billion every year through the Umrah pilgrimage during the Hajj season. But now since post-pandemic tourism continues to increase, the Kingdom of Saudi Arabia is working to increase its revenue from tourism as well. The country currently is focusing on relaxing the entry restrictions and promoting its tourist destinations. And as a part of this, Saudi is also replacing Riyadh's King Khalid Airport with King Salman International, which will be one of the world's largest airports.

Diversifying the Economy

Saudi Arabia is known as the oil giant, but now in line with the goals of Vision 2030, Crown Prince Mohammed Bin Salman's ambitious project aims to diversify the economy and stir it away from just depending on oil revenues.

The government is spending billions on developing ancient cities like Hegra (Madain Salih) and al-Ula. The coastal and desert destinations are also developing to attract tourists seeking a luxurious getaway.

"The government is highly committed to the sector's development – and it knows that with Saudi Arabia's incredible and diverse landscapes, tourism could be big,"

> Charles Phillips. Oxford-based researcher and consultant

According to experts, Saudi Ara- Expanding the Aviation Sector bia currently does not have a proper

infrastructure to entertain the amount

International with King Salman Inter-

national will provide Riyadh with a

capacity to accommodate nearly 120

million passengers a year by 2030.

King Salman International Airport

is expected to bring an additional

\$7.18bn annually to the kingdom's

fellow at the King Faisal Centre for

Research and Islamic Studies in Ri-

yadh stated that the airport is one of

the several projects to drive the coun-

try into increasingly globalising mar-

Joseph A Kechichian, a senior

non-oil GDP.

Oatar and the United Arab Emirof traffic in order to be a diversified ates are currently the busiest airports in the GCC (Gulf Cooperation Council). King Salman International could The plan to replace King Khalid surpass these two airports once it is open to the public.

> UAE and Qatar have greatly benefitted from their airports with their airlines getting global recognition. Saudi announced that it will be launching a second national airline called 'Riyadh Air' and will be headed by the former CEO of Etihad.

> The newly constructed airport and Riyadh Air will potentially bring many benefits to its neighbours. The officials also emphasise that the new airport's design intertwines green initiatives with renewable energy powering the airport's facilities.

John Calabrese, director of the Middle East-Asia Project at the Middle East Institute states that the project enhances Saudi Arabia's efforts to diversify the economy, provide a green future and increase employment opportunities for the country's young population.

> "It can also serve to complement and support other sectors,"

> > John Calabrese

He also added that the new airport will be equipped with a larger freight capacity which goes in line with the country's agenda of localising production. But this could trigger a race in terms of profitability and pricing as the execution of the airport project might take a share of the neighbouring countries market. The effect of these mega investment projects on the Kingdom of Saudi Arabia's non-oil market is yet to be seen. Undoubtedly, Saudis are highly motivated and goal-oriented people, so to have the planning and running of the massive airport within seven years with complete financial backing is not surprising.





shut down or operate with re- cost of capital. duced shifts, resulting in massive worker layoffs.

percent over the past two years.

A chain of interrelated factors has left the industry in shambles

Following the devastating floods in the summer of 2022, cotton production in Pakistan plummeted to an unprecedented low. However, the textile industry was unable to offset this deabroad due to a government-im-

he price of electricity conserving foreign exchange Khan as PM and his subsequent has doubled after an reserves. This import ban led to trial and arrest for corruption IMF deal to roll back crushing delays as thousands of have affected business confienergy subsidies, se- containers holding the raw mate- dence and muddied government vere flooding wreaked havoc on rials and machinery fuelling the policy. The government has been cotton fields, leading to raw ma- country's industries remained more concerned with containing terial shortages, and the govern-stranded for months at the port of ment has imposed restrictions on Karachi. In addition to the pain and shoring up its domestic posiimports in an effort to conserve caused by the disrupted supply scarce forex. This situation has chains, textile companies also rather than focusing on saving its forced hundreds of factories to had to deal with a big jump in the key industries. At the same time,

The textile industry is a ma-flation of 38% by pushing intervestor sentiment. jor pillar of Pakistan's economy, est rates to over 20 per cent. This employing more than 40% of its made new borrowing and investindustrial labor. For a country in ment much harder and increased many workers to ration food as severe need of foreign exchange, the burden of previous debts. the sector is a lifesaver, making Pakistan eventually managed to In Faisalabad, a city referred to up 60% of Pakistani exports. shore up its forex reserves by as the "Manchester of Pakistan" These exports mainly go to the securing a \$3 billion loan from for its large textile production, USA, EU, UK, Turkey, and the the International Monetary Fund hundreds of thousands of the 1.3 UAE. However, these exports (IMF) in mid-July, supplement- million textile workers, half of have declined sharply from their ed by loans from China, Sau- whom are women, have lost their pandemic peak of \$1.6 billion to di Arabia, and the United Arab jobs, and many more are at im-1.3 billion, a drop of 20%. The Emirates. However, one of the mediate risk of losing theirs. It is country's market share has also conditions attached to the IMF estimated at least 700,000 people declined from 2.25 percent to 1.7 bailout was the cessation of enhave lost their jobs across the ergy subsidies, leading to a sharp country, and almost 25 to 30% of in energy costs has directly hurt the competitiveness of Pakistani ing countries.

Political instability has exacerbated the situation

posed ban on imports aimed at country. The removal of Imran collapsing.

rampant terrorism, quelling riots, tion ahead of upcoming elections export demand is also weak as the global economy struggles The central bank has re- with low consumer confidence, sponded to record-breaking in- trade disruptions, and bearish in-

The downturn has forced they struggle to make ends meet. rise in electricity prices. This rise textile factories have shut down.

The people of Pakistan are textiles, making it difficult to already struggling under high compete with mills in neighbour- food and energy prices, and the loss of employment and foreign exchange generated by the textile sector is catastrophic. Only a clear and determined push by a strong government post elections There are other macro fac- is capable of reversing course cline by purchasing cotton from tors at play here as well, such as and preventing yet another sector roiling political instability in the of the Pakistani economy from

TO INFINITY AND BEYOND: VIRGIN GALACTIC LAUNCHES ITS FIRST SPACE TOURIST FLIGHT AFTER DECADES OF PROMISES

irgin Galactic by Richard Branson finally kicked off space tourism with the launch of its VSS unity rocket plane on Thursday carrying a mother-daughter duo and an 80-year-old former British Olympian.

Health and Wellness coach Keisha Schahaff and her daughter Anastatia Mayers, Jon Goodwin, an Olympian canoeist in the 1972 Munich games were joined by commander C.J. Stuckow of Virgin Galactic, chief astronaut trainer Beth Moses, and pilot Kelly Latimer for the sub-orbital space flight.

The views from inside the spacecraft were live-streamed and judging by the visuals, the passengers inside

irgin Galactic were excited as it reached a maxby Richard imum altitude of nearly 55 miles, give a Branson finalby kicked off al Aviation Administration and this space tourby NASA recognize as the boundary ence.

Anastatia Mayers and Keisha Schahaff were the first mother-daughter duo to travel to space together and the first representing the Caribbean Island nation of Antigua and Barbuda in the West Indies. This was also C.J. Stuckow's record eighth flight to space.

A Major Milestone

For Richard Branson, the billionaire adventurer, and entrepreneur who owns Virgin Galactic, this flight marked an important milestone.

The team behind the successful flight has been struggling for years to transition from test flights to commercial flights and give a chance to people willing to pay \$450,000 for a ticket to have this once-in-a-lifetime experience.

Schahaff in a pre-flight statement mentioned that space is becoming more accessible to people. "The fact that I am here, the first to travel to space from Antigua, shows that space really is becoming more accessible", stated Schahaff. The mother-daughter duo won their tickets through a lottery benefiting Space for Humanity, which is a non-profit organisation founded by Dylan Taylor.

Goodwin had booked his tickets in 2005 and was diagnosed with Parkinson's in 2014. But this did not discourage him from going on the Virgin Galactic.

Virgin Galactic Journey Details

Before 11 a.m. EDT, Virgin's down at Spaceport Artwin-fuselage VMS Eve carrier jet lifted off from its 12,000-foot runway at Spaceport America in the New Mexico desert close to White Sands Missile Range with the Unity spacecraft attached to its wing.

down at Spaceport Artward was Virgin Galactic's sector commercial mission.

The first was on June 29 and carried three Italian Airforce

Unity was released after the flight climbed an altitude of 45,000 feet. The hybrid motor engine later propelled the ship out of the dense lower atmosphere. The rocket motor shut down when the ship reached a velocity of about three times the speed of the sound.

Unity soared upward to a maximum of 54.9 miles.

The crew became weightless, and the passengers could float in the cabin if they wished. The space flight back reached into the Earth's atmosphere with Unity's wings 'feathered', i.e., swept up above 60 degrees to slow the descent and increase the atmospheric drag.

After a traditional orientation of wings rotating back, Unity touched down at Spaceport America. This was Virgin Galactic's second commercial mission.

The first was on June 29 and carried three Italian Airforce researchers, a company engineer, and two Virgin Galactic pilots. The first time, the space flight touched an altitude of nearly 53 miles.

The first flight was chartered by the Italian Government while the latest was by 'private astronauts'. The official authorities of Virgin Galactic say that nearly 800 are on the

waiting list to abroad the company's spaceplane.

This was also Virgin's seventh piloted sub-orbital mission since December 2018, which was the company's initial test flight. Richard Branson and a crew of six members completed the company's fourth space flight in July 2021. To upgrade the Eve jet carrier, Virgin Galactic launched a fifth

piloted test flight with six company employees on May 25 and later did the mission with the Italian research team. Eventually, the company plans to increase the trip by a flight per month.

Blue Origin, which is owned by Jeff Bezos, has offered commercial sub-orbital flights since 2021. The company currently is doing work to resolve a booster problem that bothered an unnerving research mission.



SUBWAY INKS SALE WITH ROARK CAPITAL, **ENDING 50+ YEARS OF FAMILY OWNERSHIP**

famous sandwich chain Subway has finally decided to end its six-decades long tradition of family ownership and agreed to a sale to Atlanta-based private equity firm Roark Capital on Thursday. While the exact terms of the deal aren't public yet, the Wall Street Journal has reported that Roark offered around \$9.6 billion for the sale, subject to performance targets, making it the most valuable brand in their portfolio yet.

The announcement marks the end of a long sales process, first announced in February, as multiple firms, such as the winning Roark, TDR Capital and Sycamore Partners, jockeyed to take over Subway from its current family management. Subway had reportedly sought a valuation of \$10 billion based on its strong brand value. However, the buyers contended that the US market was near saturation and the valuation was too high.

"This transaction reflects Subway's long-term growth potential and the substantial value of our brand and our franchisees around the world. Subway has a bright future with Roark, and we are committed to continuing to focus on a win-win-win approach for our franchisees, our guests and our employees," quoted John Chidsey, chief executive of Subway, who joined the brand in 2019. He added that Subway plans to continue its modernization plans and focus on expanding internationally and that the leadership team will remain in place for now.

This sale will make Roark Capital one of the largest restaurant operators in the world, as it adds Subway's more than 37,000 worldwide locations to its already massive



portfolio. Roark's portfolio already includes some of the biggest names in the food industry, such as fellow sandwich brand Arby's, ice cream giant Baskin-Robbins, doughnut chain Dunkin', Jimmy John's, Auntie Anne's, Carvel, Cinnabon, Sonic, McAlister's, Moe's Southwest Grill, Schlotzky's, Cheesecake Factory, Jamba Juice, and Buffalo Wild Wings.

About Roark

With more than \$37 billion of assets under management, Roark Capital is a massive private equity management firm with a particular focus on consumer service, the food industry, business service and other franchise-related enterprises.

It has a good reputation in the business as a reliable and efficient partner, both for management and business proprietors. Roark's network, expertise and deep pockets could be a major boost for Subway, which, despite being one of the largest food franchises in the world, has seen some major challenges lately. The company, founded in Connecticut in 1965 as Pete's Super Submarines by Fred DeLuca and Peter Buck, has grown massively over the

decades from a single shop to a global sandwich empire spanning over 100 countries. However, it has been facing some headwinds, losing market share in the US home market to up-and-coming rivals like Panera and Firehouse Subs.

Subway currently dominates approximately 23% of the US sandwich and deli market, down significantly from 34% in 2017. The US market for sandwiches and deli markets is the world's largest, valued at a whopping \$43 billion. That's not to say Subway hasn't tried to revive itself. It has launched measures like refreshing its menus, modernising 10,000 of its stores, spending \$80 million on providing its restaurants with deli meat slicers, and introducing new products, but to date, these efforts have had an underwhelming impact. However, there may be a turnaround in sight as the company recently announced last month that its international samestore sales were up a hefty 9.8% from

Now, the hope is that the synergy between Subway's brand value and Roark's expertise will help revive the flagging fortunes and begin a new era for the sandwich giant.

PYXIS OCEAN: HARNESSING THE POWER OF WIND TO REDUCE CARBON EMISSIONS IN SHIPPING

yxis Ocean, a cargo ship is this month. But what's special about this ship is that it is powered by wind. Yes, that's right! Pyxis Ocean is set to be the first, in part, wind-powered cargo ship.

The new technology incorporated hopes to drive the industry towards a greener future. Pyxis Ocean is chartered by US shipping firm Cargill and has been retrofitted with two Wind-

These are large steel sails 123 **Expanding Horizons** feet tall, produced by Yara Marine Technologies and designed by BAR Technologies. WindWings are designed to reduce fuel consumption and thus reduce the carbon footprint. These are expected to generate emissions savings that save up to 30 percent. According to developers, if this is mixed with other alternative fuels, the savings could go even higher. The journey had begun in China and is traveling to Brazil.

Reducing the Carbon Footprint

The global shipping industry produces nearly one billion tonnes or more of carbon dioxide each year. This is around 3 percent of human-caused global emissions. The industry, owing to the increasing carbon emissions, pledged to reduce its planet-heating pollution to net zero by 2050. The use of wind power is one of the many steps taken to achieve this. The new wind-assisted propulsion technologies are becoming more popular in recent years.

Rotor technologies and huge set to take its maiden voyage kites have been used in cargo ships technologies hinges on aligning their in an attempt to reduce their depen- costs with the fuel savings they ofdence on diesel. Today, according to the International Windship Association, only a few ships, i.e., 20 large commercial vessels are provided with wind propulsion. The CEO of BAR Technologies, John Cooper stated that the company has been essential in building momentum for WindWings, reports CNN. "They lead the way, and other people watch what they're doing with respect," he says.

The WindWings initiative, co-funded by the European Union, brings a significant advantage by offering a retrofit solution that could substantially curtail the carbon emissions of existing ships. Cargill highlights that approximately 55 percent of the world's cargo fleets have an age of up to nine years, making the project's impact potentially widespread.

Beyond just reducing a vessel's emissions, the WindWings also address the industry's evolving energy efficiency regulations. Moreover, vessel owners can anticipate cost savings through reduced fuel consumption. Cargill states that WindWings has the potential to save 1.5 metric tonnes of fuel per wing daily on an average global route, with even greater potential on trans-ocean routes. This becomes especially pertinent when considering the future of eco-friendly fuels like ammonia and methanol, which are projected to be costlier.

The viability of wind-assisted fer, as experts have noted. The Wind-Wings, constructed from a blend of glass composite and steel materials, can be folded onto a ship's deck before navigating ports or passing under bridges, preventing collisions. Their installation on the Pyxis Ocean in Shanghai was followed by its voyage to Singapore, where it was loaded with fuels and officially launched.

The performance of the Wind-Wings will be monitored during the journey, enabling design refinements before large-scale production. BAR Technologies is already engaged in other contracts, including a vessel chartered by Vale, equipped with four WindWings, set to embark from Shanghai in September.

Cooper stated that they eagerly anticipate aiding the global shipping industry in its transition to more eco-friendly propulsion and design, giving importance to the company's pledge to greener maritime practices.

The Pyxis Ocean could be the first step taken that would help to reduce carbon emissions in shipping while also reducing costs. Utilizing clean, renewable energy sources can help to reduce the amount of pollutants released into the environment while also cutting down on fuel costs. This could be an important step in helping to reduce our dependence on fossil fuels and combat climate change.





push is driven by Russia's weaponization of energy supplies. The goal to become wind farm in the North Sea of eastern England, carbon neutral is also a significant factor. Recently, nine European nations have committed completion. to increasing the capacity of North Sea wind farms by eightfold. Belgium's energy minister called it Europe's biggest green power plant.

industry looks astray from the ambitions of the state heads. Rising inflation has shot up construction costs, and an increase in interest rates has made financing such capital-intenalmost 40% in the last few quarters.

is expected to be the world's largest offshore is hinting that this project might never reach its

In July, it announced that it would stop the work on three phases of the wind farm complex, the Norfolk Offshore Wind Zone. The present scenario in the wind farm This complex is anticipated to power approximately 4 million households in Britain. Vattenfall complains that increasing machinery and construction materials costs have risen by

They highlighted that the estimated budget for the three phases has risen to £13 billion (\$16.6 billion) from the previous £10 billion.

Developers from the United States have reached out for renegotiation of power supply contracts, with one of them abolishing their contract altogether. The world's largest offshore wind developer, Orsted, has cautioned that without government

jor risk. Siemens Energy, a turbine manufacturer, reported a net loss of 2.9 billion euros (\$3.2 billion) for the **Contract pricing problems** first quarter of the current financial year. It said that the increased cost of production and emerging problems in ly take over a decade to produce elecits business operations had caused the drawdown.

Change in the licensing procedure

Morten Dyrholm, group senior vice president for corporate affairs at Vestas Wind Systems, a Danish turbine manufacturer, said that the sector requires significant transformation otherwise, they are wasting time operating in this industry.

He also highlighted that the government regulatory bodies need to change their system of granting offshore wind licenses owing to the inflation challenges. The licensing procedure for constructing wind farms is different in every other country. The most common approach is an auction of seabed leases, followed years later by contracts that fix the price paid by power companies to generate electric-

Industry leaders suggest that the terms of such contracts need to be changed. Mostly, they are arranged to reduce power prices for the end consumers and increase revenue by lease sales, but certain additional factors should be taken into consideration for enhanced profitability. They put forward an example as a model of the seabed rights awarded by Scotland last year that took into account other factors like the ability of the wind companies to develop suppliers and their previous experiences.

These can open pathways for huge business corporations like Amazon and Microsoft, which demand massive quantities of electricity to feed their data centres. These businesses would be more negotiation friendly in deciding the terms, unlike

aid, the Hornsea 3 could be at a ma-government authorities that don't move an inch while crafting a deal.

Offshore wind projects generaltricity from the planning stage. This means that the pricing agreement was calculated based on years-old factors. The inflation problems hit offshore wind farms that are near completion, and the energy-producing farms have negligible impacts.

In the past few years, huge amounts of investments flowed into this industry, mainly when interest rates were significantly low. Back then, inflation was not an issue, and the demand for wind farm equipment was having a winter season. But now, having undertaken big projects, developers find themselves stuck in collecting construction equipment.

They are worried due to the increased costs of all necessary requirements, from wind turbines to specialised construction ships, and also bank financing. As per some industry experts, prices of wind turbines alone have soared 30% in the last year.

Developers are petitioning to negotiate the terms with the government or change the terms of future auctions. They don't want to shut down the projects completely. Instead, find a way to continue with revised financial figures. Some developers are threatening to cancel the current agreements to supply power to utilities and are demanding new contracts. They are balancing out to not miss the opportunity of future demand for clean energy.

Apart from the noise, dealings in offshore wind energy remain strong. Recently, BP and TotalEnergies grabbed a deal in an auction in Germany and have agreed to pay around \$14 billion over a span of 30 years for offshore tracts in France.

NEW REPORT REVEALS SAVINGS FROM RENEWABLE ENERGY **EXCEEDED** \$520 BILLION

ccording to a recent report from the International Renewable Energy Agency (IRENA), an impressive 86% (187 GW) of newly installed renewable energy capacity in 2022 had lower costs than electricity from fossil fuels. The ongoing shock in fossil fuel prices has greatly bolstered the competitiveness of renewable energy, leading to an enormous \$520 billion reduction in global power sector costs in 2022. The report, titled "Renewable Power Generation Costs in 2022," calculates that the new installation of renewable energy in 2022 has caused a saving of at least \$520 billion in the electricity sector's fuel costs. This is larger than the economy of Singapore. Additionally, in non-OECD countries, the savings in 2022 alone are estimated to be around \$580 billion. According to IRENA Director-General Francesco LaCamera, "IRENA sees 2022 as a veritable turning point in the deployment for renewables as its cost-competitiveness has never been greater despite the lingering commodity and equipment cost inflation around the world. The most affected regions by the historic price shock were remarkably resilient, in large part thanks to the mas-

Proof that sustainability does not have to come at the cost of profitability

This data underlines the fact that over the past 13 to 15 years, the cost of generating renewable energy

from solar and wind has constantly and consistently been on a downward trend. Between 2010 and 2022, solar and wind power became very competitively priced compared to fossil fuels, even without financial subsidies from governments. The report also highlights that China played an absolutely crucial role in driving down the global costs of solar and onshore wind energy, emphasizing that the global green transition needs all major players to be on board, regardless of strategic imperatives.

On a global scale, the average cost of electricity from solar photovoltaic (PV) systems decreased sharply by 89%, reaching just \$0.049 per kilowatt-hour (kWh). This cost is nearly one-third lower than the cheapest fossil fuel option globally. Similarly, onshore wind energy costs were reduced by 69% to \$0.033 per kWh in 2022, which is slightly less than half the cost of the least expensive fossil fuel-based option for that year. The report further anticipates that the continuing increase in fossil fuel prices due to international events will spur a structural shift towards renewable energy as the most economically viable source of electricity.

Beyond just the direct cost savsive increase of solar and wind in the ings, the report also highlighted that there were tremendous other social benefits from the surge in renewable capacity, such as reduced healthcare costs from lower carbon emissions and particulates, increased supply chain stability from lower reliance on fossil fuels, and the productivity growth from innovating in new technologies. The true benefits to society are enor-

mous, and while extremely difficult to precisely gauge, probably exceeded a trillion dollars. Renewable energy also buffers consumers from sudden spikes in fossil fuel prices, prevents physical supply shortages, and improves energy security. The adoption of renewable energy over the past two decades has played an essential role in mitigating the economic disruption from the 2022 fossil fuel price shock. Without renewables, the impact could have been far more severe, exceeding the capacity of most governments to

However, a lot more needs to be

To meet the goals of the Paris Agreement, global investment in the energy transition must exceed \$5 trillion just this year and consistently increase by an additional \$5 trillion each year until 2030, truly massive amounts in an already tight credit market. In 2022, investments were a mere \$1.3 trillion.

The world must continue to add an average of 1TW of renewable power annually until 2030 to maintain the 1.5°C warming target outlined in the Paris Agreement. This is more than three times the global capacity growth witnessed in 2022, and governments need to drastically increase the tempo of investment if the planet is ever to be saved. In related news, the United Nations General Assembly passed a resolution designating January 26, the anniversary of IRENA's founding, as the 'International Day of Clean Energy' to raise awareness and policy discussion about the green transition.

UAE REMAINS HESITANT TO EV BATTERY RANGES, DESPITE RISING INVESTMENTS IN INFRA

he United Arab Emirates (UAE), the non-oil-rich Gulf nation is taking massive strides in investment projects for infrastructural development, customer response, and government policies to boost the electric vehicles (EV) sector. These have proved to be a success owing to the increased sales of EVs. The major hindrance that still exists is the question of the battery range.

Range anxiety as called in the

market is a problem all across the world. Drivers fear being stranded at a deserted place, getting struck midway to their office, and similar concerns. This prevents EVs from becoming a full-fledged daily commute option for people. People living far off from the main city like in Sharjah, have a constant headache to avail charging facilities. Distant areas still don't have charging facilities. Most offices are located in the main city of Dubai which has charging networks, but what about back at home? The UAE government has rolled out a series of plans to make EVs reach remote areas. A Dubai resident Ekta Bhojwani bought an EV last year, her purchase was backed by the increasing charging network infrastructure throughout the city. She said that her purchase was delayed by almost a year because of the absence of charging stations and living in an apartment, but she finally took a leap and has no regrets now. Bhojwani got herself a Tesla Model 3 which has an approximate range of 300 km and is suitable for city uses, requiring her to charge only twice a week. The Ministry of Energy and Infrastructure (MoEI) had set a goal to increase electric vehicle inclusion to almost 50% on the roads by 2050.

This was in addition to Dubai's goal of having 42,000 EVs running on the roads by the end of this decade. Such measures have pulled UAE to the 8th position on the global electric mobility readiness index just the previous year. As per a report by Arthur D. Little, the CAGR for the UAE's EV market is estimated at 30% from 2022 to 2028. This growth is the result of government projects like the Global EV Market launched to improve incentives for buyers to opt for an EV. This will boost investments in UAE's electric charging network and penetrate widely from commercial buildings to highway truck rest stops. Naser Alhabi, the director of the latest Electric Vehicle Innovation Summit (EVIS) in Abu Dhabi said that according to the official records of MoEI, UAE registered 20,000 EVs last year. This number is expected to cross the 100,000 mark by the end of 2025 and reach nearly 1 million by the end of this decade.

Albahri highlighted that the growth was fueled by the government's willingness to push EVs and curb the challenges like unavailability of charging points and subsidising to reduce the costs. Albahri and Bhoiwani admitted that a lack of charging facilities stands as a major hindrance to the growth of EVs. Arthi Srinivasan, the director of EV Charging Solutions at Powertech Mobility, a company dealing in EV charger distribution and system integration in UAE, said that the global problem of electrification is the presence of power infrastructure. The UAE has been actively working towards minimising these challenges by incentivising appropriate stakeholders in improving their gridlock network and seeking

out other sources of energy like energy storage systems and solar energy.

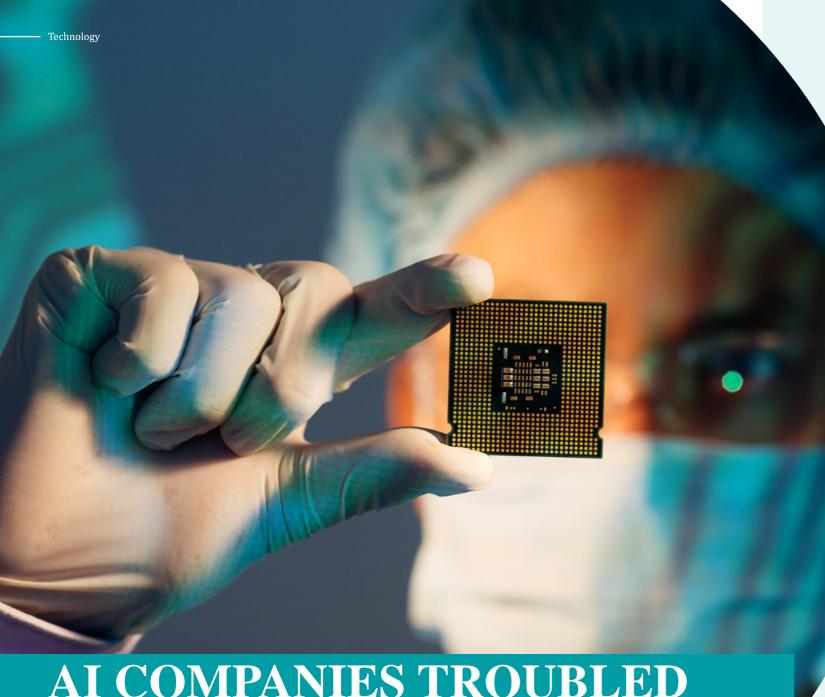
Srinivasan added that the improvement of electric facilities is a time-consuming task and will require dynamic efforts to make sure that the charging infrastructure is relevant to the future EV adoption rates and to ensure that range anxiety is not a problem anymore for businesses and consumers while going for an EV.

Shift in thought process

The Road and Transport Authority (RTA) of Dubai has undertaken a task to convert 90% of the Emirates' limousines (like Uber & Careem) to cleaner vehicles like hybrid or electric by the year 2026. Currently, there are only 9% of green limousines and work is undergoing to increase it to 90% in the upcoming couple of years.

Expensive EVs were also a major challenge for consumers while purchasing a green vehicle. This got tackled by BYD, a Chinese car manufacturer that has brought a range of vehicles in more affordable price ranges. The EV market trajectory in the UAE is similar in some ways to Europe. Over there EVs rolled out first and electric infrastructure caught up later on. After the improved availability of charging stations, another challenge comes up of accessing these points as commercial enterprises are rapidly catching up with the green revolution and end consumers are suffering due to these car rentals, etc said Salman Hussain, co-founder and CEO of UAE-based startup FUSE, an engineering company converting classic cars into EVs.

last decade."



AI COMPANIES TROUBLED **DUE TO SUPPLY SHORTAGES** OF POWERFUL CHIPS

chip industry recently rise in tensions between China and Taiwan.

Taiwan Semiconductor Manufacturing Company (TSMC) is the largest player in the chip manufacturing industry, enjoying a monopoly of over 90% in high-performance and much more. chip manufacturing. Although there

he vulnerability of the are several thousands of companies across the globe, they tend to be ingot exposed during the significant in some or other ways in catering to the increasing global de-

> Chip making requires highly skilled labor, billions of dollars in R&D, rare minerals like germanium and gallium arsenide, silicon wafers,

A very small number of companies possess the resources to make a mark in the industry.

This shortage of suppliers, along with increased demand, has resulted in severe shortages worldwide. Artificial Intelligence requires chips that can process huge amounts of data seamlessly with massive computing power capacity.

Demands for such powerful chips have uncovered loopholes in the supply chain, hampering the development of artificial intelligence models. Both small and big businesses have been affected due to supply shortages, even the industry leaders like Alphabet, Meta and Microsoft.

> In a recently published annual report by Microsoft, they confirmed an elongated absence of chip supply for AI purposes. The report warned about the presence of graphic processing units (GPUs) as a potential risk to investors.

> These units are essential hardware that is capable of conducting numerous analytical calculations required for the training and implementation of artificial intelligence algorithms.

Microsoft highlighted in their report that they are constantly working to expand the capacities and number of data centres besides enhancing server capacity to meet consumer demand.

GPUs have become an integral part of their data centres that are built on permissible and constructible land with appropriate availability of networking and mand. power supply.

the importance of GPUs has unravelled the need for computing power to effectively run AI servers.

This has a direct impact on companies building AI software and indirectly affects businesses and end consumers that wish to receive the technology for personal or professional uses.

Sam Altman, confessed in front of The revenues would outpace its the Senate that shortage of GPUs data centre business, surpassing its has made it troublesome to run competitor Intel and AMD comtheir flagship AI chatbot, ChatGPT. bined.

He said that they are unable **Problem with GPU makers** to meet the requests of users on a real-time basis, and it would be a great relief if fewer people used the tool for the time being.

Effect on building AI tools

During the pandemic, the world faced similar shortages of semiconductors, but those were mainly in consumer-oriented products like electronics, automobiles, etc.

Manufacturing delays, lack of labour, and halt in transportation facilities skyrocketed prices for end consumers.

This time the shortage occurred due to a sudden surge in demand for ultra-high-end GPUs that are used for developing the backend of AI tools. Suppliers have a limited production capacity for such ultra-high-end GPUs, unlike consumer-focused GPUs.

Industry analysts comment that neither the manufacturer had anticipated such a demand rush nor the industry was equipped with the capacity to handle the surge in de-

Raj Joshi, senior vice presi-Microsoft's commentary on dent at Moody's Investors Service, who also tracks the chip industry, said that there is one company that will reap enormous benefits out of this supply crunch. Nvidia is a trillion-dollar chip manufacturer that happens to control 84% of the market for sophisticated high-power semiconductors.

going to taste unparalleled revenue being dependent on GPUs.

Even the CEO of OpenAI, growth in the upcoming quarters.

Production of chips has been crippled by a lack of supply, but even the GPU manufacturers are unable to get their hands on the raw materials. This has further escalated the shortage.

Silicon interposer, a technology that functions by integrating discrete computing chips with chips having high-bandwidth memory (HBM), is an essential element in the process of making GPUs. The White House has prioritised increased chip production for the national interest.

Last year, they passed the CHIPS Act, which aims to invest billions of dollars in the indigenous chip industry and also into chip research & development for further innovation. This funding covers a wide range of areas in the chip industry and is not focused on the current problem of increasing the production of GPUs.

Sid Sheth, founder and CEO of an artificial intelligence startup, d-Matrix, said that the shortage could give birth to innovative, creative solutions, pushing companies that don't receive chips to become more efficient.

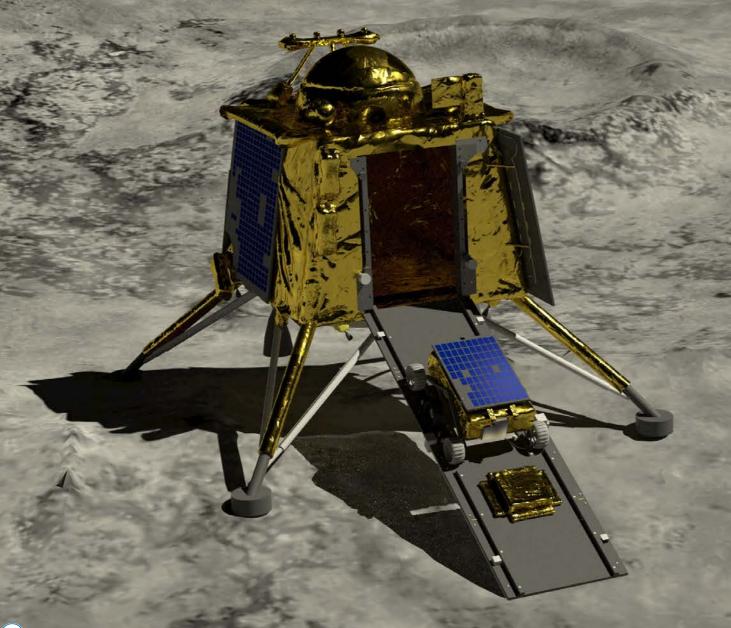
He added that now companies don't have their regular supply of computing power technology, they will be forced to squeeze out the resources at hand in a more efficient way.

This means using less powerful smaller AI models to train or He estimated that Nvidia is invent ways of computing without

INDIA'S CHANDRAYAAN-3, THE WORLD'S FIRST SPACECRAFT TO LAND NEAR THE MOON'S **SOUTH POLE**

ndia is on the moon with the successful soft landing of Vikram. The Chandrayaan-3 took its flight with an orbiter, lander, and a rover at 09:05 GMT on the 14th of July towards the south pole of Earth's natural satellite. After 40 days of space travel, it reached its destination and made India the new member of the elite club of nations with their flags on the lunar surface.

Vikram, the lander, is named after the founder of the Indian Space Research Organisation (ISRO) the national awardee Dr. Vikram Sarabhai, also revered as the father of the Indian Space Programme. The mission cost 6.1 billion INR (\$75 million). The budget received appreciation from another space enthusiast, Elon Musk, who posted on X that it's crazy when you realise that the mission's budget (\$75m) is less than the budget of the film Interstellar (\$165m). The lander weighs around 1.5 tonnes and carries Pragyaan, a 26kg six-wheeled rover.



Pragyaan is the Sanskrit word for wisdom. India made history by becoming the first nation to land an exploration project near the polar region of the moon. Pragyan, the rover of Chandrayaan-3 that rolled out from the lander Vikram, will explore craters and rocks on the lunar surface.

For the next two weeks, it will conduct some experiments on the moon's surface. This mission comes 15 years after the Moon mission back in 2008, which unravelled the availability of water in the form of molecules on the rough lunar surface and confirmed that the moon has an atmosphere during daytime.

Technological advancements

partial success with Chandrayaan-2, the predecessor Chandrayaan-3, which launched on the 22nd of July 2019. It missed a soft landing due to a last-minute software glitch in the braking system, which also led to losing communication with the mission control station on Earth. ISRO spent four years minimising the room for errors by contemplating the possibility of failure scenarios.

ISRO used stronger legs that could bear landing at greater velocities. The velocity tolerance was increased from 2m/second to 3m/second. Vikram is loaded with additional fuel capacity to hedge any kind of disruptions. It also has a new laser Doppler velocity metre to monitor the lunar terrain before landing.

The ISRO team has made amounts of data are available for major enhancements to the software to endure failures like engine or thrust disruptions, sensor failures, etc. At the last minute, scientists decided to remove the central or the fifth engine because the mass of the lander was enhanced, which reduced the requirement of an extra engine. Vikram is equipped with an extended solar panel base to generate more electricity. This will enable it to function even if it lands with a different orientation and faces the opposite direction of the sun.

Russian Luna-25

Russia's first Moon mission in 45 years, Luna-25, was also launched on the 10th of August, 2023, and was expected to land Previously, India received 1-2 days before Chandrayaan-3. Unfortunately, it got out of control and crashed on the surface of the moon due to a technical glitch. If it succeeded, then Chandrayaan-3 would have been pushed to the second position for landing near the south pole. Both Chandrayaan-3 and Luna-25 were launched with the same goal: to find water ice that could cater to human civilisation on the moon in the future. Scientists state that the water ice can also fuel spacecraft for Mars and other celestial bodies in outer space.

Exploration

Sreedhara Panicker Somanath, the ISRO chief, said they are more interested in the unexplored south pole of the moon because the equatorial region is safe for landing, has been thoroughly researched, and huge

that region.

He added that to make any groundbreaking scientific discovery, they would have to explore new regions like the South Pole by taking higher risks of landing. Somanath mentioned that the orbiter from Chandrayaan-2 has provided great help by sending high-resolution images of the region they intend to land. They have collected and studied data to ascertain the number of boulders and craters over there and have made necessary adjustments accordingly.

Future endeavours

The success of this mission has opened a gateway of opportunities. It has put India, besides the erstwhile Soviet Union, United States, and China, in terms of futuristic space power. The Indian government is promoting private sector involvement in the space industry. It intends to develop an indigenous ecosystem of public and private enterprises that would provide launching facilities to global space traffic in the coming decades.

The Chandrayaan-3 mission is a matter of great pride for India's space voyage. Pragyaan, the rover, is responsible for imprinting the Ashoka Chakra, the Indian emblem, and ISRO's logo on the moon's surface with its diligently crafted tires. This will mark India's technological prowess in space exploration and scientific advancement. The imprint will never erode as the moon's atmosphere has no air.

SURPASSING GLOBAL GROWTH: MIDDLE EAST'S DIGITAL ECONOMY TO HIT \$780 BN BY 2030

economy is bolstering and is projected to grow more than fourfold by 2030 reaching \$780 billion. This growth would outpass the global digital economy's development by the end of the decade according to studies conducted. Swiss bank UBS in a new report mentioned that an increase of an estimated \$180 billion in 2022 implies that the digital economy would grow at a rate of more than 20 percent in this decade.

The revenue of the worldwide digital economy was nearly \$10.5 trillion in 2022. This is expected to grow by nearly 10.4 percent reaching \$23.2 trillion by the end of this decade. This global growth is about half of the region's forecasted growth rate.

The value of the Middle East's the country. digital economy would be equal to nearly 13.4 percent of its Gross Dothan 4 percent last year. This falls in line with the status of advanced economies like the US, where the sector adds up to about 15 percent of GDP.

Compared to other regions, the Middle East is still in a very early stage of digital development. The rapid boost in the industry is mainly because of significant investments made during the time of the COVID-19 pandemic and after. This would also make the region one of the fastest-growing digital economies across the globe. The Middle East is also being compared to China and India by analysts, especially during a time when digital inflection began in those countries.

East's digital **How are the calculations made?**

focus. The analysts point out that

there are two main avenues for cap-

italizing on the region's rapid digital

economic expansion: investing in the

right industries or in the right compa-

nies. They highlight the importance

of industries that can achieve robust

growth and generate higher profit

UBS breaks the digital economy into two sectors. The first would be the traditional IT spending that consists of spending on software and services, internet economy spending, and consumers and enterprises on hardware. Internet economy spending includes digital advertising, online gaming, streaming, e-commerce, FinTech, and ride-hailing.

UBS experts mentioned that supporting the strong policy, favourable demographics, increasing innovation, and proper funding could help the economy of the Middle East to grow further. The future is for the countries that ace in technological advancements and the government and enterprises play an important role in guiding the digital transformation of

According to the data compiled mestic Product (GDP), up from more by the International Data Corporation, spending on information and communication technology in the Middle East, Africa, and Turkey is expected to grow nearly 4 percent annually to surpass \$235 billion this year.

> UAE and Saudi Arabia alone are likely to spend \$20 billion and \$34 billion respectively, in order to be among the pioneers of the region's digital economic transformation.

> Investor interest in the Middle East's bolstering digital economy is poised to experience significant growth in the coming years especially with UBS analysts identifying internet, software, and data centers as strategic sectors for potential investment

as a promising sector, with a projected Compound Annual Growth Rate (CAGR) of around 15% over the next ware companies can attain impressive operating margins, reaching as high as 35% to 40%, which naturally fuels a good amount of profit growth.

UBS views software as the optimal conduit for participating in the ongoing digital transformation of the Middle East. The firm anticipates traditional enterprises in the region to revamp their IT infrastructure through significant software investments. This encompasses a spectrum of software

Software in particular stands out services, including tools for enhancing collaboration, and office production from CB Insights funding for startups tivity, cloud solutions, and cybersecurity- all of which are notably relevant decade. UBS underscores that soft- in the current remote working envi- remaining relatively steady compared

> For startups, acknowledged as omy's progress, funding levels are perceived to reach a minimum point. However, UBS anticipates a surge in investments from local technology and telecom players, international venture capital or private equity funds, and sovereign wealth funds. This growth trajectory aligns with the region's robust economic outlook.

According to the latest data and unlisted firms in the Middle East reached nearly \$13.6 billion in 2022, to 2021.

This stability can be attributed pivotal drivers of the digital econ- to factors like elevated interest rates. Nonetheless, UBS points out that positive trends are starting to emerge, attributed to heightened interest in artificial intelligence and expectations of a resurgence in key interest sectors such as e-commerce and digital advertising across the region.



OPENAI ANNOUNCES CHATGPT ENTERPRISE FOR BUSINESSES

ndustry pioneer OpenAI has introduced a new version of their widely-used AI chatbot for business use, named ChatGPT Enterprise. It is specifically tailored to meet the stringent requirements of businesses, addressing issues of privacy and security that have been barriers for large corporations in adopting AI.

The upgraded ChatGPT version places a much stronger emphasis on security and privacy. It achieves this through new encryption techniques for data both in storage and during data transmission. As a bonus, it offers the Security Assertion Markup Language (SAML) single sign-in for securing business authentication.

Furthermore, ChatGPT Enterprise not only eliminates all usage limitations but also operates at double the speed of previous versions while simultaneously enabling users to process inputs four times longer.

Additionally, it grants unrestricted access to advanced data analysis, a feature that can be harnessed by both technical and non-technical teams to swiftly analyse complex information in a matter of seconds.

Seeking to address earlier flaws in the model

ChatGPT has become a household name, but it has not been without its fair share of controversy. Privacy experts and regulatory authorities have raised concerns about the platform's data practices, leading to bans, criticism from tech giants, and a fall in public adoption.

These developments have sparked a crucial discussion about the





fine line between innovation and safeguarding user data.

Earlier this year, Italy made headlines by banning the use of ChatGPT. The reason? Privacy con-

OpenAI was quick to respond, engaging with the country's data-protection watchdog to address these issues. Some of the world's tech giants, including Apple, Amazon, and Samsung, have also taken a cautious

They have explicitly prohibited their employees from using the platform at work, citing worries about the security of sensitive corporate information.

Customizability is a key differentiator – a major jump forward

Another notable difference between ChatGPT Enterprise and the consumer version lies in the ability for enterprise clients to input their own company data. This data input allows businesses to train and customise ChatGPT to cater specifically to their respective industries and unique use cases.

While some of these advanced customization features may not be immediately available upon debut, the prospect of tailoring AI to indus-

try-specific needs is a major advantage for businesses.

While generalised large language models (LLMs) like GPT-3 or GPT-4 are incredibly powerful and versatile, there's a growing need for more specialised LLMs in various in-

These domain-specific models offer substantial benefits by understanding industry-specific jargon and adhering to regulations. In the healthcare industry, for instance, a custom LLM can be designed to process and interpret health records accurately.

Similarly, in the financial services sector, a specialised LLM could be fine-tuned to summarise earnings calls, create meeting transcripts, and perform advanced fraud analysis.

As corporations start to recognise the value of these tailored language models, we can expect to see increased development and adoption in sectors where precise, domain-specific knowledge is paramount.

OpenAI also stated that they plan to introduce another tier of usage called ChatGPT Business. This offering is designed to cater to smaller teams, though a specific timeline for its release has not been specified.

TOPAITALENTS LEAVE GOOGLE TO START THEIR **OWN COMPANY** IN JAPAN

Llion Jones and David Ha launch their own AI start-up, Sakana AI

wo former Google AI researchers, whose work produced AI bots such as OpenAI's ChatGPT, Google Bard, Stability AI, Midjourney, and Dall-E, have teamed up to launch their artificial intelligence start-up in Tokyo.

Welshman Llion Jones, originally from Wales, left Google this month and joined hands with his former colously David was the head of Google's AI research arm in Japan. He is now the Chief Executive Officer of their well-funded field. Tokyo-based start-up, Sakana AI (an R&D company on a quest to create a Funding Required for Sakana AI new foundation model based on nature-inspired intelligence). He was also involved in the former Stability Al project, an image Al company in London, UK.

How Sakana AI Started

Llion Jones, Sakana's chief technology officer, was also one of the brains behind building the software named Transformer, which played a major role in developing generative AI. These included chatbots like ChatGPT and Bard and image generators like Stability AI, Midjourney and Dall-E.

Transformer's first research paper was published in the year 2017. Since then, all of its co-authors have immutable structures, such as bridgleft Google to pursue their own ventures as the worldwide competition limits. Compared to natural systems,

for creative AI talent intensifies. Moreover, Jones was the last person to exit Google. Sakana AI will build its own generative AI model that will be able to produce text, images, code and other multimedia. It will also compete against the world's primary AI companies like Google, Microsoft, OpenAI,

league from Google, David Ha. Previ- and start-ups such as Cohere, Character.ai and Anthropic, especially in a highly competitive and exceptionally

In 2023, Microsoft has been able to invest at least \$10 bn in its Open AI project, whereas Cohere and Character.ai have been able to fund \$2bn and \$1bn, respectively, in the last few months. According to the two co-founders, whose research is motivated by ideas from nature, such as evolution and collective intelligence, the name Sakana, derived from a Japanese word for fish (sa-ka-na), seeks to evoke the idea of "a school of fish coming together and forming a coherent entity from simple rules".

Current AI Models Have Limits

Jones and Ha assert that the design of present AI models as brittle, es or buildings, is the source of their

when collective intelligence is involved, "are much more sensitive and responsive to environmental changes. Natural systems change and integrate with their surroundings", they commented. These evolutionary computing ideas will be used to create AI models to solve challenges like system cost and security.

Because it is so difficult to find researchers who can create generative AI software, particularly in North America, the founders have been stationed in Japan for many years. They said they chose the country's capital, Tokyo, as the company's headquarters partly because of this.

Tokyo is ideally located for developing an AI business because of its top-notch technical infrastructure and skilled workforce. It is also a multicultural metropolis that attracts top international talent. Moreover, they are also excited to utilise the training data and models tailored for non-western cultures to drive the next technological breakthrough.

MADE IN SPACE: NO LONGER JUST A SCIENCE FICTION



thing straight out of a sci-fi movspace manufacturing, also known ceuticals, energy, and more. as off-world manufacturing, is already a reality and that there are already some experimental products being manufactured in space. Several companies are already experimenting with producing high-value-added products in space, and while still in an materials with different properties and charexperimental phase, we are much closer to acteristics compared to those manufactured achieving this on a mass scale than most on Earth. This includes improved structural think.

Though still in its infancy, this new production method combines the most cutting-edge technologies humanity has available and synthesises them into a wholly new ly harmful. By moving these processes to economy that promises to revolutionise and transform our current economic paradigms source depletion on our planet.

ing promises to revolutionise multiple secie, most people don't realise that tors such as aerospace, electronics, pharma-

> One of the primary motivations for space manufacturing is the unique microgravity environment found in space. Microgravity allows for the production of integrity, enhanced purity, and novel material properties. Furthermore, space manufacturing could possibly lead to reduced environmental impact on Earth, as many industrial processes are environmentalspace, we could minimise pollution and re-

What kind of products are being manufactured in space?

Several types of products have been proposed or explored for production in space. Space's microgravity environment allows for the creation of materials with unique properties. These materials could find applications in aerospace, electronics, and other high-tech industries. For example, materials that are lighter, stronger, and more durable than their earth-produced counterparts could be made in space. The vacuum and microgravity condihigh-quality fibre optics and crysapplications in telecommunications, lasers, and electronics.

ological processes and chemical reactions differently than on Earth. This presents an opportunity for producing new pharmaceuticals and sustainable transportation syswith unique properties. Space-manufactured drugs could be more effective and have fewer side effects. Space-manufactured semiconductor required to run such a complex enchips could also be of higher quality due to the controlled environment in space, potentially leading to faster and more efficient electronic devices. Another big benefit is a more self-sustaining space ecosystem. Manufacturing spacecraft and satellite components in space can lead to lighter and more efficient designs. This could improve the performance treme temperatures, radiation, and and lifespan of space systems. Con- meteoroid impacts that pose risks to tinuous exposure to sunlight in space manufacturing sites and equipment. further makes it an ideal location for Finance is also a challenge. producing solar panels. These panels could generate clean energy that is more efficient than their Earth-pro- ing and manufacturing facilities in duced counterparts. This could lead craft are manufactured in space itself be recouped through sustained and - a massive step toward making humanity a truly space-faring species.

What are the challenges associated with off-world manufacturing?

While its potential is undoubted, this frontier is not without its share of challenges. From the staggering costs of space travel to the intricacies of space logistics, the path to off-world production is fraught with obstacles that demand innovative solutions. The most significant ensures responsible development challenge of space manufacturing is the high cost associated with launching equipment, raw materials, and personnel into space. This cost factions allow for the production of tor has limited the practical implementation of space manufacturing tals. These precision materials have so far. Beyond cost, moving resources, machinery, and finished products between Earth and space requires the development of intricate supply Microgravity also affects bi- chains that can withstand the challenges of interstellar transportation.

> Developing reliable, efficient, tems capable of shuttling materials to and from space is a key challenge, as well as the management systems deavour. AI will surely play a key role in helping us run these systems. There are several more technological obstacles standing in the way of mass implementation. Developing tract and process raw materials in space remains a challenge. So do harsh environmental conditions, ex-

space necessitates enormous capdomain of space manufacturing rais- a whole.

es complex questions of regulation, property rights, and international agreements. The Outer Space Treaty, formulated in 1967, forms the basis of international space law. However, it does not comprehensively address the intricacies of space manufacturing, property rights, and resource utilisation.

Crafting a legal framework that and equitable resource utilisation is imperative. However, lawmakers are still far behind on this, and it is something that they must eventually get to. What is guaranteed is that the process of legislating space manufacturing regulations will be contentious, messy, and loud, raising several important ethical and legal questions.

Conclusion

Space manufacturing is still in its early stages, and massive technological, logistical, and economic challenges remain to be overcome. However, as our understanding of space and our capabilities for space exploration improve, the potential for realising the benefits of space manufacturing increases by the day. As energy costs decrease through innovation and the advantages of the technologies that can efficiently ex- extraterrestrial economy become more apparent, the economic landscape of space manufacturing could shift dramatically.

Entrepreneurs and corporations may find themselves lured to space as a new frontier for production and innovation. However, The establishment of min- a careful balancing act is necessary - the economic potential of space manufacturing must harmonise with to a potential future where space- ital investment. These costs must responsible and sustainable practices to ensure that our cosmic endeavprofitable production. Finally, the ours benefit society and the planet as

VIETNAM'S VINFAST BECOMES THE WORLD'S THIRD MOST VALUABLE **AUTO MANUFACTURER**

inFast, the once unprofitable Vietnam electric car manufacturer has become the third most valuable vehicle manufacturer in the world, even surpassing the value of Ford and GM combined. The shares of VinFast have increased 700% since mid-August. The interesting aspect is that the company hasn't made many cars yet. VinFast made its entry into the Nasdaq Global Select Market Index on August 15. The company is now worth under \$200 billion, just behind Tesla Inc and Toyota Motor Corp.

A Rampant Share Price Surge

The reason why the share price increased rapidly is shortage. Only 1% of VinFast's shares are available for trading. So what happens is when a buyer grabs a large portion of the few shares, it can have an outsize effect on the overall price of the stock. According to the data from official filings, Vietnam's richest man Pham Nhat Vuong controls 99% of VinFast's outstanding shares.

But even after all this, we can't say that VinFast is profitable since it is a young company. Manufacturing cars is also a business that requires a huge amount of capital investment. VinFast also lost nearly \$598 million in three months from March, reports Bloomberg. During the same time, the company generates around sales of \$65 million.

VinFast also expects to have more losses in the coming months as it plans to scale up production, build more factories, and bolster its sales, marketing, and service activities. The company had already begun building a factory in North Carolina in July and predicts sales of 45,000 to 50,000 this year and according to experts, the company would start to have profits only by 2025. VinFast's prediction for units sold this year is less than 1% of the sales GM achieved in 2022, reports Bloomberg.

VinFast has also been dealing with negative reviews that could affect its consumer confidence and brand name. Le Thi Thu Thuy, VinFast's chief executive officer told Bloomberg that it takes negative reviews seriously and reflects on these reviews to make their vehicles better.

Share Price Surge and Pham Nhat Vuong

The share price surge has benefitted Pham Nhat Vuong and for now, he is a much richer man than before. Vuong's stake in VinFast was worth \$86 billion as of Monday's close. This combined with his remaining wealth would put him on the list of the world's richest 500 people in Bloomberg's Billionaires Index.

However, considering the company's volatile nature, Bloomberg's index excludes Pham Nhat Vuong's stake from his net worth. This leaves him with a \$5 billion fortune including his shares in Vingroup JSC.

Will the share price plunge?

Well, nothing is truly predictable when it comes to the market, and according to previous history, VinFast could be subject to sudden sell-offs. Incidents of stocks with tiny free float rise from non-recognition to the position of the world's largest companies are plenty and one thing common is that none of it ended well.

AMTD Digital Inc., another US-listed company with its foundation in Asia, ascended more than 32,000% in the span of a few weeks. AMTD's shares plunged more than 99%, falling to a record low last week. Now the valuation stands at \$1.2 billion.

There are also substantial risks involved in investing in the company. Tyler Manh Dung Nguyen, Maybank analyst stated that VinFast is comparatively new to the electric vehicle industry and it will take some time to boost its sales and build a brand name. The company faces a lot of challenges especially because it is new and some of the hurdles include rising inflation, global chip shortage, and of course competition from well-established players in the sector like Ford, GM, or Tesla.



EU COMES UP WITH NEW SET OF **RULES FOR THE US TECH GIANTS**

Silicon Valley giants with a new Euro- could also lead to fines in some cases. pean law. The world's largest tech companies will now have to adhere to a new set of rules starting from this Friday. These rules raised concerns over several serious issues recover everything ranging from data management, social media campaigns, targeted advertising and These giants have been accused of disinformaduplicity in e-commerce products.

gle), Amazon, Apple, Meta, Microsoft, Snapchat, illegal products on online selling platforms. Tik Tok and many more. This is one of the most extensive and strenuous efforts undertaken by regulation authorities to curtail tech companies prise as the EU had already passed the Europe-

he European Union has surprised the quire software changes for customer security and

In recent years, activists and critics have garding the operations of such large tech firms. tion and misinformation, harmful effects on the mental health of the youth, swamping of algo-The unusual restraints from the EU apply rithmically recommended content with a lack of to all online platforms covering Alphabet (Gootransparency, and advertising of counterfeit or

It should not be considered a complete surunder the umbrella of legislation. This might re- an Union's Digital Services Act (DSA) last year.

These companies had enough time to make appropriate adjustments. The upcoming Friday is the ultimate deadline, at least for now, to amend as per the rules. After that, the tech companies with a 45 million EU customer base will have to face the charges laid down in the law.

Last year, DSA prohibited all online platforms from data-focused advertising to children. They also banned such targeted ads to all internet users based on their political inclination, sexual orientation and racial ethnicity. They restrict all kinds of ads, irrespective of to comply with the rules and dodge any sort of their genre, be it political, commercial or concern advertising.

Activists unearthed "dark patterns" used by these large firms. These are minuscule loopholes, subtly crafted to lure and push consumers towards giving their personal information and unconsciously making decisions that the company intends them to take for self-interests.

A fishy example of such a tactic is a pattern recognised by keen observing consumer groups that companies try to attract users to opt into tracking by highlighting an acceptance button with bright colours, simultaneously minimising the font size and using dull colours for the option of an opt-out button.

The law demands something from a consumer protection perspective that will be a nightmare for the companies. The law asks for the consumer's ability to report illegal content and products and to alter content moderation algorithms. This will require the companies to disclose their terms of service in a readable

The law is even more stringent for large corporations. Companies are categorised based on their sizes, those that fall under the Very Large Online Platforms or Very Large Search Engines are required to undergo independent risk assessments focused on specific things like how can a public figure or an entertainer exploit the platform or manoeuvre public opinions during elections or violate human rights. Companies will have to work to minimise such risks and also build-cache folders of ads they have run and permit the public to review them.

A list was compiled this April that had only a few companies, but that included all the

large, powerful ones in the world, and for them, violations of government obligations can be an expensive affair. The DSA has ordered EU officials to levy fines of up to 6% of the company's total global annual revenue. This can bring billions in fines for large tech firms like Meta, which reported an annual revenue of \$116 bil-

Amendments being done

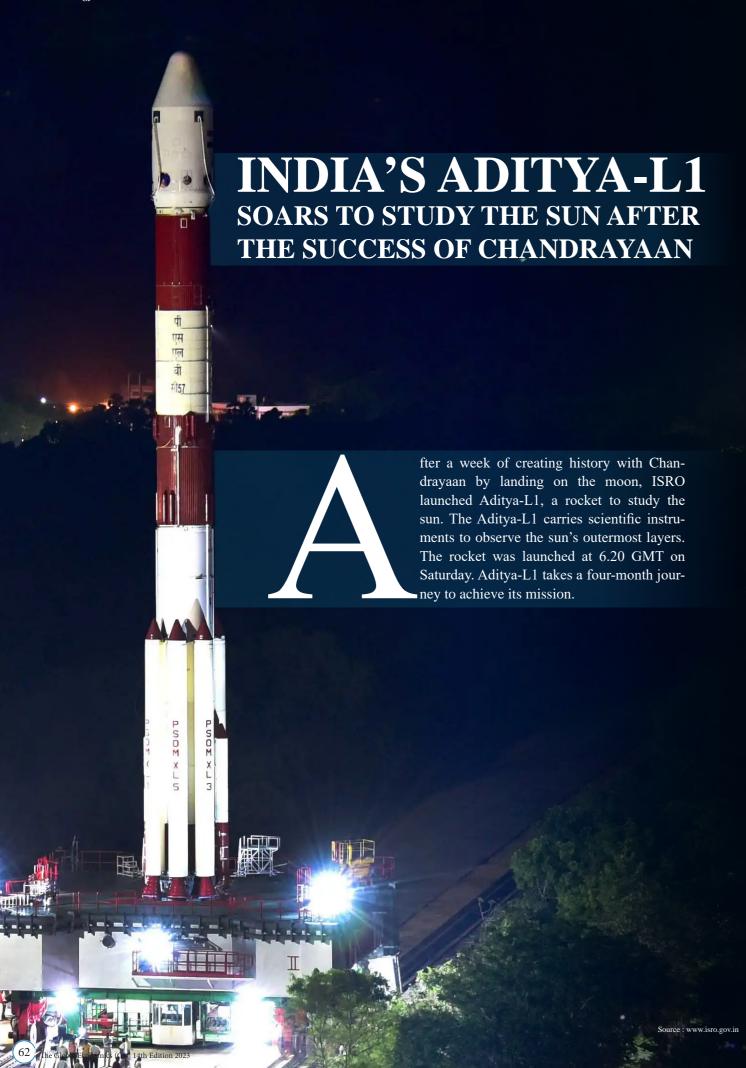
Companies have been working for months consequences arising due to missing the deadline. Nick Clegg, Global Affairs President at Meta, said in a statement that they support the ambitions of DSA and the establishment of a regulatory regime in Europe to curb ill effects on the users. He mentioned the induction of limits on what data advertisers can show users aged between 13-17 on Facebook and Instagram.

A Microsoft spokesperson stated that DSA's measures can be a huge crackdown on the illegal content available online. They are aware of their responsibilities as a major tech firm operating in the EU and will continue to work in tandem with the European Commission on meeting the obligations of the needs of DSA. Even the Chief Digital Officer of Microsoft, Courtney Gregoire, explained how the company is improving the safety features of their search engine Bing.

Snap, the parent company of Snapchat, told media outlets that they are working tirelessly with the European Commission to comply with the new law. They have also allotted several workers to monitor and ensure compliance with all the obligations.

Apple announced in a statement that the DSA's aims align with that of Apple's goals to protect consumers from illegal and harmful content. They are working towards combining the requirements of DSA into their user privacy norms and security.

Amazon has come up to challenge the DSA in court. It argues that the regulations apply to ad-based online speech platforms, and Amazon happens to be a retail platform, and even its competitors in the EU have also not been labelled as the same despite being bigger than Amazon in the EU.



The rocket launch was broadcast live on the In-Thousands gathered near the launch site to see the lift-off of the probe. The goal of the mission is to study the solar winds that have the potential to cause disturbance on Earth, which is commonly seen as au-

Aditva L1

Aditya-L1 is carrying seven scientific payloads for the structured study of the sun. These were developed in collaboration between scientific institutions and the Indian Space Research Organisation.

The European Space Agency and the United States have sent several probes into the center of the solar system. This began with NASA's program in the 1960's. If Aditya L1 by ISRO is successful, then it would be the first probe by any Asian country to reach the sun's orbit. The rocket is named after the Hindi word for sun.

The launch of the rocket was followed by a massive success, overtaking Russia's Luna-25, Chandrayaan-3 had a textbook landing and became the first country to land on the south pole of the moon.

Aditya-L1 is continuing its journey on the 320-tonne PSLV XL rocket, designed by the ISRO. The rocket has been a significant component of the Indian space program and has powered earlier missions to Mars and the moon.

The spacecraft is equipped to travel almost 930,000 miles over the course of four months. The spacecraft is intended to reach a kind of parking lot in space where objects tend to stay put because of the balancing gravitational forces, which result in the reduction of fuel consumption for the spacecraft.

These spots where the objects tend to stay put are called Lagrange Points and it was named after Italian-French Mathematician Joseph-Louis Lagrange.

Somak Raychaudhury, who was involved dian Space Research Organisation (ISRO)'s website. in the development of components of the observatory mentioned that the current mission had the capability to make significant advancements in science, reports Al Jazeera. Mr. Raychaudhury also highlighted that the energy particles emitted by the sun can hit the satellites which could control the communications on Earth.

> There were also instances where major communications were affected because a satellite had been hit by large corona emissions.

"Satellites in low earth orbit are the main focus of global private players, which makes the Aditya L1 mission a very important project,"

Somak Raychaudhury.

India's successful landing of the Chandrayaan on the moon after the US, China, and Russia was praised by the world for its cost-effective yet highly victorious conduit. Chandrayaan-3 was achieved at a cost of less than \$77 million.

India has been working on matching the achievements of the superpower nations at a fragment of their cost. Well, this is not the first India has created history with its spacefaring adventures.

In 2014, India became the first Asian country to orbit around Mars. the country is also planning to launch a three-day mission with crew members into the Earth's orbit next year.

APPLE'S ANNUAL LAUNCH EVENT 2023 IPHONE 15, APPLE WATCH ULTRA 2, **AND MORE**

ÉiPhone 15



held at Apple Park, the tech giant Apple unveiled its latest innovations, including the iPhone 15 series, Apple Watch Ultra 2, and Apple Watch Series 9, setting the stage for the future of their Plus. product lineup.

several major upgrades to their start at \$999. products.

The highlight of the event was undoubtedly the iPhone 15 series, which includes the standard iPhone 15 and the larger iPhone 15

These devices come with The annual iPhone launch USB-C charging and a starting event took place at the company's price point of \$799. The iPhone headquarters in Cupertino, Califor- 15 Pro and Pro Max, targeted at nia, and did not disappoint, with professionals and tech enthusiasts,

Super Retina XDR display and are powered by the impressive A16 Bionic chip. With a new contoured edge design and a range of vibrant colour options, they are sure to catch the eye of tech enthusiasts. The advanced camera system, offering upgraded 48-megapixel and auto portrait USB-C and Environmental Commitmode, promises to deliver even more ment Take Center Stage stunning photos and videos.

takes it up a notch with its titanium construction, gaming-focused features, and improved repairability. It is equipped with the A17 Pro chip and an impressive pro-level camera with multiple lenses, including telephoto. Dynamic Island, the redesigned notch at the top of the screen, provides a more efficient use of visual space. This feature, introduced in the iPhone 14 Pro models, is now standard on all new models.

The iPhone 15 series also brings exciting new gaming capabilities to the palm of your hand. Powered by the A17 Pro chip, these devices take mobile gaming to the console level. Gamers can expect smoother graphics, faster load times, and more immersive gameplay. Whether you're a casual gamer or a dedicated enthusiast, the iPhone 15's gaming capabilities are set to redefine the mobile gaming experience. Apple featured gameplay of the popular Resident Evil series at the event, with the promise of many more titles to come.

Apple Watch Series 9

Apple also unveiled the Apple Watch Series 9, with the new S9 chip, which promises a 60% increase in speed, coupled with a 30% faster GPU. Health enthusiasts will appreciate the added health data access with Siri, Name Drop shape the future of consumer electronics.

These sleek devices now boast the for seamless information sharing with nearby users, and Double Tap for convenient watch control. Meanwhile, the Apple Watch Ultra 2 comes with customizable watch faces and is tailored for exercise data collection.

In a move that aligns with evolv-Additionally, the iPhone 15 Pro ing industry standards and EU legislation, Apple is replacing its Lightning port with the standardised USB-C port for the iPhone. While it marks the end of the Lightning port era and will require old users to buy new cables, the USB-C port offers faster charging and data transfer speeds, making it a welcome change for users who rely on multiple devices and other ecosystems. The EU's ruling that all smartphone devices to be sold in that market had to have a USB-C port by 2024 played a major role in this decision.

> Apple's commitment to sustainability was also on display during the event. All new watches, including standard editions, now use custom alloys of aluminium and titanium made from recycled materials. Furthermore, the batteries in these devices contain only recycled cobalt, addressing both environmental and ethical concerns related to cobalt mining.

> This year's Apple event showcased the company's dedication to pushing the boundaries of technology while keeping an eye on environmental responsibility. The iPhone 15 series, with its powerful new features and USB-C adoption, is set to redefine the smartphone experience. The Apple Watch Series 9 and Apple Watch Ultra 2 offer enhanced functionality for health-conscious individuals. Apple's latest lineup promises to continue to









THE ANNUAL GLOBAL ECONOMICS













AWARDS - 2022 CEREMONY AT DUBAI









HOW DID UAE OUTPACE SAUDI ARABIA IN THE **OIL MARKET?**



amidst global turmoil. Simultaneously, its neighbour Saudi Arabia is cutting down on its oil output, and a mutual friend Russia is sell- cross the mark of \$80 per barrel. ing its crude at a discount to keep its economy

leum Exporting Countries (OPEC), a Saudi-led oil cartel and the OPEC+ headed by Russia, decided to reform their energy policy. UAE put forward its long-term goal to be allowed to increase its oil production.

In the same meeting, UAE quashed the idea crude in the market. of a production cut, whilst the Saudi Kingdom cut down on production to artificially inflate prices by reducing supply to the oil market. Recently, Saudi Arabia further decreased its output, carrying forthe next month.

per day (bpd) next year up to 3.2 million barrels. This decision is taken while the international benchmark Brent crude price bounces back to

Industry players comment that major producers like Saudi Arabia and Russia are decreas-Back in June, the Organisation of the Petro- ing their output, so the UAE must at least cut down to some extent. This has instead led to Saudi Arabia working to boost oil prices and the UAE selling at a premium of 15% since the last month.

> Earlier, the Saudi Kingdom had to struggle with the immense supply of discounted Russian

Russia is focusing on capturing the Asian market and has emerged as the largest producer amongst the OPEC+ member. This time Saudi is ward its reduction of a million barrels per day into again caught in the trouble of oil cuts to inflate

History of UAE-Saudi relations

The United Arab Emirates and Saudi Arabia have been almost on the same side of the court for decades. During the Arab Spring, they collaborated to fight against anything that possessed even the slightest danger to their countries.

They used their power to seal the borders of their mutual neighbour, Qatar, and deployed their might to support Khalifa Haftar in Libya. They even lent their resources to back defence forces to topple the government of Bashar al-Assad in Syria.

They sent their military to fight against the Iran-backed forces in Yemen. In recent times, relations between the two US allies have taken some hits. The duo of authoritarian rulers, the UAE President Sheikh Mohamed bin Zayed al-Nahyan and the Saudi Crown Prince Mohammed Bin Salman have witnessed some tense confrontations. A Wall Street Journal report published last December reported that the Saudi crown prince had warned of a possible blockade of the UAE.

Economic and political perspectives are mainly the reasons for bitterness between countries. The UAE backed away from the Yemen war in 2019 but kept supporting a separatist group in southern Yemen that has fought with the Saudi-backed globally recognised government of Yemen.

Differences escalated in 2021 when both nations were at the forefront of a serious disagreement over the oil reforms. UAE raised its complaints in an OPEC+ meeting that it has a low baseline for the calculation of the allowed oil production.

After the Russia-Ukraine conflict, Yousef al-Otaiba, the UAE ambassador to the US, said that Abu Dhabi wants to increase its oil production considering the rise in demand and would put forth such a proposal amongst the OPEC members. The UAE has made a series of significant invest-

ments to boost its oil production capacity. It has an aim to pump 5 million bpd by the end of 2027.

Greg Priddy, a consultant at the Spout Run Advisory and a senior fellow at the Center for the National Interest in Washington, DC, told media outlets that the UAE is richer than Saudi Arabia on a per capita basis. This has made Saudi more tense about the short-term price volatility as it might also affect government spending. He highlighted that Saudi Arabia is such a populated country and is more sensitive to daily oil price moves. The popularity of the crown prince faces the brunt if the oil prices go down south.

Saudi caught off guard

The UAE has succeeded in luring Russian oil traders to get hold of a hideout from the clutches of Western sanctions. The port of Fujairah has emerged as a pivotal hub for transshipment of Russian crude. Dubai, one of seven emirates within the UAE, has seen welcomed Russian energy traders with its

On the other end, Saudi Arabia is reducing its stringent social reforms to attract more businesses to the nation, just like its rival Dubai. But it hasn't received many foreigners. An energy consultant commented that considering the alcohol ban in the country, people don't want to live there, they want Russians to live there and not have vodka, that's unacceptable.

Saudi Arabia has leaped way ahead in one sector, petrochemicals. The Saudi oil company Aramco has managed to create a strong foothold downstream of oil and gas production by every means.

The demand for refined polymers and compounds is more likely to stay alive even when the oil demand goes down. Here, Saudi Arabia caught UAE's government-backed oil company, ADNOC, off guard.

AFRICA BECOMES THE NEW **PLAYGROUND** FOR OIL GIANTS

ith its recent crude discoveries, Africa has shot to the limelight as the new hunting ground of global oil companies. Namibia discovered half a billion barrels of oil equivalent (bboe) in recoverable oil and gas reserves in 2022; since then, international oil companies (IOCs) have been searching for crude reserves in various regions spread all across the African continent.

In 2022, British oil giant Shell announced the presence of hydrocarbons in Namibia's Orange Basin after the completion of drilling of the Lesedi-1X, the fourth exploration well in the region. Soon after, it forged partnerships with Namcor and QatarEnergy to drill two more exploratory wells. Shell has also secured a permit from the Namibian government to drill ten more exploration and appraisal wells in the future.

Discovery Overflow

A recoverable reserve of approximately 285 million barrels was announced at the Jonker site, amounting to 57% of the total discoveries this year. It is the only offshore discovery besides numerous other discoveries Lack of domestic efficiency being onshore.

Algerian national oil company Sonatrach announced that it would bring 20% of the total volume from its six tential to attract foreign investments small-sized discoveries. Alegria is witnessing a new wave of oil and gas production, which could be utilised to establish itself as a reliable energy supplier for Europe.

An Australian upstream oil and gas company, Invic-

tus Energy, announced in May of this year that a mud gas analysis has confirmed the availability of light oil, gas condensate and helium in Mukuyu-1 located in the Cabora Bassa Basin in Zimbabwe. After this success, Invictus has plans to start drilling projects for the Mukuyu-2 appraisal well, located 6.8km northeast of Mukuyu-1 with a depth of 3,700m.

Over the next 18 months, 66 drilling operations have been planned, amongst which three are in the process, and 17 more are most likely to start operations soon.

This plethora of oil and gas discoveries covers nearly the whole continent. Sasol's Bonito-1 well in the PTC-C concession area of the Mozambique basin to Tatneft's F-1 in Libya and Wintershall's ED-2X in Egypt. These discoveries are transforming the African continent into a significant global petroleum market supplier. It has discovered a total volume of nearly 500 MMboe of oil and gas reserves just in 2023.

The commendable discoveries In the first quarter of this year, of oil and gas exploration in Africa can change the continent's stance in the global oil market and have the pofrom energy giants. The African Economic Conference (AEC) views this opportunity to make a turnaround for the domestic petroleum industry.



International oil companies (IOCs) have highlighted an issue that though the seismic and geological reports have claimed Africa can become a major global supplier of crude, the local administration and lack of infrastructure stand in the middle of the progress. The governments of oil-producing nations in Africa need to take a step forward to resolve domestic inefficiencies and develop a seamless way to attract foreign investments. They can ensure the optimal utilisation of fossil fuel discoveries for the betterment of their economies.

The oil industry has the capability to completely change the income levels of Africans and bring economic prosperity to poor countries. A flourishing oil industry will generate more employment and business opportunities. This will bring exploring companies for future drilling operations, attracting investment, and catering to the growth of the overall economy.

Concerns over carbon neutrality

The rising concerns over transisource have raised questions about que that if their oil industry receives rality projects on their own. This will educe their dependence on any sort vide them.

UBS SEEKS TO **MAXIMIZE** \$29 BILLION **CREDIT SUISSE** WINDFALL



BS Group announced significant targets for the integration process of Credit Suisse including almost 3,000 domestic job cuts and cost savings exceeding \$10 billion. UBS also posted the biggest-ever quarterly profit for a bank because of a bargain acquisition that happened in June.

In the second quarter, the financial institution posted a \$29 billion profit before tax. This is the result of an accounting difference between a \$3.8 billion price UBS paid for Credit Suisse and the value of the acquired lender's balance sheet. UBS has also confirmed the absorption of Credit Suisse completely most likely by 2025.

Sergio Ermotti, UBS's Chief Executive Officer is working on the implementation of one of the biggest mergers in the history of the sector or maybe in global finance.

The rest of the operations must be conducted as the balancing of chances from a client asset pile that's now increased to \$5 trillion along with risks handed down from Credit Suisse's failure.

The UBS deal to acquire Credit Suisse was a rather hasty decision after the latter struggled to gain consumer confidence, ending a 176-year journey. In an interview with Bloomberg, Sergio Ermotti emphasised that there is no room for nostalgic considerations.

"We are executing on the strategy, we are making very good progress",

Mr. Ermotti.

So far things are looking bright for UBS and investors and clients agree. The shares are increasing more than a third this year and are expected to hit the highest since the 2008 financial crisis. Their shares increased 7.2% as of Thursday. The investment banking company, as a part of the job cut plans, intends to cut around 1,000 jobs in Switzerland as a result of the overlaps in the domestic banking business. 2,000 more positions are expected to be cut in the country.

The overall number of layoffs will be hard to calculate and the numbers mentioned are most likely to be a fraction of the overall.

Credit Suisse's acquisition has increased the workforce of UBS to reach about 120,000 and intends to reduce it by 30%. UBS also mentioned closing about two-thirds of Credit Suisse. The accounting gain for the first quarter shadows JP Morgan Chase's \$14.3 billion profit in the first quarter of 2021.

Analysts explain that the \$29 billion accounting gain was smaller than expected following the Credit Suisse operating losses and an adjustment of the purchasing price. The stabilisation of the business, however, was happening at a faster pace. UBS CEO has turned the financial institution into a

model wealth manager after having problems during the financial crisis and is aware of the political sensitiveness around the Credit Suisse deal.

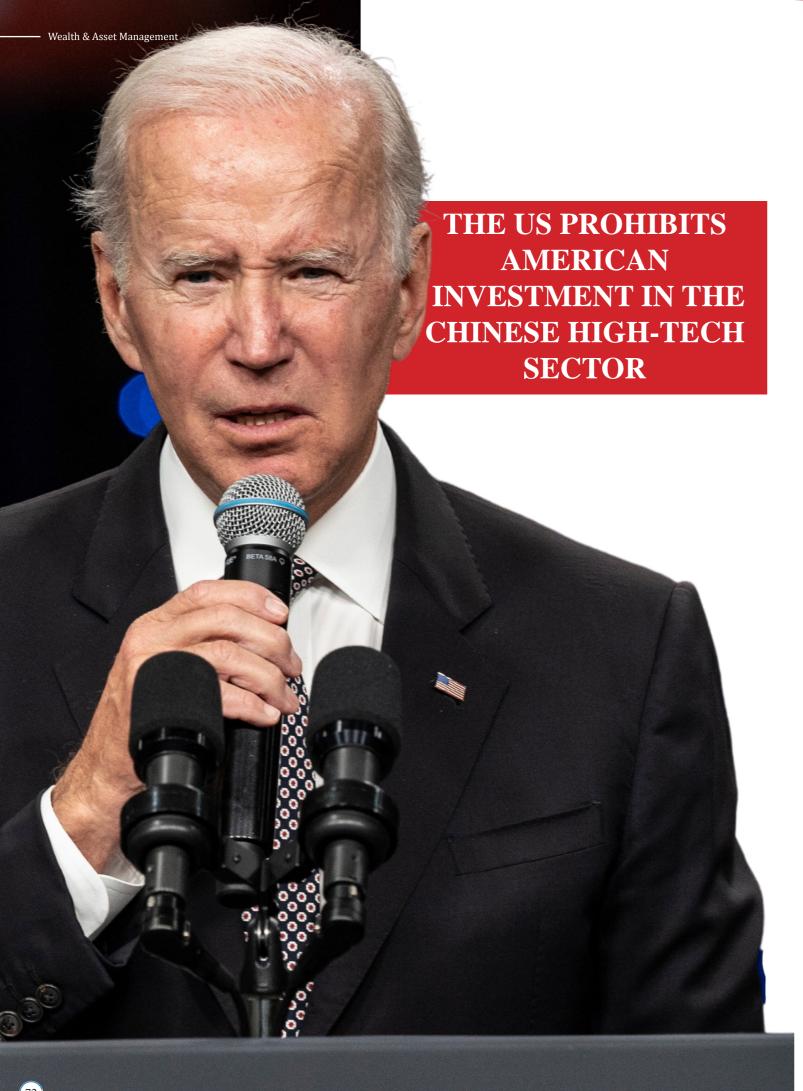
Details of the Integration

The integration process is expected to be substantially complete by the end of 2026. The entire process will involve a resettling of its clients, infrastructure, assets, and liabilities.

About half of the \$10 billion cost savings will happen from the restructuring of the investment bank and running down assets that are not in use anymore. UBS mentioned that the wind-down unit had almost \$55 billion of risk-weighted assets at the end of the quarter. \$8 billion in positions had also been exited during the quarter.

Experts mentioned that UBS had taken a huge risk in taking over Credit Suisse. This is a big task as UBS would have to retain its clients, integrate the key staff, migrate them to UBS's systems, solve any litigation issues, etc. take a lot of time and en-

According to the firm, its global wealth management business saw strong inflows with a \$16 billion figure and this was billed as the highest second-quarter figure in over a decade. The inflow of client funds turned positive in June. The release record in the final quarter recorded Credit Suisse as an independent.



Biden administration signed an order prohibiting US venture capital and private equity firms from investing in the advanced technology sector in China. This will halt the development of semiconductors, quantum computers, microelectronics, and specific artificial intelligence tools for the time being. The White House has accused Beijing of using such key technologies to boost its military capacities. This is the latest blow to the already tense relationship between the world's two largest economies.

The Treasury Department released a statement that the Biden Administration is focused on securing the national interests of America by taking necessary measures to protect certain technologies that are crucial in the next generation of military innovation. As of now, the order is narrowly targeted action to aid the current export restrictions.

This move has definitely caused an immense rise in tensions since the two nations opened a medium of dialogue back when Richard M. Nixon was the President of the United States. Earlier, a chain of export restrictions on important technologies to China had sparked a reaction from Beijing.

China retaliated by banning the supply of gallium and germanium, which are important for chip production, directly hitting on the military needs.

United States President Joe Biden has taken steps to normalise tensions between the two nations since the shooting down of an accused spy balloon that invaded American airspace. Recently, State Secretary Antony J. Blinken, Treasury Secretary Janet Yellen, and other government officials went on a Beijing visit to negotiate trade talks.

Liu Pengyu, spokesman for the Chinese embassy, said that the latest

operations of Chinese and American companies and investors. This move will reduce collaboration between the two nations and also reduce the confidence of the international community in the business regulations of the United States.

DCM, a United States-based

venture capital firm with an AUM of \$4 billion, said that the order would require a drastic change in the manner and structure of its investment in artificial intelligence. They don't have an investment in chips or quantum computing, which partially reduces legal accountability. They are active investors in Chinese startups and are famous for their investment in the short video-sharing platform TikTok, at its nascent stage when it was named musical.ly.

Edith Yeung, general partner at Race Capital, a venture capital that invests in early-stage startups, said that this move is not only going to impact the Chinese startup ecosystem but also the venture capital industry as a whole. Yeung, who primarily invests in AI, data, and enterprise software in both countries, said that Washington should not try to curb the freedom of investing, and in the end, it is the United States capital market that will be negatively impacted in the longer

Capital pullback

According to data from Pitch-Book, United States venture capital investment in China has drastically fallen to 80% in the last two years. In 2019, venture capital deals were recorded for \$3.8 billion, and last year, it fell to \$2.4 billion, and in the second quarter of this year, it amounted to \$200 million. The global economic downturn is a major cause of investment firms going risk averse.

The chipmaking sector will be one of the worst sectors. In the second

restriction would severely impact the quarter, the United States venture capital investor made only three deals in the chipmaking sector amounting to \$100 million, whereas the same time the previous year recorded 10 deals worth \$853.6 million.

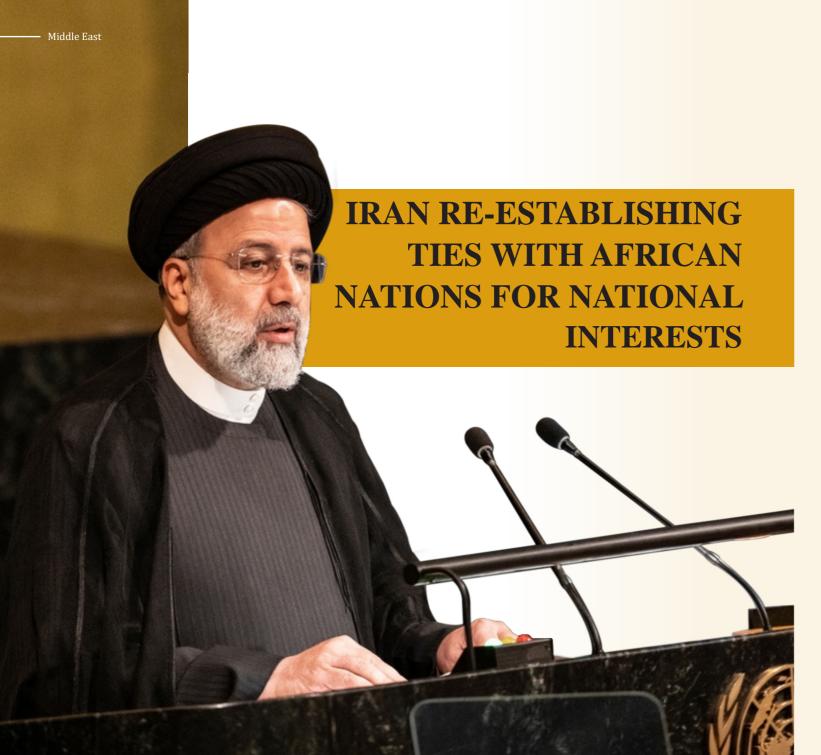
> Investors were already grappled amidst the rising diplomatic strain and trade controls, and this investment ban comes as a bottleneck over bottleneck. The increased control from both Washington and Beijing on investment in specific sectors owing to national security has become another hindrance in the business operations and development of AI.

> The order faced no objection from the opposition as countering China with harsher methods was included in the bipartisan agreement. But, it faced criticism from the business community. Experts believe further strain on economic activity could broaden the gap between the two gigantic economies.

Chinese investment control

Beijing has restricted all kinds of investment beyond its borders, not just the United States. Chinese technology policy is quite different from that of America. They have restricted overseas low-tech investments like real estate or soccer clubs and encouraged the purchase of tech businesses that can offer geopolitical leverage in some or the other way in sectors like aircraft manufacturing, heavy industries, and artificial intelligence.

Chinese President Xi Jinping has created a troublesome environment in the country for businesses which has made investors and VC firms more cautious. Companies like Mitz Group, which assesses investment risk, are being investigated and raided. An anti-espionage bill has been passed that brings even domestic businesses under the umbrella of authorities to be investigated on charges of spying.



brahim Raisi, President of Iran, went on a trip to three African nations, Kenya, Uganda and Zimbabwe, last month. He primarily had three agendas for his visit. Firstly, to sidestep US sanctions in times of a deadlock in the nuclear talks with the White House.

Second, he wants to spread the influence of US sanctions economically. of Iranian ideologies in the African continent to collect political support for Iran in International organisations. Thirdly, the orthodox bloc of the Iranian government is strengthening its relationships with non-aligned countries.

The African continent has been lately neglected by the Islamic nation. Even in the tenure of the previous President, Hassan Routhani, the African continent was no were to be seen on the priority list for Iran's foreign policies. This was the first visit by an Iranian President in over a decade. This represents the need to diversify ties under the umbrella

Raisi first landed in Kenya and was wholeheartedly welcomed by the Kenyan President, William Ruto, to kickstart a fresh beginning of bilateral relations. He was welcomed by an honour guard at the Kenyan presidential palace.

Kenya is considered the economic powerhouse in the East African region. A new set of bilateral relations will provide mutual economic benefit to both nations.

Ideological influence

Africa is important for Iran's ideological, economic and safety. Since the 1979 Iranian political the signing of 12 memorandums revolution, the relationships with countries from the Global South need to be understood in the context of exporting the Iranian politico-religious model and not just the structure of the prevailing Khomeinist ideologies of anti-imperialism. Such ideological ambitions can be fulfilled only by having a foothold in the decision-making of domestic policies of African nations.

Establishing missionary activities would be the primary motive, but building networks of non-state actors, like religious heads, cultural societies, front companies and drug networks.

Economic needs

A surprising discovery during Raisi's visit was the search for buyers for Iranian military equipment, like basic weaponry systems and high-tech drones. ly. This aims at building trust and gaining power in Africa to counter the neighbouring threats and global enemies. Iranian foreign policies are aggressively pushing for wider collaboration of both parties in multiple sectors.

They have higher goals that can only be met with enhanced diplomatic ties. But, problems are an inevitable part of bilateral cooperation.

during the economic cooperation projects due to the ideological differences and security issues in the African continent. For instance, in 2021, Iran and Zimbabwe conducted a bilateral trade of less framework. than \$5 million.

of understanding (MoU) but without proper transparency regarding Iranian future investments.

Emmerson Zimbabwean President, welcomed Raisi as his brother when he landed at the Robert Mugabe the signing of an MoU, under International Airport.

Such warm greetings aside, there was an absence of economic coherence in the visit, and this sparked debates in Iran on the topic of the lack of economic compatibility between both nations.

The Foreign Affairs Minis- of clean energy. try of Iran has announced that it expects an increased trade amount of up to \$2 billion by the end of this year with the African nations.

2021 and 2022 have been \$500 million and \$1 billion, respective-

to conduct trade of over \$5 billion which seems nearly impossible and minuscule in front of the of strategic power play amongst United Arab Emirates' \$50 billion trade and Turkey's \$35 billion.

The African continent has a \$600 billion global trade figure, which makes Iran's ambitions less than one per cent of the total trade.

Certain roadblocks emerge Saudi Arabia's investment

The Saudi Kingdom is in its own race to transform itself into a global investment powerhouse, as per the policy of its Vision 2030

They have recently in-The recent visit witnessed creased their financial footprints in the African continent. In November last year, Mamady Doumbouya, the Guinean President, met Sultan Abdulrahman Al-Marshad, the CEO of the Saudi Fund for Mnangagwa, Development.

> The meeting concluded with which the Saudi Fund will provide \$8 million for the construction of 140 wells in the country.

> In October last year, Saudi Arabia signed multiple large-scale deals with South Africa to improve the country's budding hydrogen industry and other sources

The total investment amount of all the deals was over \$15 billion from the Saudis. The fund had also agreed to lay out \$5 mil-The previous estimates for lion for setting up solar-powered street lights in the Central African Republic.

These Gulf investments dis-Iran's official ambition is play that Iran will have a tough time achieving its ambitions. Africa has always been a stage global powers for centuries due to its rich resources.

> But the current times have slightly changed owing to the increased competition to exploit resources from local rising powers, especially Saudi Arabia.

AMERICA WILL BE **A MANUFACTURING** POWER AGAIN... SOON

cades, America has slowly lost its position as the world's factory, first to system for free. Japan and then to China. The country that had more manufacturing output in the 1940s than the rest of the world combined is now the largest importer and dependent on Asia for almost all its manufactures, especially key consumer goods like textiles, automobiles, consumer electronics and semiconductors.

Instead, the country has moved more and more towards services. such as design, research, finance, and marketing - sectors that affect a much narrower population base than manufacturing. This has had a huge impact on inequality, both regional and classbased.

However, this is rapidly changing, as America is seeing massive investment in recent years into rebuilding the country's domestic manufacturing sector once again. The country has always had the foundation to be a manufacturing behemoth, and now trends are pushing the country's policymakers to actually capitalise on that potential.

ing Advantages

some natural advantages that make it a logical manufacturing powerhouse. The country has a vast and skilled

ver the past seven de- labour force. The Mississippi River system and Intra-Coastal Waterway provide a low-cost internal logistics

> Suppliers of raw materials like Canada and Brazil are nearby. Mexico provides a massive pool of lowcost labour to supplement the American workforce. Electricity is among the world's cheapest due to the shale

> Capital is cheap, and low-interest funding for R&D, green sites and expansion is easy to come by. And most of all, America is home to the world's largest consumer market worth trillions of dollars that provides an almost unlimited source of demand for any competitive manufacturer. So why isn't America a global manufacturing powerhouse today? Well, it actually is - the United States is still the world's second-largest manufacturer, even after decades of deindustrialisation. The American manufacturing sector is only small when compared to China but is enormous by any other metric, contributing \$2.3 trillion to the nation's GDP and providing jobs for 12 million.

Despite constituting only 11% America's Natural Manufactur- of GDP and 8% of total employment, this sector wields disproportionate economic influence. It drives 20% The American economy enjoys of the country's capital investments, 35% of productivity growth, 60% of exports, and 70% of business R&D expenditures.

The reason America today doesn't enjoy fame as a manufacturing powerhouse is that over the years, they have steadily relinquished larger and larger parts of their supply chain to low-cost manufacturers in Asia, mainly China.

Starting in the 50s after World War II, the country's manufacturers steadily lost ground to Japan and Germany and Italy, and the trend accelerated sharply after the 80s when Reagan's neoliberal policies laid the ground for the industry to move to China. Profits and consumption took priority over production and resil-

What's Changing Now?

The economic consensus of the last 40 years of focus on profits and finance over actual production seems to be rapidly changing. The country's leadership has seen a sharp swing in focus from globalisation and neoliberalism to a new era of industrial policy, nearshoring, and protectionism.

to the forefront by Donald Trump in 2016, it has been enthusiastically adopted by politicians from across the political spectrum, with Joe Biden essentially doubling down on economic Trumpism and few significant public figures still advocating for neoliberalism, free trade, and globalisation.

The shift has been underscored by the supply chain difficulties faced by Americans after the COVID-19 pandemic, especially the extended lockdowns resulting from China's harsh Zero-Covid policy, the Russian invasion of Ukraine, and sky-high inflation in the States.

Even the most pro-globalisation politicians in the USA are also advocating for nearshoring, and moving factories to Mexico, which as part of NAFTA 2.0, is essentially an adjunct of the American system. As global geopolitical tensions rise and America gears up for great power competition with a bellicose China and Russia, the country has taken a clear decision to move all critical sectors back home.

Energy is booming domestically due to shale, military manufacturing never really left, and there is a concerted push for American semicon-

ductor fabs. Along with rising tariffs to shelter the domestic market, this is a perfect cocktail for domestic reindustrialisation. Some companies, such as Toyota, have already foreseen this trend and gone all in on setting up local production within the country, especially in the South.

Technological advancements also play a big role in the resurgence of U.S. manufacturing. The rise of automation, robotics, and advanced lights-out manufacturing techniques has narrowed the cost gap between domestic and offshore production. This means that the cost advantages of low-wage countries are rapidly diminishing, making it more feasible for companies to manufacture in the USA while maintaining competitive pricing.

Conclusion

Sure, the return of manufacturing to the USA also presents certain challenges. The shortage of skilled workers in many industries, outdated and crumbling infrastructure, and

cost disparities with offshore production are among the many hurdles that companies may face. Addressing these challenges requires investment in workforce development, infrastructure improvement, and innovative cost-saving measures - something that Biden has begun with the Inflation Reduction Act but will require much more time and investment before actually showing results. The return of manufacturing to the USA is a complex interplay of factors, including supply chain snags, domestic politics, technological advancements, changing consumer preferences, and geo-

While there are challenges to overcome, the trend reflects a shift towards a more regionally balanced global manufacturing landscape that could have huge positive impacts on the U.S. economy and job market. These trends will be highly inflationary in the short-medium term, but there is certainly a light at the end of the tunnel.

Though this trend was brought

GLOBAL SEMICONDUCTOR INDUSTRY-WHERE IT IS AND HOW IT WORKS

The Semiconductor **Manufacturing Process**

Turning a silicon crystal into the brain of our phones and computers is a lengthy and intricate process, requir-

are intricate blueprints that detail the arrangement and connections of transistors, capacitors, resistors, and other components on a silicon wafer. This is probably the most crucial and value-added part of the supply chain.

These ingots are then sliced into paper-thin discs called wafers and polished. The wafers also undergo an intense cleaning process to remove contaminants or particles. Most of the silicon comes from China, Russia and Brazil.

A special photoresistive material is then used to coat the wafer in intricate circuit patterns. This step is called photolithography and is crucial in deciding the nature and functioning of the future chip.

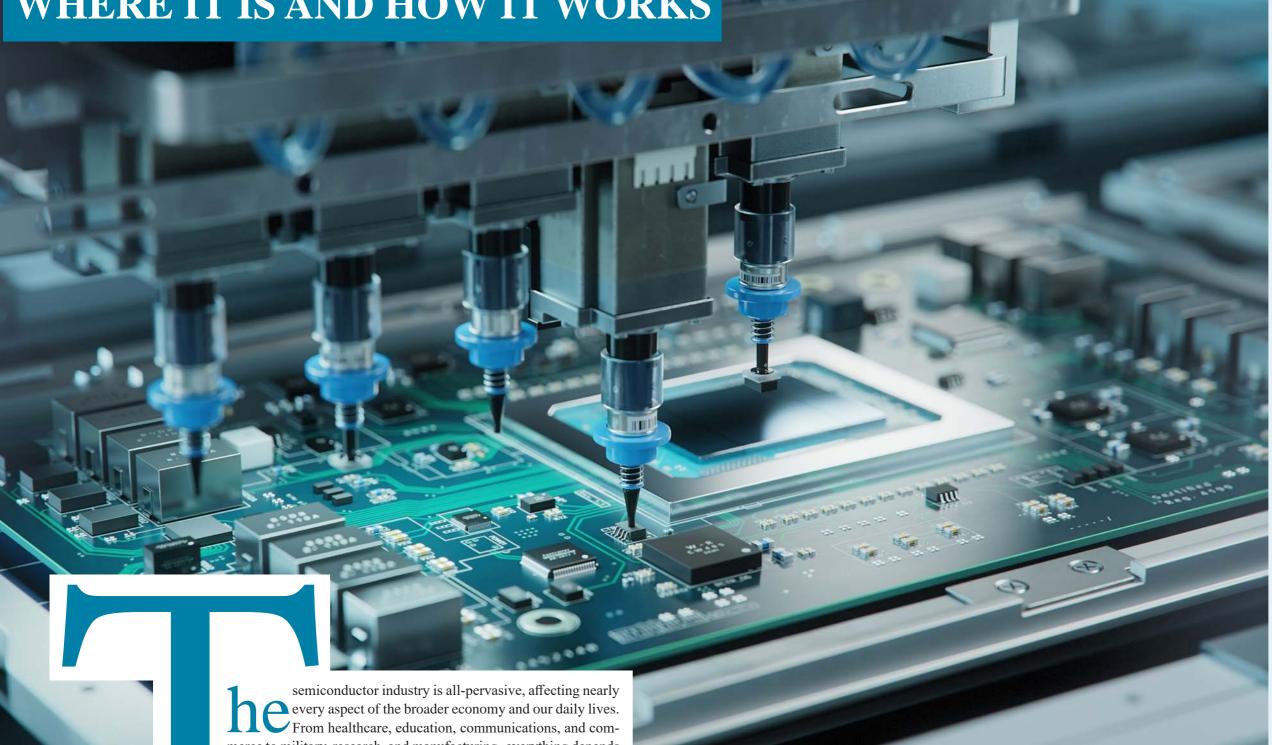
The next step is- etching, where either special chemicals or plasma are used to remove material from the areas not covered by the photoresist, thus transferring the circuit pattern onto the surface of the wafer.

Depending on the future function of the chip, two subsequent steps are ion implantation and deposition. In ion implantation, ions of specific elements are bombarded onto the wafer's surface. This modifies the electrical properties of the semiconductor. Meanwhile, deposition involves applying thin films of various materials onto the wafer to serve as insulators or conductors.

The wafer is almost finished. It is given a final treatment in processes like annealing, polishing and interconnecting before being subject to testing, inspection and quality control.

Once the wafers pass quality control, they are cut into individual chips through a process called dicing and packaging. The diced, tested and packaged chips are then finally distributed to device manufacturers, who integrate them into the final devices such as smartphones, laptops, gaming consoles, and many more.

These steps represent a macro overview of the complex steps involved in semiconductor fabrication. Semiconductor companies also constantly invest heavily in research and



merce to military, research, and manufacturing- everything depends on the semiconductor industry to drive growth and innovation.

As the global chip war heats up and countries move to secure their place in supply chains, it becomes crucial to understand the basic contours of this sector, starting with the actual production processes.

ing large amounts of skilled labour, capital, specialised chemicals and participation in global supply chains.

The process starts with semiconductor companies and design teams creating chip designs. These designs

with the growth of high-purity silicon ingots, which serve as the base material for wafers. The crystals are carefully grown to have a specific structure and high purity to ensure proper functioning.

Actual manufacturing begins

development to improve chip per- conductor companies and startups formance, reduce the size of components, and increase energy efficiency.

Mapping the Global Semiconductor Industry

The semiconductor industry relies heavily on global trade and intricate supply chains. In many ways, this industry is globalisation, given its physical form. The vast number of components, steps, chemicals, machinery and technology required to make a chip ensures that no one country can produce them all by itself.

means that disruptions in one region can impact the entire supply chain, as seen with recent semiconductor shortages being caused by lockdowns in China. The three main regions central to the industry are the USA, East Asia, and Europe. The United States has been a key player in the semiconductor industry since its inception and is the world leader in semiconductor design and architecture, as well as having a strong presence in manufac-

Silicon Valley, located in California, is the global hub for technology innovation, including semiconductor design. Companies like Intel, AMD, Nvidia, and Qualcomm are known for their cutting-edge chip designs, including processors, graphics cards, and mobile chipsets.

The U.S. also hosts numerous research institutions, universities, and private labs that contribute to semiconductor innovations. This research plays a crucial role in the industry's future. While the U.S. has a long history of semiconductor manufacturing, it has moved towards a fabless model, where companies design chips but cameras and sensors for automotive outsource manufacturing.

This transition has allowed for a more specialised focus on design and innovation. Many major semi-

are based in the USA, such as Intel, AMD, Nvidia, Micron Technologies and Qualcomm.

Across the Pacific, East Asia is the other core hub of the semiconductor industry, housing several of the industry's powerhouses. Countries like Japan, South Korea, China and Malaysia are all important members of the supply chain.

However, with its massive foundry capacity, Taiwan may just be the most important country in the value chain currently. Taiwan is home The industry's global nature to TSMC, the world's largest independent semiconductor foundry.

> TSMC is known for its advanced manufacturing processes and high-quality chip production for a wide range of clients, including technology giants like Apple, Nvidia, and

> South Korea, too, has established itself as a player in both semiconductor design and manufacturing, with companies like Samsung Electronics and S.K. Hynix making significant advancements in recent years. The country invests heavily in research and development to stay competitive in the global market. Meanwhile, though not as dominant as it once was, Japan still has a big presence in the sector and is crucial for several components.

Japanese companies have played pivotal roles in the history of semiconductor technology in areas like memory chips, sensors, and optical components. The country has rich expertise in producing specialised chips and components used in specific applications, such as image sensors for applications.

However, the elephant in the room is China, whose massive appetite for chips fuels its electronics

manufacturing. The PRC has invested heavily in its domestic semiconductor industry, aiming to become self-sufficient in chip manufacturing and design and reduce its dependency on foreign technology.

However, while the country produces a vast number of chips, it is still low on the value chain and is finding it extremely difficult to move beyond the low end. Companies like SMIC are working on advancing semiconductor manufacturing capabilities, although they are still catching up with established players in terms of tech-

The third and final region is Europe, where a strange disparity emerges. Europe has several key firms absolutely essential to the production process but houses relatively little manufacturing capacity itself. European companies often focus on niche areas within the semiconductor industry, including specialised sensors, power management, and automotive electronics.

The standout in this region is ASML, a Dutch company that is the sole manufacturer of the complex machines required for the photolithography step, and thus it holds massive power over the industry's outcomes.

What does the future hold? - Expanding diversity and fast-paced evolution

This was just a brief and extremely condensed overview of the world's most complex and specialised industry. The industry is too diverse and evolves too rapidly for any single article to comprehensively cover, but even a cursory idea of the chips manufacturing process and its economic geography is extremely useful to understand the broader state of the world, from the conflict between the U.S. and China to the importance of Taiwan, to future advancements in

SWITZERLAND BRACES FOR THE BIGGEST WAVE OF JOB LOSSES SINCE CREDIT SUISSE COLLAPSE

witzerland's financial cap- a number of laidital is preparing to face the off people from the biggest wave of job loss this merged bank over the year since the collapse of next 36 months. Credit Suisse in March. The government interfered and rescued the bank in March by merging it with UBS, Credit Suisse's rival, and thousands of jobs are expected to go on a whim. This could, in turn, affect the economy grimly. UBS expects to provide more details regarding its future plans by the end of this month.

According to the reports received from inside information and expert opinions, UBS, noting its savings target and other factors, is expected to cut around 30,000-35,000 of the joint workforce. In Switzerland, around 10,000 jobs could be affected by the absorption process. This whole process would be a big setback for the Switzerland finance sector since the 2008 financial crisis. During that time, UBS had to be saved by the government.

Credit Suisse and UBS did lay off thousands of employees and the Switzerland economy shrank by 2.3% in 2009. With a national unemployment rate of 1.9% and 1.6% in Zurich, it is safe to say that Switzerland's economy is in much better shape now. Zurich's rate could be seen as one of the lowest in Europe. Since the conditions are good, the economy also creates good job prospects for some finance sectors. Headhunter Fredy Hausammann, who leads the Swiss arm of Amrop Executive Search stated that Switzerland can easily absorb 7% this year.

"In Switzerland, in the financial services industry there is a shortage of qualified staff across many disciplines," added Hausammann.

Fredy Hausammann thinks that it could be a hard task to let go of people in the top management, such as senior and managing directors, to find a good position to fit somewhere else. The job cuts that will happen at Credit Suisse will affect Swiss and foreign nationals which could result in these employees leaving the nation if they are unemployed. The big players in the financial sector are also cutting jobs, especially in the Capital Market business.

Trying to ease the tension

The government of Switzerland is trying to ease public concern about the possible layoffs. A spokesperson for the State Secretariat for Economic Affairs mentioned that the economy would be able to absorb the mass layoffs due to a shortage of labour in all sectors, Reuters reported. Adecco, the Swiss staffing company, mentions that the demand for people working in the financial sector including finance analysts, accountants, controllers, etc. remains strong and it has increased by

According to the reports of Ar-

CREDIT SUISSE

beitgeber Banker, there were more than 6,000 job openings in the Swiss financial sector at the end of June. The job positions that are automated such as bank office roles may take more effort to fill. Some associations had demanded earlier that UBS freeze their layoffs at least until the end of 2023.

Chief Executive Sergio Ermotti stated that around June nearly 10% of the workers had already left and it is quite clear that the staff are already looking for other opportunities. Many Swiss banks are actively searching for opportunities, particularly for relationship managers with solid books and strong client relationships.

Chief Executive of EFG Giorgio Pradelli stated that the Swiss private bank was hiring across geographies and functions and utilizing the talent on the market. He also added that EFG had already exceeded its aim of hiring nearly 70 client relationship officers this year and that he expected it to triple by the end of 2023.

Commercial Bank of Cevlon

PLC, Bangladesh Best Foreign Bank

Jamuna Bank Limited (JBL),

Bangladesh Best CSR Bank

Al Baraka Islamic Bank B.S.C.

Bahrain Best Bank For Women **Empowerment**

Al Salam Bank, Bahrain

Most Innovative Marketing and Branding Campaigns in Banking

SICOBANK, Bahrain

Best Investment Banking Service Provider

Caye International Bank, Belize Best Offshore Private Bank

Bradesco Global Private Bank,

Brazil

Best Private Bank& Best Bank for Wealth Management

Banco do Brasil, Brazil

Most Innovative Bank for Wealth Management

SME Bank of Cambodia,

Cambodia

Fastest Growing SME Bank

The United Bank, Egypt Most Sustainable Islamic Bank

aiBANK, Egypt

Most Innovative SME Financing Campaign – Financing That Moves Microfinance Bank You 100 Strides Forward

BanqueMisr, Egypt

Most Socially Responsible Bank For Sustainable Development

Banque Du Caire, Egypt

Best Treasury and Correspondent Pakistan Bank & Best Bank In International **Banking Transactions**

ADIB Egypt, Egypt

Best SME Bank & Best Islamic Bank

Mox Bank, Hong Kong

Best Virtual Bank

Credit Bank PLC, Kenya

Best Digital Transformation In Banking

UAB bank Limited, Myanmar Best Retail Bank Of The Year

KBZ Bank, Myanmar

Best Commercial Bank & Best Digital Transformation In Banking

AmBank Group, Malaysia Most User-Friendly Mobile

Banking Solutions

Public Islamic Bank Berhad,

Malaysia

Most Sustainable Islamic Bank

VFD Microfinance Bank, Nigeria Best Banking App (V by VFD)

Abbey Mortgage Bank Plc,

Nigeria

Best Mortgage Bank & Best Customer-Centric Mortgage Bank

Accion Microfinance Bank

Limited, Nigeria

Most Socially Responsible

First Bank of Nigeria Ltd,

Nigeria

Best Private Bank & Best Innovation in Retail Banking

Mobilink Microfinance.

Most Innovative Microfinance Bank

Meezan Bank, Pakistan

Best Retail Bank

Country Builders Bank,

Philippines

Best Micro-finance Bank

Commercial Bank Of Ceylon

PLC, Sri Lanka

Best Digital Transformation In Banking & Best Retail Bank

National Development Bank

PLC, Sri Lanka

Best Bank For Women **Empowerment**

Emirates NBD, Saudi Arabia

Best Foreign Bank

Al Rajhi Bank, Saudi Arabia Best Digital Transformation In Banking

Taipei Fubon Bank,

Taiwan

Best Internet Banking Experiences & Best Customer Service Bank

CTBC Bank, Taiwan

Best Digital Transformation in Banking & Best Investment **Banking Services**

Krungthai Bank, Thailand Best CSR Bank & Excellence in

Customer Service (Banking)

Siam Commercial Bank,

Thailand

Best SME Bank

WINNERS OF THE ANNUAL GLOBAL ECONOMICS **AWARDS AS OF (September 2023)**

MBBank, Vietnam

Digital Transformation Bank of the Year & Best Mobile Banking

HD Bank, Vietnam

Most Innovative Mobile Banking Service Provider & Most Innovative Digital Bank

Orient Commercial Joint Stock Bank (OCB). Vietnam

Most Customer-Centric Digital **Banking Service Provider**

Standard Chartered Bank. UAE

Best International Bank Of The Year & Most Innovative Digital Asset Custody Services – Banking

Mashreq Bank, UAE

Most Innovative Private Banking Solution Provider for Emiratis

Invest Bank, UAE

Most Innovative Digital Core Banking Service Provider

Emirates NBD Bank, UAE

Retail Bank Of The Year Best SME Bank Of The Year

Dividend Gate Capital W.L.L,

Bahrain

Excellence In Private Equity Investment Strategies

BNP Paribas Asset

Management, Brazil

Best Pension Fund Manager Most Innovative Asset Management Company

Maxxa Financial Services,

Chile

Most Innovative Financial Management Platform For SMEs

Squared Financial, Cyprus Most Innovative Forex Trading Platform

Easy Lease Company, Egypt

Fastest Growing Leasing Company NBK Capital, Kuwait - Non-Banking

Al Ahly Financial Services, Egypt

Most Innovative Investment **Banking Advisor**

Tanmeyah, Egypt

Fastest Growing Microfinancing Company

Fosun Wealth International Holdings Limited, Hong Kong

Excellence In Wealth Management INVESTOR SERVICES LTD, Services

Neovest, Hong Kong

Excellence In OEMS Services

PT BRI Danareksa Sekuritas.

Indonesia

Best Investment Banking Services

IFCMARKETS. CORP, Indonesia

Most Innovative Forex Brokerage House

Japan Securities Finance Co,

Japan

Best Corporate Governance Practices (Finance)

Inveslo Trading Ltd, Kazakhstan

Fastest Growing Forex Brokerage Company & Best

Practices In Transparent Trading

Holistic Development & Consulting, Kuwait

Most Innovative Risk **Management Solutions**

For SMEs

Kuwait

Fastest Growing Investment Portfolio Management Company

Sharq Investment Company,

Best Asset Management Company Best Digital Trading Platform

V Capital Group, Malaysia

Best Practices / Strategies In Corporate Advisory Services

Wafacash, Morocco

Money Transfer Company of the Year

FIRST REGISTRARS AND

Nigeria

Best Registrar Services

First Metro Securities.

Philippines

Most Innovative Online Broker Best Stock Brokerage House

ATRAM, Philippines

Best Fund Management Company

Malayan Insurance Company,

Inc., Philippines

Best Non-Life Insurance Company

QInvest, Qatar

Best Investment Bank

Vallibel Finance, Sri Lanka **Best Finance Company**

Emerald Isle, Sri Lanka

Best Overseas HR Consulting Firm Best Brand For Recruitment &

Talent Management

Amsa Hospitality, Saudi Arabia Best Financial and Strategic

Innovation in Hospitality

ALPHA CAPITAL FOR FINANCIAL FE CREDIT, Vietnam SERVICES, Syria

Fastest Growing Equity Brokerage House & Most Innovative Equity **Brokerage House**

SIDRA CAPITAL, Saudi Arabia Best Shariah-Compliant Alternative Investment Company & Most Innovative Investment Fund - SIF

IMPACT46, Saudi Arabia Most Innovative Asset Management Company

Grovest, South Africa Most Innovative Alternative Investing Strategies (Small Cap)

A2X Markets, South Africa **Fastest Growing Stock Exchange**

Bangkok Commercial Asset Management Plc, Thailand Most Customer-Centric Asset Managers In Non-Performing Assets & Best Practices In Non-Per-

SCB10X, Thailand **Fastest Growing Corporate** Venture Capital Firm

forming Loan Management

Fubon Securities, Taiwan Best Brokerage House

AIX Investment Group, UAE Most Client-Centric Investment Advisory Firm

Synergy Consulting, UAE Best Project Finance Advisor

Grant Thornton, UAE Best Practices In Regulatory **Advisory Services**

Best Sustainable Development Strategies In Consumer Finance Best Digital Transformation In **Consumer Loan Offerings**

SHB Finance, Vietnam Most Customer-centric Consumer Lending Service Provider

TienNgay, Vietnam Best New Retail Financing Company

MB Shinsei Finance Limited Liability Company (Mcredit), Vietnam

Best Consumer Finance Company

Solidarity Bahrain B.S.C., Bahrain

Best Takaful Company & Most Innovative Takaful Company

Bahrain National Insurance bni, Bahrain

Most Innovative Motor Insurance Product (Pay-Per-Mile)

Kuwait Insurance Company,

Kuwait Most Financially Stable Insurance Company

Burgan Takaful, Kuwait Fastest Growing Takaful Insurance Thailand Company

KFH Takaful, Kuwait Best Takaful Insurance Company

Eagle D V R S, Sri Lanka Most Innovative Reinsurance Broker

Etiga Life Insurance, Philippines Best Insuretech Initiative "Gadget Insurance"

AXA Mansard, Nigeria Most Innovative Insurance Company & Most Innovative Health-

Amana Takaful PLC, Sri Lanka Fastest Growing General Insurance Company (Takaful)

care Insurance Products

Taiwan Life Insurance Co., Ltd, Taiwan

Best Life Insurance Company Best Digital Innovations In Life Insurance

Fubon Insurance. Taiwan Most Customer-Centric General **Insurance Company**

Thai Life Insurance PLC,

Thailand Best Life Insurance Company Best Investor Relations (Life Insurance)

Krungthai-AXA Life Insurance, Thailand

Best Distribution Channels in Insurance & Best Marketing Campaigns (Insurance) - "Make time for me-time" and "Believe in what is right with Emma"

Sompo Insurance (Thailand) **Public Company Limited,**

Most Innovative Digital Transformation Non-Life Insurance Company

HOWDEN MAXI INSURANCE BROKER CO., LTD, Thailand Best Non-Life Insurance Brokers

SALAMA Islamic Insurance,

Best Takaful Solutions Provider

WINNERS OF THE ANNUAL GLOBAL ECONOMICS **AWARDS AS OF (September 2023)**

Sukoon Insurance, UAE Best Rebranding In Insurance

Aafiya TPA Services, UAE Most Customer-Centric Health Insurance TPA Service Provider

Gross Insurance Company JSC,

Uzbekistan Most Innovative Non-Life Insurance Company

Prince Holding Group, Cambodia Best CSR Initiatives (Conglomer-

Madinet Nasr, Egypt Best Investor Relations (Real Estate)

Royal Developments, Egypt Most Innovative Residential **Developer & Fastest Growing** Residential Developer

Zest Properties, Iraq **Fastest Growing Property** Management Company

Vista Land & Lifescapes, Inc,

Philippines Best Community Real Estate Developers

Landco Pacific Corporation, **Philippines**

Best Leisure Real Estate (Resort Estate) Developer Of The Year

Retal Developments,

Saudi Arabia **Fastest Growing Community Property Developers**

Al Mahmal Facilities Services Company, Saudi Arabia Fastest Growing Facilities **Management Company**

AMSA Hospitality, Saudi Arabia Best Hotel Management Start-up

The Saudi Real Estate Refinance User-Friendly Trading Mobile Company (SRC), Saudi Arabia Best Real Estate Refinancing Deal Of The Year (SRC)

Real Estate Registry - RER,

Saudi Arabia Most Innovative Real Estate Solution Provider

Azad Properties, Saudi Arabia **Fastest Growing Property Management Company**

RV SG Pte. Ltd, Singapore Best Real Estate Co-Investment Platform & Most Client-Centric Real Estate Investment Company

ALLY Leasehold Real Estate Investment Trust. Thailand Most Innovative Diversified REIT Management

D&B Properties, UAE

Fastest Growing Real Estate Brokerage Firm

Homes 4 Life Real Estate Broker Swapifly, Hong Kong LLC, UAE

Most Client-Centric Real Estate Brokerage Firm

Etisalat Facilities Management LLC, UAE

Most Client-Centric Facility **Management Services**

stc Bahrain, Bahrain Best Network Security Provider **Best ICT Solutions Provider**

Tenpo, Chile Most Innovative New Prepaid Card - Tenpo Mastercard

Vantage, Australia Most Innovative Online Trading Products (Forex) & Most

App – Vantage

Bankygate, Egypt

Most Customer-Friendly Banking Services Comparison Platform

eBSEG, Egypt

Best CEEP-Omnichannel Customer Experience Platform & Fastest Growing Digital Trading Omnichannel Solution Provider

Orange, Egypt

Best CSR Telecom Company

Kurdsat, Iraq Best VOD Platform

OiCard, Iraq

Best Credit Solutions Provider Best Customer Experience in **Credit Solutions**

iQ Group, Iraq

Best Fiber Internet Service Provider

Best AI-Based E-Commerce Start-

SleekFlow, Hong Kong Most Innovative Omnichannel Social Messaging Platform

UPayments, Kuwait Most Innovative Online Payment Solutions Provider & Best New Payment Mobile App - Upay

Finology, Malaysia **Fastest Growing Digital Lending**

Platform – Loanplus

Company, Laos

Best Telecommunication Service Provider & Most Customer Centric mation Solutions Provider **Telecommunication Company**

Sedania As Salam Capital Sdn **Bhd**, Malaysia

Most Innovative Shariah-Compliant Digital Commodity Trading Platform

mmob, Malaysia

Fastest Growing Embedded FinTech Solutions Provider Most Innovative Embedded FinTech Solutions Provider

ThitsaWorks Solutions

Myanmar Co., Ltd., Myanmar Provider For MFIs

Investree Philippines,

Philippines Best Online Financing Platform For SMEs

SeedIn Technology Inc,

Philippines Most Innovative P2P Lending Platform

PesoPay, Philippines Most Innovative Online Payment Solutions Provider

360tf.trade, Singapore Most Innovative Trade Finance Platform (360tf)

IR4LAB, Saudi Arabia Fastest-Growing Blockchain Technology Firm

TD Markets, South Africa Fastest Growing MT4 Trading Platform

Lao Telecommunication Public Interactive Smart Communications (ISC), Saudi Arabia

Most Innovative Digital Transfor-

LOLC Technologies, Sri Lanka Most Innovative Business Transformation Solutions Provider (For Oasys)

OTSO Group, Taiwan

Most Innovative Community Trading Product or System -SoFinX

Data Wow Co., Ltd, Thailand Fastest-Growing Data Science Management Consultant

DETEKT Limited, Thailand Most Innovative FinTech Solutions Most Innovative Product Designer Most Customer-centric

Pantavanij Co., Ltd, Thailand Best eProcurement Solutions Pro-

vider & Most Innovative Cost-Saving Strategy Development Product - Coral

The 1 Central Company Limited, Excellence In Telecommunications

Thailand Best Digital Lifestyle and Loyalty Platform & Best Customer Experience in Rewards and Loyalty Program

Atome, Thailand

Best "Buy Now Pay Later" Startup Fastest Growing Buy Now Pay Later (BNPL) Platform

HEDGES INFORMATION TECH-NOLOGY LLC. UAE

Best ELV & Automation Systems Integrator

Now Money, UAE

Most Innovative Digital Payroll Solutions Provider

Luna PR, UAE

Most Innovative Web3 Marketing Agency

DGrade FZ - LLC, UAE

Best Recycling Initiative – Simply Bottles

FOO, UAE

Most Innovative B2B Fintech Solutions Provider

XTrend Speed, UK

Best Zero Spread Forex Broker

Payme, Uzbekistan

Best Mobile Payment Technology Company

SmartOSC Corporation, Vietnam

eCommerce Partner

Bac Ha Software. Vietnam

Fastest Growing Software Development Company for SMEs

CMC Telecom. Vietnam

Services & Data Management

Export Bahrain, Bahrain

Best SDGs Towards SME Export Solutions

Malakoff Corporation Berhad,

Malaysia

Best Rebranding Strategy towards Sustainability

Alternergy Holdings Corpora-

tion, Philippines

Most Innovative Renewable **Energy Company**

Arabian MEP Contracting, Qatar MEP Contractor of the Year

WINNERS OF THE ANNUAL GLOBAL ECONOMICS **AWARDS AS OF (September 2023)**

TPI Polene Power Public Company Limited,

Thailand

Best Innovations In Renewable **Energy Industry**

TPI Polene Public Company Limited, Thailand

Best ESG Practices For Sustainable Development

Recycoex, Thailand

Most Innovative Sustainable **Waste Management Solutions** Provider

WP Energy Public Company Limited, Thailand

Best Place to Work (LPG)

Brooge Energy Limited, UAE

Most Innovative Terminal Operator (Oil & Gas)

APM Terminals, Bahrain

Best Use Of Technology In Port Operations & Most Innovative **Decarbonization Strategies**

Localiza, Brazil

Excellence In Mobility Solutions Most Innovative Car Rental Platform [Locate - Car Rental]

Rimo Tours, Egypt

Fastest Growing Travel & Transport Management Company

WORLD CARGO AIRLINE,

Malaysia

Excellence In Airline Cargo Handling

Pomegranate Nigeria Limited,

Nigeria

Fastest Growing Third-Party Logistics Company

Singapore

Most Innovative Airline Cargo Handling Services Provider

Budget Saudi, Saudi Arabia Best ESG Practices Company in **Transportation Sector**

VL Enterprise PLC, Thailand Best Fleet Vessels for Oil Cargo Transportation

eSmartHealth Limited,

Hong Kong Most Innovative Digital Health-

care Management Platform (DrGo)

University Hospital Quirónsalud Madrid, Spain

Excellence in Healthcare Sector

Total Care Saudi. Saudi Arabia Excellence in TPA Services (Healthcare)

Doctor Anywhere Pte Ltd,

Thailand

Most Innovative Digital Healthcare Platform

Bangkok Hospital Hatyai,

Thailand

Most Customer-centric Private **Hospital for Heart Treatment**

AL REEM HOSPICO, UAE

Most Innovative Healthcare **Facility Management Company**

MG Group, Indonesia Most Innovative B2B Hospitality Marketplace

AMSA Hospitality, Saudi Arabia Best Hotel Management Start-up

ASIA CARGO NETWORK GROUP, MINOR INTERNATIONAL PCL,

Thailand

Best Investor Relations In Hospitality & Best Sustainable Practices In Hospitality

Best Emerging Leader in Digital **Advertising Technology**

Mr. K.A.M. Rashedul Mazid

Raise IT Solutions, Bangladesh

Outstanding Contribution Towards Investment Banking Ms. Najla Al Shirawi SICOBANK, Bahrain

Best Women CEO OF The Year In General Insurance

Ms Eman Mojali

Bahrain National Insurance - bni, Bahrain

Best Emerging CEO in Cyber Security

Dr. Shaikh Khalid Bin Duaij Al Khalifa

BeyonCyber, Bahrain

Best Emerging Women CEO Of The Year In Export Industry Ms. Safa Sharif A Khaliq

Export Bahrain, Bahrain

Leading Personality of the Year (Conglomerate)

Mr. Neak Oknha Chen Zhi Prince Holding Group, Cambodia

Best Emerging Women CEO In **Investment Management**

Ms. Minoush Abdelmeguid

Mezzaninvest, Egypt

Best Emerging CEO in Business Banking

Mr. Tamer Adel Seif El-Din aiBANK, Egypt

Best Emerging CEO In Real Estate Best Emerging Logistics CEO Industry

Eng. Abdallah Sallam Madinet Masr, Egypt

CEO of the Year (Investment Management)

Mr. Ahmed Salem

Al Ahly Financial Services, Egypt

Outstanding Contribution Towards Financial Leasing Mr. Ahmed El Kholy Easy Lease Company, Egypt

Best Emerging ISP CEO Mr. Asoz Rashid iQ Group, Iraq

Best Emerging CEO in Takaful Insurance

Mr. Amro Khiwa Burgan Takaful, Kuwait

CEO of the Year (Takaful Insurance) Mr. Kotaiba Al Nusif KFH Takaful, Kuwait

Best Emerging Leader In Real Estate

Mr. Chetan Singh Hayer HayerOneGroup, Kenya

Best Emerging Entrepreneur in Telecom

Mr. Eaikdi Hla

Eager Communications Group Company Limited, Myanmar

Best Emerging CEO in Islamic Banking

Mr. Syamsul Azuan Bin Ahmad **Fauzi**

Public Islamic Bank Berhad, Malaysia

Mr. Wole Elusakin

Pomegranate Nigeria Limited,

Outstanding Contribution Towards Sustainability In Real **Estate Development**

Mr. Erickson Manzano Landco Pacific Corporation, Philippines

Outstanding Contribution Towards Insurance Sector Mr. Rico Bautista

Etiga Life Insurance, Philippines

Best Emerging Entrepreneur In Web3 & Blockchain Mr. Ken Nizam

AsiaTokenFund Group, Singapore

Best Emerging Leader In Airline Cargo

Mr. Zack Isaak ASIA CARGO NETWORK GROUP, Singapore

Best Emerging CEO In Car Rental Industry Dr. Abdulrahman Al Shikhy

Best Emerging CEO in Facilities Management

Rehla, Saudi Arabia

Mr. Rami A. AlMaddah Al Mahmal Facilities Services Company, Saudi Arabia

Outstanding Contribution to Car Transportation and **Logistics Sector**

Mr. Fawaz Abdullah Danish Budget Saudi, Saudi Arabia

Outstanding Contributions Towards Automotive Retail **Business**

Dr. Sunhavut Thamchuanviriya Millenium Group Corporation (Asia), Thailand

Best Emerging Woman CEO in **FMCG**

Mrs. Wannipa Bhakdibutr Osotspa Public Company Limited, Thailand

Emerging Women CEO of the Year (LPG)

Ms. Chomkamol Poompanmoung

WP Energy Public Company Limited, Thailand

Best CEO in Transportation of Petroleum and Chemical Mrs. Chutipa Klinsuwan VL Enterprise PLC, Thailand

Emerging Leader in Healthcare Industry -

Asst. Prof. Kritaungkun Chetpaophan, M.D Bangkok Hospital Hatyai, Thailand

Outstanding Women Entrepre-

Ms. Nguyen Thi Nga BRG Group, Vietnam

Outstanding Contribution towards Chemical Distribution & Manufacturing Mr. Irfan Mulla Taj Al Mulook, UAE

Outstanding Contribution Towards Banking Sector Mr. Ahmed Abdelaal Mashreq Bank, UAE



Avani Riverside, Bangkok

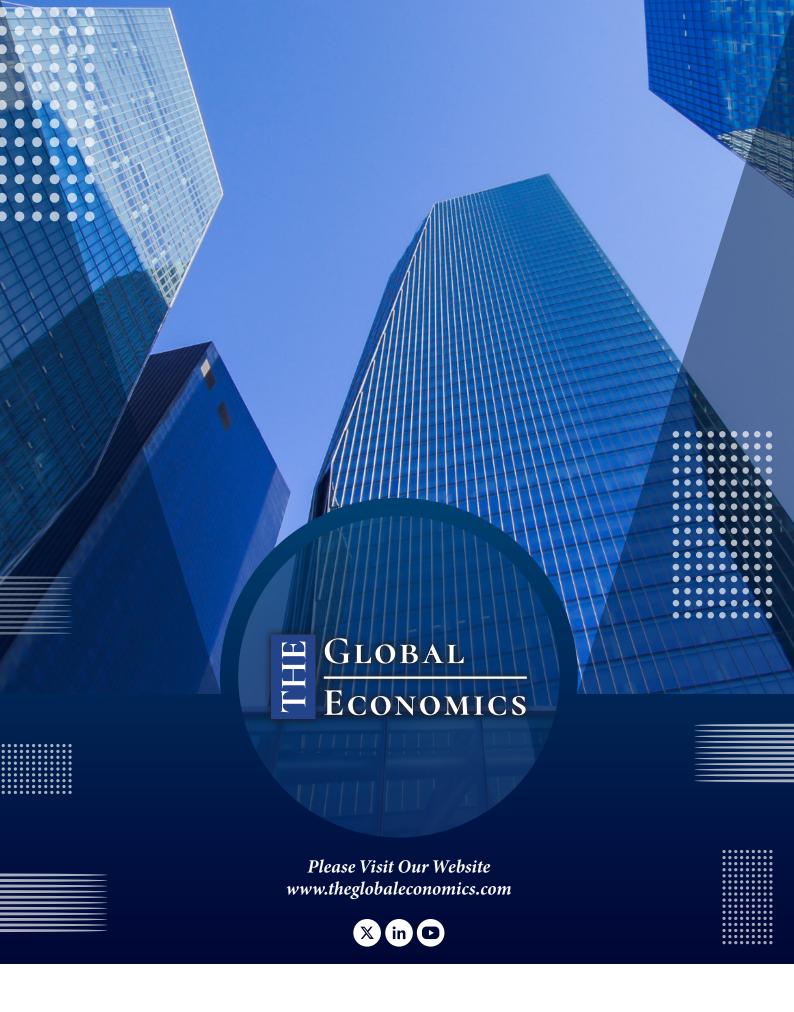
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