

Business

Italy's cafes, shops caught between rock and hard place

Poor funds, new sanitary rules represent brakes to reopening

ROME: The reopening of Italy's restaurants, cafes and stores earlier this week brought hopes of a return to normality for many Italians after a punishing two-month coronavirus lockdown.

But the picture is not so bright. In a sign of further trouble ahead for Italy's economy, many of these establishments remain shut as insufficient funds, new sanitary rules or a lack of clientele represent serious brakes to reopening.

Italy's small and medium-sized business association, Confesercenti, found in a survey published on Saturday that nearly a third of the million establishments allowed to reopen on Monday said they would not.

'Insurmountable problem'

For 68 percent, reopening would not be profitable. Thirteen percent said they had health and safety concerns and an equal number said government directives were too vague.

"For businesses, reopening is a race against time and obstacles," wrote the group, which called for "direct economic aid." "Entrepreneurs fear the impact of the rigidity of the guidelines on activities, and remaining squeezed between the increase in operating costs and the foreseeable drop in revenues," Confesercenti said.

New regulations - which can result in fines if not followed - are particularly hard to respect for smaller establishments, Confesercenti's Valerio Maccari said. "The typical Roman trattoria, for example, does not have much room and in this case ensuring physical distance becomes an insurmountable problem," he said. The rules include sanitary measures such as setting up tables with 1 metre (3.3 feet) of distance between them and twice-daily cleaning of the establishment, as well as masks and gloves for workers. But restaurants also have to contend with more paperwork, such as taking down names and phone numbers of customers for easier tracking in the case of an eventual coronavirus case.

In Rome, restaurant owner Tatjana Pavelic said earlier this week she was opening just one of the four restaurants she operates along a usually busy street leading to the Pantheon. Tourists were nowhere to be seen, but her lunch traffic from local clients was also disrupted because of people still working from home, she said.

Bankrupt tomorrow?

"We have so many clients who work in offices," said Pavelic. "And tourism hasn't started even for Italians."



ROME: People enjoy a drink at a bar terrace in the Ponte Milvio district of Rome on Thursday as the country eases its lockdown after over two months. — AFP

Pavelic said she had asked for a reduction on her rents, which are based on the amount of foot traffic, but was still awaiting an answer. Public anger is mounting. Throughout the capital, protest posters are seen in many shop windows: "Without government help, we can NOT reopen".

In Milan on Saturday, small shop owners and taxi drivers held a protest, saying the government had offered no concrete measures to help them. Many are calling for a hiatus in taxes to help them get through the difficult period. "I'm not opening today to go bankrupt tomorrow," read some of their banners.

"All of us here want to work," shouted one protester into a megaphone. "But we need support to do so."

A survey by the Italian Federation of Public Establishments (Fipe) on April 4 found that 96 percent

of bars, restaurants and similar businesses considered governmental support insufficient.

They cited the need for immediate liquidity to cover the shortfalls in revenue, or credit with zero or subsidized interest, as well as the cancellation of taxes due. At the other end of the Italian boot, in Avola, Sicily, restaurant owner Gianpaolo Molisena has decided to remain closed for now, one of the approximately 5,000 such establishments keeping their doors shut in Sicily, a quarter of the total. Were he to reopen, it would cost Molisena "100 (euros) to collect 30," he said. The restaurant usually employs six people.

"Besides, the spirit of the restaurant is not there, the charm of dining with friends ... is lost with all these rules," he said. "The customers feel under surveillance." — AFP



Tourism sector provides 15% jobs in Italy

"Were I to open tomorrow, I wouldn't have one client," said Pietro Lepore, owner of Harry's Bar on Rome's tony Via Veneto. "There are 12 luxury hotels on the street. Sixty percent of my business comes from their clientele and they're all closed," Lepore, whose 24 employees are all furloughed, told AFP.

It is the same from Rome to Florence and Venice, where the spokeswoman for the city's shopkeepers' association, Cristina Giussani, mused whether cafes and restaurants should open "for seagulls and pigeons" given the utter lack of tourists.

Italy's economy is highly dependent on tourism. The sector makes up 13 percent of the country's output while employing about 4.2 million Italians, or 15 percent of jobs in Italy. Some are counting on the reopening of Italy's borders to Europeans in early June as a crucial turning point. But many wonder whether tourists will feel comfortable enough to travel, or whether they'll have the money to do so.

NBK launches Eid guide, covering key services

KUWAIT: Since the outset of the global health crisis, National Bank of Kuwait (NBK) has been providing its customers with distinguished services, ensuring that the bank is always by their side at all times while enabling them to complete their banking transactions without disruption. In addition, the bank has provided customers with all the needed support and health guidance, as well as entertainment content through its channels on social media.

On the occasion of Eid Al-Fitr, NBK wanted to greet customers in its own way. The bank has prepared a guide showcasing the key services that customers can benefit from during Eid, by introducing some applications to provide them with various services, such as methods of sending the Eidiya, ways to display the Eid table and household arrangements, video chat applications to send greetings to family and friends, as well as entertainment apps for children.

Commenting on this topic, Hisham Al-Nusif, Deputy General Manager of Consumer Banking Group, National Bank of Kuwait, said: "Since the outbreak of the Novel Coronavirus (COVID-19), NBK has been working to provide support to customers by all means. And as part of our endeavors to offer them a top-notch banking experience, not only by meeting their banking needs, we have gone the extra mile to provide customers with all the required support, as well as various important guidelines, which witnessed remarkable interaction from customers."

"Today, we wanted to send greetings to our customers in our own way through this guide, which we hope will help them spend special moments in celebrating the traditional joyful times of the Eid in spite of these exceptional circumstances, while adhering to all precautionary measures to keep them safe," Al-Nusif continued.

"During this period, we worked also on providing



entertainment content suitable for different age groups on our social media accounts nbkgroup, where we posted various interesting topics ranging from cooking to home workouts and training sessions, given by a number of experts in various fields. We also offered Zeina Coloring Book to kids that can be downloaded from our website, which is also an amusing way to develop their skills," he added.

Al-Nusif concluded: "We extend our greetings to all customers, wishing them good health and safety. We also hope that this health crisis will end soon, and we promise our customers with more distinguished services during the coming period."

It's worth mentioning that NBK has provided customers with a special guide for all the bank's digital services, where customers can simply click on the service to view the tutorials to get familiar with the services, as well as a guide for the key services available during full lockdown, in order to meet all customers' essential needs and health services they may require.

And in a step to reinforce its leadership in providing cutting-edge services to its customers, NBK has updated many services on NBK Mobile Banking App enabling customers to make their banking transactions quickly and easily. Besides, as part of its endeavors to offer convenient and safe services to its customers, NBK provided, for the first time in Kuwait, a mobile branch comprised of a truck with ATM and ITM devices, which reaches customers at their doorsteps to make their banking transactions while adhering to precautionary health measures to keep them safe.

struction site where more than 10,000 workers are building a shipyard for LNG production facilities.

Russian authorities say 2,259 coronavirus cases have been identified there, while the entire Murmansk region has only 575 other cases. Seven people have died in the region, including a woman who was working at the construction site.

A cruise ship with a capacity of 2,500 passengers called the Princess Anastasia has docked at the site to isolate healthy workers, and a mobile hospital has been built to treat the sick. Construction work is still continuing at the site linked to the huge Arctic LNG 2, which involves several partners, including France's Total.

Sabetta LNG plant

On the Yamal Peninsula in the Siberian Arctic, 1,335 out of 1,989 confirmed cases have been people infected at numerous oil and gas extraction sites, according to authorities. One major site is Yamal LNG, a huge Novatek plant at Sabetta which employs around 30,000 people. In late April, the airport which provides the only access to Sabetta was closed by the authorities to stop the virus spreading.—AFP

Moody's affirms ABK ratings at 'A2'; outlook 'stable'

KUWAIT: Moody's investors Service, has affirmed the long-term deposit ratings of ABK at 'A2' with a 'stable' outlook in its most recent credit opinion issued this week.

Moody's said that ABK's baa3 standalone BCA reflects the Bank's strong capitalization, substantial loan-loss reserves and stable funding base with adequate liquidity buffers. The Bank's asset quality improved in 2019. ABK's pre-provision income has been stable, however, high provisioning costs led to modest bottom line profitability. The stable outlook on ABK's deposit ratings reflects the benefits stemming from regional diversification. In closing, Moody's confirmed that the Bank's NPLs are low and well provisioned. ABK maintains relatively strong capital metrics, allowing the bank a solid absorption buffer. ABK's Capital Adequacy Ratio was 18.6 percent as of the end of December 2019.

ABK's revenues before provisions showed financial flexibility, while the cost of higher provisions led to medium profitability in 2019. ABK has consistently been recognized with solid credit ratings in Kuwait by major rating agencies, Moody's & Fitch.

Debt default looms for Argentina

BEUNOS AIRES: Argentina was teetering on the brink of a second default this century on Friday as the deadline for a \$500 million bond interest repayment approached. The crisis-wracked country was already trying to renegotiate its crippling debt before its economy was hit—like others all over the world—by the coronavirus pandemic.

"Barring an eleventh hour deal out of the blue, Argentina's ninth sovereign default will be confirmed on Friday," said analysts Capital Economics.

On Thursday, the economy ministry announced that it had postponed talks for a second time with international creditors on the restructuring of \$66 billion of debt, this time until June 2.

The negotiations were supposed to be completed by May 8 but had already been extended until Friday. Although it is one of the world leaders in food exports, Argentina has already defaulted on its debt eight times in its history, the last of those being in 2001 when it owed \$100 billion. That triggered a painful social and economic crisis.

The South American country, which has been in recession for two years, currently owes \$324 billion, amounting to around 90 percent of its GDP.

'Nothing of substance'

Argentina's main group of creditors is demanding "a direct and immediate discussion" on its restructure plans. "The group is happy to see that Argentina has expressed its intention to work with the creditors, but actions speak louder than words," said the Ad Hoc group made up of investment funds including BlackRock and Fidelity. "Over the last month, Argentina has communicated virtually nothing of substance to its creditors." —AFP



3,000 participate in Ooredoo's gaming tournament

KUWAIT: In tandem with its commitment to embracing digitalization and leading the way in meeting the growing demands for online digital users in Kuwait, Ooredoo Telecom, the first to introduce innovative digital services in Kuwait, organized the ProPing Online Gaming Tournament from April 26 to May 21, in collaboration with Blink Kuwait, the professional E-sport organizer, and leader in the PC and console gaming business in Kuwait.

The tournament took place virtually; and more than 3,000 gaming enthusiasts competed in the online game 'Call of Duty - Modern Warfare' from their homes. Valuable prizes were awarded to the top 3 winners. Team LGND won first place and was awarded with a KD600 voucher from Blink, and each member of the team won a one year membership in the ProPing internet service provided by FASTTelco; Team Grey won second place and was awarded with a KD 300 voucher from Blink, and each member of the team won a six month membership in the ProPing internet service provided by FASTTelco.

Commenting on the tournament, Nouf Al-Meshaan, Director of Marketing at Ooredoo Kuwait said, "Ooredoo continues to prove its commitment to embracing digitalization and leads the way in meeting the growing demands for online digital services in Kuwait, especially in the fast-paced telecom industry where customers need reliable, consistent, and fast internet. This is especially crucial nowadays when digital entertainment content is witnessing substantial growth in the region due to the rising popularity of smart devices, as well as the increase in gaming and streaming. Al-Meshaan added, this new service perfectly complements the company's core values of caring, connecting and challenging, while also upholding its commitment to providing customers with services and plans that match their expectations and lifestyle at home.

In addition to the tournament, FASTTelco, a subsidiary of Ooredoo Kuwait and the only provider of ProPing; which is a tailored-made internet service for pro-gamers is launched exclusive new sets of Pro Gaming PCs and gaming accessories bundles in cooperation with Blink. FASTTelco also provided Shamel Home ProPing packages starting at KD18 per month with tailor-made wireless and fixed internet bundle for pro-gamers, to provide an unparalleled gaming experience.

ProPing Online Gaming Tournament is aligned with the company's 'Be Safe. Be Home. Be Online' campaign, featuring an array of digital offers and services designed to support customers and to ensure they are well connected and informed during the COVID-19 outbreak in the country.

Oil and gas sites hit by virus in Russia, Kazakhstan

MOSCOW: Coronavirus outbreaks have swept through several oil, gas and mining sites in Russia and Kazakhstan, where major international firms from Total to Chevron and local giants like Gazprom are operating. Thousands have been infected at several sites and at least two have died, as operators scramble to contain the disease's deadly spread. Workers live in crowded conditions, ideal for the spread of the virus, and many of the sites are remote—some reachable only by air.

Here is what we know about the outbreaks at several of the sites, the region's new virus hotbeds.

Belokamenka shipyard

Two of the sites with major outbreaks are run by Russia's second largest natural gas company, Novatek. Belokamenka in the Arctic Murmansk region is a con-