

Debt-laden African countries charged 'extortionate' rates: UN

Public debt ratios in sub-Saharan Africa are highest in more than two decades

● The UN will spend \$250 million from its emergency fund

● Somalia is on the verge of famine

Reuters | Addis Ababa

African countries are getting a raw deal from the international financial system which charges them "extortionate" interest rates, the UN chief said on Saturday, as he announced \$250 million in crisis funding, including for famine risk on the continent.

The United Nations Secretary-General Antonio Guterres wants far-reaching reforms to the structure of international finance to serve the needs of developing countries more efficiently, he told the opening ceremony of the annual African Union summit in Ethiopia.

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The global financial system routinely denies (developing countries) debt relief and concessional financing while charging extortionate interest rates

THE UNITED NATIONS SECRETARY-GENERAL ANTONIO GUTERRES

cessional financing while charging extortionate interest rates," he said.

The UN will spend \$250 million from its emergency fund, the largest ever allocation, to respond to several crises around the world, including helping communities at risk of famine in Africa, Guterres later told a news briefing.

The coronavirus pandemic pushed many poor countries into debt distress as they were expected to continue servicing their obligations in spite of the massive shock to their finances.

Public debt ratios in sub-Saharan Africa are at their highest



in more than two decades, the International Monetary Fund said last year.

Governments on the continent, including Ethiopia, sought debt restructuring deals under an IMF programme to help them navigate the crisis, but conclusion of the process has been delayed.

Others, which have not sought to restructure their debt, like Kenya, have seen their debt sustainability indicators worsen after the pandemic hit their finances.

"African countries cannot... climb the development ladder with one hand tied behind their

backs," Guterres said.

Ethiopia's Prime Minister Abiy Ahmed echoed the call.

"Nearly all of us want to put our economies back on a growth trajectory but this will not happen without sufficient restructuring to make our external debt sustainable," he said.

The summit, which brings together leaders from the 55 African nations, is also focusing on deepening food and security crises on the continent.

Armed conflict from the Sahel to the Horn of Africa and the impacts of droughts and floods have driven ever more Africans from their homes.

Hunger, driven by the impact of the armed conflicts and also extreme weather that scientists have linked to climate change, has also worsened in several nations. Somalia is on the verge of famine after five failed rainy seasons, with hundreds of thousands of people suffering catastrophic food shortages.

"We need to critically assess why one third of the hungry people in the world are in our continent," Abiy said.

Saudi and UAE top economic diversification index in GCC

Julia Cassano
TDT | Manama

The UAE and Saudi Arabia enjoy top ranks in the second edition of the global economic diversification index in the Gulf Cooperation Council nations launched by the Mohammed Bin Rashid School of Government.

MENA region, the report said, improved significantly over the past decade, as many oil-reliant countries have shifted their focus towards advancing their economies.

The index highlights the UAE's and Saudi Arabia's efforts to diversify economies, particularly in non-oil sectors such as tourism, infrastructure, and logistics, which were impacted negatively by the COVID-19 pandemic.

Saudi Arabia, ranked among the bottom 10 nations in the 2000s, has implemented new policies that have accelerated its economic diversification.

"Economic diversification provides multiple benefits, including macroeconomic sta-



bility, economic growth, job creation, and development alongside promoting greater private sector activity, more sustainable public finances, as well as greater skill diversity in the labour force", the index said.

On the 2023 EDI, the top 10 most diversified economies remained the same, with the United States, China, and Germany holding the top positions.

Additionally, the index said nations ranking in 4th to 10th place only contain a 6-point difference, again highlighting the strength of diversification among the highest-ranked countries.

Amazon asks employees to be in office at least three days a week

Reuters

Amazon.com Inc (AMZN.O) would require employees to be in office at least three days a week from May 1, the e-commerce giant said on Friday.

The COVID-19 pandemic had altered the workplace, with companies sending employees home to work remotely. Even as lockdowns eased around the world, a large population of employees remains remote or in a hybrid environment.

In a message that was posted on Amazon's blog, chief executive Andy Jassy wrote the decision was taken at a meeting earlier this week and the move would make it easier to learn and collaborate.

"This shift will provide a boost for the thousands of businesses located around our



urban headquarter locations in the Puget Sound, Virginia, Nashville, and the dozens of cities around the world where our employees go to the office," Jassy wrote.

The company added there would be some exceptions to the rule - customer support roles and salespeople would have the option of working remotely.

Amazon had said in October 2021 it would let individual teams decide how many days corporate employees would be expected to work from office in a week.

Twitter to charge users to secure accounts via text message

Reuters

Twitter said on Friday it will allow only paid subscribers to use text messages as a two-factor authentication (2FA) method to secure their accounts.

After March 20, "only Twitter Blue subscribers will be able to use text messages as their two-factor authentication method," the company tweeted.

Two-factor authentication, meant to make accounts more secure, requires an account holder to use a second authentication method in addition to a password. Twitter allows 2FA by text message, authentication app and a security key.

The company believes phone-number-based 2FA is being abused by "bad actors," according to a Wednesday blog post that the company's tweet linked to.

Twitter owner Elon Musk tweeted "Yup" in reply to a user tweet that the company



Elon Musk

was changing policy "because Telcos Used Bot Accounts to Pump 2FA SMS," and that the company was losing \$60 million a year "on scam SMS."

The blue check mark, previously free for verified accounts of politicians, famous personalities, journalists and other public figures, is now open to anyone prepared to pay.

Last month, Twitter said it would price Twitter Blue subscription for Android at \$11 per month, the same as for iOS subscribers.

Microsoft's Bing plans AI ads in early pitch to advertisers

Reuters

Microsoft (MSFT.O) has started discussing with ad agencies how it plans to make money from its revamped Bing search engine powered by generative artificial intelligence as the tech company seeks to battle Google's dominance.

In a meeting with a major ad agency this week, Microsoft showed off a demo of the new Bing and said it plans to allow paid links within responses to search results, said an ad executive, who spoke about the private meeting on the condition of anonymity.

Generative AI, which can produce original answers in a human voice in response to open-ended questions or requests, has recently captivated the world. Last week, Microsoft and Alphabet's (GOOGL.O)



Microsoft CEO Satya Nadella speaks at the company's headquarters to introduce a presentation on the software maker's new AI-powered search engine, in Redmond, Washington

Google announced new generative AI chatbots a day apart from the other. Those bots, which have not yet rolled out widely to users, will be able to synthesize material on the web for complex search queries.

Early search results and conversations with Microsoft's Bing and Google's chatbot called Bard have shown they can be unpredictable. Alphabet lost \$100 billion in market value on the day when it released a promotional video for Bard that showed the chatbot sharing inaccurate information.

Microsoft expects the more human responses from the Bing AI chatbot will generate more users for its search function and therefore more advertisers. Advertisements within the Bing chatbot may also enjoy more prominence on the page compared to traditional search ads.

Microsoft is already testing ads in its early version of the Bing chatbot, which is available to a limited number of users, ac-

ording to the ad executive and ads seen by Reuters this week.

The company said it is taking traditional search ads, in which brands pay to have their websites or products appear on search results for keywords related to their business, and inserting them into responses generated by the Bing chatbot, the ad executive said.

Microsoft declined to comment on the specifics of its plans.

Microsoft is also planning another ad format within the chatbot that will be geared toward advertisers in specific industries. For example, when a user asks the new AI-powered Bing "what are the best hotels in Mexico?", hotel ads could pop up, according to the ad executive.

Integrating ads into the Bing chatbot, which can be expanded to fill the top of the search page, could help ensure that ads are not pushed further down the page below the chatbot.



Raiffeisen Bank in Moscow

US sanctions authority probes Raiffeisen on Russia

Reuters | Frankfurt/Vienna

The United States' sanctions authority has launched an inquiry into Raiffeisen Bank International (RBI.VI) over its business related to Russia, increasing scrutiny of the Austrian lender that plays a critical role in the Russian economy.

Responding to questions from Reuters, the bank said it had received a request from the US Treasury Department's Office of Foreign Assets Control (OFAC) in January to "clarify payments business and related processes maintained by RBI in light of the recent developments related to Russia and Ukraine."

OFAC had asked Raiffeisen for details of its exposure in Russia, the partially occupied Donbas, Ukraine and Syria, including about the transactions and activity of certain clients, a source told Reuters.

The US agency had requested a reply by February, said that person, adding that Raiffeisen's lawyers negotiated an extension, pledging to answer the questions in three tranches of information to be sent to in early April, May and June.

A spokesperson for US Treasury Department declined to comment.



The new Bing, which has a waitlist of millions of people for access, is a potentially lucrative opportunity for Microsoft. The company said during an investor and press presentation last week that every percentage point of market share it gains in the search advertising market could bring in another \$2 billion of ad revenue.