

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
Closed	Closed	\$1,729.10 (per ounce)	\$67.63 (per barrel)	▼ 1.12%	▼ 0.02%	▲ 0.13%	▼ 0.03%	BUY TK 83.95	99.14	115.57	12.70
				49,801.62	29,914.33	3,109.65	3,445.55	SELL TK 84.95	102.94	119.37	13.35



# Star BUSINESS

DHAKA THURSDAY MARCH 18, 2021, CHAITRA 4, 1427 BS • starbusiness@thedailystar.net

## Forex reserves may come under stress without quality lending

Experts say projects financed by reserves should be monitored properly

AKM ZAMIR UDDIN

The country's ballooning foreign exchange reserves may come under stress if the infrastructure projects to be bankrolled by the excess external capital are not monitored properly, experts warn.

They expressed the fears after the government formed the Bangladesh Infrastructure Development Fund (BIDF) on March 15 to lend money from the reserves.

The government decided to disburse Tk 5,417 crore (524.56

million British pounds) in foreign currency loans to dredge a channel for Payra Port, a seaport in Kalapara, Patuakhali.

A tripartite loan agreement was signed between the finance division, the Payra Port Authority and state-run Sonali Bank to

finance the project.

The country's foreign exchange reserves have seen a sharp accretion in recent months riding on the solid flow of remittance and lower imports caused by the pandemic-induced slowdown.

The forex reserves stood at around \$43 billion last week in contrast to \$32.31 billion a year ago.

Both public and private sectors have been facing a lack of governance for years, which may have an adverse impact on the use of the reserves to implement the projects.

A 10-member central bank committee has strongly recommended not to allow any private company to take loans from the forex reserves.

There is a high risk of investing the funds from the forex reserves given the weak corporate governance in the financial sector and the poor record of implementing government

projects on time, economists said.

In the past, the government revised the deadlines of a majority of infrastructure projects, escalating their cost compared to the initial estimate.

If the same situation is repeated for the projects to be funded by the reserves, this will be a matter of concern for the financial stability in the country.

"Who will ensure the quality of lending from the reserves as the entire banking industry lacks corporate governance? This is a major question," said Salehuddin Ahmed, a former governor of Bangladesh Bank (BB).

The fund may even become non-performing in case of inadequate monitoring, he said.

The central bank committee submitted the policy guidelines on March 11 to its higher-ups, suggesting how to use the forex reserves.

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## Any deal should end double taxation

Maldivian foreign minister says in interview, seeks investment protection



Abdulla Shahid

REFAYET ULLAH MIRDHHA

The Maldives wants to sign agreements with Bangladesh which do away with double taxation and guarantee and protect investment for increasing bilateral trade and investment, says the archipelagic state's foreign minister, Abdulla Shahid.

The current volume of bilateral trade is very negligible, comprising just a handful of products, for the absence of bilateral trade and investment guarantee and protection agreements, he said.

The trade volume is also low for the same scenario afflicting people-to-people and transport connectivity, as is in the case of flights between Dhaka and Malé, said Shahid.

However, very high trade potential exists between these two members of the South Asian Association for Regional Cooperation (Saarc) because of commonalities in goods on demand, a rising middle-income population and geographical proximity, he added.

So, the Maldives has been negotiating with Bangladesh to get some agreements signed for increasing bilateral trade, Shahid told The Daily Star in an exclusive interview during a visit to Dhaka to meet his Bangladeshi counterpart last month.

In the meeting, both Shahid and AK Abdul Momen were said to have agreed to encourage private sector entrepreneurs to get more involved in bilateral trade and investment.

The Maldives is not interested in signing free trade or preferential trade agreements (FTA or PTA), rather it wants a comprehensive trade and economic agreement foreseeing Bangladesh as a potential trading partner in South Asia, said Shahid.

Such comprehensive agreements comprise vital issues like trade, investment, employment and intellectual property rights, he said.

Generally, each country provides a technical panel to start negotiations to formulate the agreement. Then its draft is discussed at the political level for finalisation. Such an initiative will be taken up within this year, said Shahid.

Commerce secretary-level talks will also start soon to explore areas for business, he also said.

Coming on frequent travels to Bangladesh, Shahid said he was thrilled to arrive this time as he had a lot of friends here connected to politics.

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### USE OF RESERVES: BB'S PROPOSALS, EXPERTS' VIEWS

**ONLY GOVERNMENT STRATEGIC PROJECTS CAN GET LOANS**

**TERMS AND CONDITIONS**

- ▶▶ Outstanding loans can't be over **10%** of reserve
- ▶▶ Repayment period will be **15yrs**
- ▶▶ Interest rate will hover between **2-3%**
- ▶▶ Loans will be used for import payments
- ▶▶ State banks will disburse the funds
- ▶▶ Sovereign guarantee a must for loans

**NO FUND FOR PRIVATE COMPANIES**

**WHAT ECONOMISTS SAY**

- ▶▶ Government can finance the projects following the existing method
- ▶▶ The lack of governance may create a roadblock
- ▶▶ Risk of default is there
- ▶▶ Cost and time escalation of projects should be checked
- ▶▶ Feasibility study should be conducted before giving a project loan
- ▶▶ An independent body should be formed

**INTRODUCING NEW**

**HOTLINE NUMBER**

**16704**

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## Govt releases Tk 570cr to support small firms

A total of Tk 1,500cr will be disbursed in two fiscal years

STAR BUSINESS REPORT

The government has released Tk 570 crore from the Tk 1,500 crore stimulus package for their disbursement among small traders, entrepreneurs and farmers to help them survive the ongoing pandemic.

Eight government and semi-government agencies will disburse the fund this fiscal year while the rest of the amount will be disbursed in the next fiscal year.

The government approved the new packages on January 17 with an aim to improve the living standards of marginalised people living in rural areas.

The loans will be given as grants among cottage, micro and small enterprises (CMSE) in rural areas that previously had no access to formal banking channels.

Borrowers can avail the loan at 4 per cent interest while the lenders will charge this interest as transaction costs.

The Bangladesh Rural Development Board got the highest allocation of Tk 150 crore

for disbursement within 2020-21 out of its total allocation of Tk 300 crore for two fiscals, including 2021-22.

Of the remaining amount, Tk 100 crore each has been allocated for the Palli Daridro Bimochon Foundation, Social Development Foundation and SME Foundation.

Tk 50 crore will go to both the Bangladesh Small and Cottage Industries Corporation (BSCIC) and Small Farmer Development Foundation while the NGO Foundation and Joyeeta Foundation have been given Tk 10 crore each.

Micro businesses and farmers that could not avail loans from banks due to a lack of necessary documentation will get funds under the package.

The finance division has set some conditions for disbursing the loan.

Borrowers will have to repay the loan within two years in 18 monthly instalments with a grace period of six months.

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The money will be disbursed among cottage, micro and small enterprises to improve the living standards of marginalised people.

PHOTO: STAR/FILE

## Subscription ends for City Bank's Tk 400cr perpetual bond

STAR BUSINESS REPORT

City Bank has organised the subscription closing ceremony of a Tk 400 crore bond, which is the country's first ever Basel-III compliant, additional Tier-I, contingent-convertible perpetual instrument of its kind.

A perpetual bond is a fixed income security with no maturity date and is often considered as a type of equity rather than debt.

City Bank Capital was the mandated arranger to the issue.

This bond will pave the way for recapitalisation of banks through optimising their capital structure via a more efficient mix of debt and equity, the bank said in a press release.

This is an effective alternative to raising capital from existing shareholders and this instrument is expected to become a critical tool to support expansion of the banking sector in the coming years, it said.

Salman F Rahman, private industry and investment adviser to the prime minister, delivered a video speech at the event, held at Westin Dhaka on Tuesday, where several stakeholders and well-wishers of the bank also attended.

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STAR BUSINESS DESK

The World Bank approved \$200 million to help Bangladesh provide support and services to the low-income urban youths impacted by the ongoing pandemic and the involuntary migrant returnees to improve their earning opportunities and resilience.

The Recovery and Advancement of Informal Sector Employment (RAISE) project will help about 175,000 poor urban youths and low-income micro-entrepreneurs enhance employability and productivity.

The project will help by providing them with life-skills training, apprenticeship programmes, counselling, microfinance and self-employment support, the WB said in a statement yesterday.

It will help about 200,000 eligible migrants, who had been forced to return since January 2020, to either sustainably reintegrate into the domestic labour market or prepare for remigration.

"International migration and urban informal sector have played a central role in Bangladesh's remarkable success in reducing poverty over the years. However, both sectors

## WB gives \$200m to help poor urban youths, migrant returnees



A project will help poor youths by providing them with life-skills training, apprenticeship programmes and self-employment support.

STAR/FILE

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**Agriculture Minister Muhammad Abdur Razzaque poses during a visit to "Agriculture Technologies Demonstration Fair" organised by the Bangladesh Wheat and Maize Research Institute in Dinajpur recently. ACI Motors displayed, among others, Japanese Yanmar combine harvesters.**

ACI MOTORS

# Japan exports fall as China, US demand weakens

REUTERS, Tokyo

Japanese exports fell much faster than expected in February as US and China-bound shipments weakened, a source of concern for the world's third-largest economy as it tries to prop up growth.

The prospects for a US recovery may ease concerns about the outlook for Japan's economy, however, which is seen slowing in the current quarter due to new COVID curbs that have hit service-sector activity.

Ministry of Finance data out on Wednesday showed Japanese exports fell 4.5 per cent year-on-year in February, hurt by decline in US-bound shipments of automobiles.

"Japan's export growth has probably weakened this quarter, but uptrend remains intact," said Masaki Kuwahara, senior economist at Nomura Securities.

"The Chinese economy will resume recovery once a renewed rise in infections fades, and the vaccine rollouts and huge stimulus will give a boost to the US economy, all of which should help accelerate Japan's exports and broader economy in April-June."



REUTERS/FILE

**A labourer works in a container area at a port in Tokyo, Japan.**

It was the first decline in three months, following a 6.4 per cent gain in January. It was also much bigger than a 0.8 per cent drop expected by economists in a Reuters poll.

By region, exports to China rose 3.4 per cent in the year to February, led by chip-making equipment, nonferrous metals and plastic, slowing sharply from a 37.5 per cent gain in the prior month due partly to the Lunar New Year holidays that fell in February. US-bound shipments, another key export market for Japanese goods, declined 14.0 per cent year-on-year in February, dragged down by automobiles, airplane parts and motors, after a 4.8 per cent drop in the prior month and posting a fourth straight month of declines.

# Some businesses thrive, others ache during pandemic

AFP, Paris

The coronavirus pandemic initially brought the global economy to a halt but business adjusted, with the more nimble taking advantage of the move online while others struggle to find a way forward. Here are some of the economic winners and losers of the Covid era so far:

Lockdowns, curfews and travel restrictions all seemed to play to the strengths of Amazon, which pioneered the transition to online retail. The company headed by Jeff Bezos, who started out selling books and losing massive amounts of money, seemed perfectly suited to the changed times as bored and anxious consumers confined to their homes stocked up. The results were stunning -- a 40 per cent increase in sales to \$387 billion dollars last year.

The home food delivery business also came of age as people dined-in instead of out, with restaurants and bars either restricted or closed completely. Anglo-Dutch group Just Eat Takeaway saw its revenues soar 54 per cent to 2.4 billion euros while British competitor Deliveroo jumped 64 per cent to 4.1 billion pounds.

What else is there to do if one cannot go out except slump on the sofa to watch television and play video games while munching on your latest dine-in delight? With the cinema out of bounds, the home-based version took off big time, with Netflix building an audience of 200 million on an offer of high-class films and series typified by "The Crown," the story of Britain's Queen Elizabeth II. Disney, not to be left behind, launched its Disney+ service late 2019 and had



**Small toy figures are seen in front of displayed Amazon logo in this illustration.**

REUTERS/FILE

95 million subscribers by early 2021. Among the game makers, Sony and Microsoft launched new consoles and ramped up sales.

Families also played more classic games, with Danish toy brick maker Lego enjoying a new lease of life in

helping keep children -- and adults -- amused and busy for long periods of time. The family-owned business chalked up a 19 per cent rise in net profit to a record 1.3 billion euros last year.

Air transport was probably the

worst hit sector, with thousands of aircraft mothballed worldwide. Predictions for a return to a semblance of normality have progressively been put back, with industry groups now looking to 2023 or even 2024. Legacy flag carriers such as Air France and Lufthansa chalked up huge losses -- of 7.1 billion euros and 6.7 billion euros respectively -- and required huge state bailouts to keep them going.

The low-cost operators such as EasyJet and Ryanair adapted faster than their older peers but could not escape the impact of the near total collapse of air travel. Ryanair's Michael O'Leary lambasted governments for bailing out the older carriers he believes do not deserve to be in business and he insisted the crisis was also an opportunity to finally restructure the industry.

# European new car sales drop 20pc

REUTERS, Berlin

European car registrations fell in February, industry data showed on Wednesday, as coronavirus lockdowns and accompanying uncertainty across Europe took a toll on sales.

New car registrations dropped by 20.3 per cent year-on-year to 850,170 vehicles in the European Union, Britain and the countries of the European Free Trade Association (EFTA), figures from the European Automobile Manufacturers' Association (ACEA) showed.

Most European markets posted declines. Registrations in Spain registered a drop of 38 per cent. Sales in France and Germany, fell by 21 per cent and 19 per cent respectively, while Italy reported a smaller drop of 12 per cent in the month. Sales at Volkswagen and Stellantis dropped by 19 per cent and 22 per cent respectively, while Renault reported a fall of 29 per cent.

Luxury automakers also posted losses in February with sales at BMW falling 13 per cent and rival Daimler reporting a 20 per cent decline.

Europe's carmakers are counting on sales in China, which hasn't reintroduced a coronavirus lockdown, to boost 2021 sales, after a rebound in the world's largest market helped the industry recovered faster last year.

**Government of the People's Republic of Bangladesh**  
College Education Development Project (CEDP)  
College Name: Patiya Govt. College  
College Address: Patiya, Chattogram

**Invitation for Tenders**

1	Ministry/Division	Ministry of Education.		
2	Agency	University Grants Commission/ National University.		
3	Procuring entity name	Patiya Govt. College, Chattogram.		
4	Procuring entity code	N/A.		
5	Procuring entity district	Dhaka.		
6	Invitation for	Furniture and fixture for classrooms, laboratories, multi-purpose ICT lab, library and auditorium.		
7	Invitation Ref No.	PGC/CEDP/2021/050		
8	Date	18/03/2021		
<b>KEY INFORMATION</b>				
9	Procurement method	Open Tendering Method (National).		
<b>FUNDING INFORMATION</b>				
10	Budget and source of funds	Development Budget (Government & IDA Credit).		
11	Development partners	International Development Association (IDA), World Bank.		
<b>PARTICULAR INFORMATION</b>				
12	Project code	224017200		
13	Project name	College Education Development Project (CEDP).		
14	Tender Package No.	G-4		
15	Tender package name	PGC/CEDP/2020-21/G-4		
16	Tender publication date	18/03/2021		
17	Tender last selling date	05/04/2021 at 5:00pm		
18	Tender closing date and time	06/04/2021 at 2:00pm		
19	Tender opening date and time	06/04/2021 at 2:30pm		
20	Name & address of the office	Office of the Principal Patiya Govt. College, Chattogram		
	Selling tender document			
	Receiving tender document			
	Opening tender document			
21	Place/ date/ time of pre-tender meeting (optional)	Will not be held.		
<b>INFORMATION FOR TENDERER</b>				
22	Eligibility of tenderer	The tenderer shall have a minimum 03 years overall experience in the supply of goods and related services. The tenderer shall have minimum specific experience as supplier in supply of similar goods of minimum BDT 35.00 lac only at least 01 (one) single contract in the last 03 years. The minimum supply and production capacity of goods are twice of the proposed supply requirement. The minimum amount of liquid assets i.e. working capital or credit line(s) of the tenderer shall be BDT 35.00 lac.		
23	Brief description of goods	Mentioned of the tender document.		
24	Brief description of related services	Mentioned of the tender document.		
25	Tender document price	BDT 1,000.00 (one thousand).		
26	Tender package name	Location	Tender security amount (Tk)	Completion time in days
	Furniture and fixture for classrooms, laboratories, multi-purpose ICT lab, library and auditorium.	Patiya Govt. Collage, Chattogram	1,00,000.00	30 days
27	Name of official inviting tender	Professor Mohammad Mozzamel Hoque.		
28	Designation of official inviting tender	Principal.		
29	Address of official inviting tender	Patiya Govt. College, Patiya, Chattogram.		
30	Contact details of official inviting tender	Tel: 0303556391/01876029046, E-mail: patiyagovtcollege@gmail.com		
31	The procuring entity reserves the right to accept or reject all tenders without assigning any reason whatsoever.			

**Professor Mohammad Mozzamel Hoque**  
(2664)  
Principal  
Patiya Govt. College, Chattogram

GD-554

**Government of the People's Republic of Bangladesh**  
Bangladesh Police  
Police Telecommunication Organization  
Police Telecom Bhabon, Rajarbag, Dhaka.  
telecom.police.gov.bd

**Invitation for International Tender**

Memo No- 44.01.0000.057.11.053.20/1728/Betar  
Date: 16/03/2021.

Sealed tenders are hereby invited from the Manufacturers/suppliers in their official pad for supply of following items as required by Bangladesh Police in FY 2020-2021.

1.	Ministry/Division	Ministry of Home Affairs		
2.	Agency	Bangladesh Police		
3.	Procuring Entity Name	SP (Logistics), Police Telecom Organization		
4.	Invitation for	Supply, Installation, Testing and Commissioning of DMR Trunking (Tier-3) Radio on Turnkey Basis for Bangladesh Police.		
5.	Invitation Ref. No.	44.01.0000.057.11.053.20/1727/Betar		
6.	Date	16/03/2021		
<b>Key Information</b>				
7.	Procurement Method	One Stage Two Envelope (International)		
<b>Funding Information</b>				
8.	Budget and source of funds	Revenue Budget (GOB)		
<b>Particular Information</b>				
9.	Tender Publication date	18 March 2021.		
10.	Tender last selling date	27 April 2021.		
11.	Tender closing date and time	28 April 2021 at 11:00 hrs.		
12.	Tender opening date and time (Technical offer only)	28 April 2021 at 11:30 hrs.		
<b>Name &amp; address of the office</b>				
13.	Name & address of the office	Bangladesh Police, Police Telecommunication Organization, Rajarbag, Dhaka.		
	Selling tender document	SP (Logistics), Police Telecommunication Organization, Rajarbag, Dhaka.		
	Receiving tender document	Police Telecommunication Organization, Rajarbag, Dhaka.		
	Opening tender document	Police Telecommunication Organization, Rajarbag, Dhaka.		
14.	Place/date/time of pre-tender meeting (optional)	1 <sup>st</sup> April 2021, at 12:30 hrs. at Police Telecom Conference Room (1 <sup>st</sup> Floor), Police Telecommunication Organization, Rajarbag, Dhaka.		
<b>INFORMATION FOR TENDERER</b>				
15.	Eligibility of Tenderer	1) Up to date Export license 2) Written confirmation authorizing the signatory of the tender in accordance with the Memorandum of Association and Articles of Association of the Principal 3) Affidavit confirming the legal capacity and financial capability 4) Original full Brochure of products of the Principal 5) Other requirements described in the standard tender document (PG 5A).		
16.	Brief description of goods.			
Sl. No.	Description of Good	Price of tender document (Non-refundable)	Tender security	Completion time
1.	Lot-2: Supply, Installation, Testing and Commissioning of DMR Trunking (Tier-3) Radio on Turnkey Basis.	5,000/-	TK-17,85,000/- or US\$-21,000.00	120 days from the Date of Opening L.C.
<b>Procuring Entity Details</b>				
17.	Name of official inviting tender	M. Anwar Jahid		
18.	Designation of the official inviting tender	SP (Logistics), Bangladesh Police, Rajarbag, Dhaka-1217.		
19.	Address of official inviting tender	Police Telecom Organization, Rajarbag, Dhaka-1217.		
20.	Contact details of official inviting tender	Phone: +880 2-8301253 FAX: +880 2-8301404, Mobile: + 88 01320-020041 e-mail: splog.telecom@police.gov.bd		
21.	The tenderers shall submit their Technical and Financial offer in separate sealed envelope. Furthermore both envelopes shall be covered by an outer envelope which is sealed.			
<b>Special instructions</b>				
22.	a) No tender will be received after the deadline of submission time & date. b) The procuring entity reserves the right to reject all tenders or annul the tender process without assigning any reason. c) The Procuring entity also reserves the right to omit, increase and/or decrease the quantity of any item(s) of the tender. d) If not possible to receive/open the tender on the scheduled date for any unavoidable circumstance, the same will be received/opened on the next working date at the same time & same venue. e) Evaluation will be on item by item basis. f) Date of financial offer opening will be duly informed to the Technically Responsive Tenderers and their local agents. g) The Tenderer must comply with all requirements as per the tender data sheet provided with the tender schedule. h) The Tender Security shall be in the form of an irrevocable bank guarantee issued by an internationally reputable bank and shall require to be endorsed by its any correspondent bank located in Bangladesh. i) The Procurement will be performed according to the Public Procurement Act-2006 and Public Procurement Regulation 2008.			

**(M. Anwar Zahid)**  
SP (Logistics)  
Police Telecom Organization, Rajarbag, Dhaka.  
Ph: 8301253 Fax: 8301404  
e-mail: splog.telecom@police.gov.bd

GD-542



# Tea processing factories flock to Panchagarh as production rises

18 units are already in operation in Panchagarh, Thakurgaon

MD QUAMRUJ ISLAM RUBAIYAT, Thakurgaon

Tea processing factories are being set up in Panchagarh in increasing numbers in keeping with the fast-expanding cultivation of the popular beverage in northern districts.

Seventeen tea processing factories are already in operation in Panchagarh and one in Thakurgaon, according to the Bangladesh Tea Board (BTB).

Five more factories are under construction in Panchagarh and will commence commercial operations soon. The state-run agency has given approval to a total of 32 firms to set up processing units.

"If the factories run efficiently, both owners and growers will benefit from the growing cultivation, and the promising tea industry in the northern part will play an important role in the economy," said Mohammad Shamim Al Mamun, senior scientific officer of the regional office of the BTB in Panchagarh.

Tea cultivation in the flatlands of Panchagarh began in the late 1990s thanks to its favourable weather and soil. It soon expanded to other districts in the region.

In the last two decades, Panchagarh and Thakurgaon have emerged as the third-largest tea producing regions in the country after Chattogram and Sylhet.

About 50,000 acres of land is suitable for tea cultivation in five northern districts -- Panchagarh, Thakurgaon, Lalmonirhat, Dinajpur and Nilphamari -- of which, 10,170 acres have been brought under cultivation by this season.

Tea plantation has expanded to 8,642 acres of land in Panchagarh,



1,293 acres in Thakurgaon, 112.96 acres in Lalmonirhat, 71.09 acres in Nilphamari, and 61.50 acres in Dinajpur.

Cultivation grew by 15 per cent per annum on average in the last five years in the northern part of Bangladesh. The sector has created jobs for around 25,000 people.

"As the land in the northern districts is more fertile than in Chattogram and Sylhet, growers can pluck leaves after a year of planting saplings," said Mamun.

The plucking of green tea leaves and their processing began at the beginning of March and will continue until December.

Apart from 26 large gardens, there are 7,310 small farmers who produce tea on their own.

Large gardens and small growers in the five districts have a target to produce 12 million kilogrammes (kg) of tea, worth Tk 180 crore, in the current season by processing 60 million kg of raw tea leaves.

In 2020, tea was cultivated on 8,060 acres of land in the districts, and the target was to produce 9.5 million kg of tea.

Despite the coronavirus pandemic, the target was exceeded as 18 factories produced 10.3 million kg of tea by processing

50.12 million kg of raw leaves last year. The northern region accounted for about 12 per cent of national tea production in 2020.

In the initial stage of the plucking season, the collection of tea leaves has been lower. Authorities hope that the plucking will gain momentum by the middle of March, when all of the factories will resume operations at full speed.

Most of the factories have already started collecting raw tea leaves, said Monzur Alam, manager of Tentulia Green Care Tea Factory.

The factory, which started

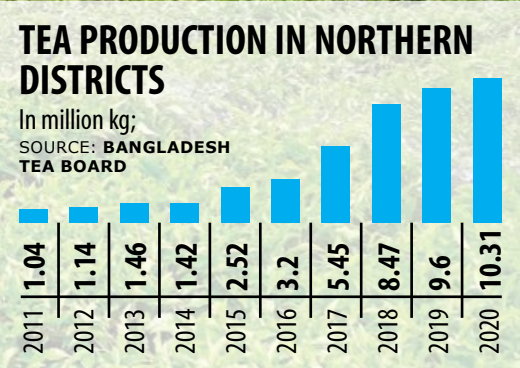
operations on March 2, needs 10,000 kg to 50,000 kg of raw leaves each day during the production period.

"I hope the tea leaves plucking will accelerate from the middle of March."

Amirul Haque Khokon, president of the Panchagarh District Small Tea Garden Owners Association, said tea cultivation and production were increasing every year in the northern districts, especially in Panchagarh and Thakurgaon.

"The quality of tea in the areas is improving day by day," he said.

READ MORE ON B3



# Rain reawakens Sylhet's tea

MINTU DESHWARA

The tea industry in Sylhet has been revitalised by recent rains that came after a dry winter season.

Around 30 millimetres of rain was recorded in Sylhet on March 8-10, according to the Bangladesh Meteorological Department.

"This rain was quite beneficial for the region's tea gardens as there had been very little precipitation for the past four months," said Sayed Ahmed Chowdhury, a meteorologist of the department.

Around 30 per cent of the country's annual rainfall comes in winter between November-February, but this time there was barely any rain over these four months.

Besides, rain has become a rare event for Sylhet in recent times, Chowdhury told The Daily Star.

"Since tea production depends only on rainfall, this brief stint of rain is truly a blessing for us," said Sudham Chhatal, a tea worker of Mirtinga Tea Garden in Kamalganj upazila of Moulvibazar. Tea workers in the area still hold onto old ideals when it comes to cultivation.

For example, they perform a puja to celebrate the rain.

"The goddess of fortune goes door-to-door to bless the people of the village with rice and pulses," Chhatal said, adding that if the rain continues to follow a natural pattern, this year's harvest could surpass last year's total production.

"We are very optimistic about the rains," said Saiduzzaman, senior manager of Mirzapur Tea Estate under the Ispahani Tea Company in Srimangal.

The tea trees have regained their youth with green buds starting to come out, he added.

"Rains might be a disruption to the public life, but it is a blessing for the tea gardens," said Shah Alam, chairman of Bangladesh Tea Association, a body of tea garden owners.

Many tea gardens are now being irrigated and this rain will help facilitate the process, Alam said.

On the other hand, pruning of tea trees is going on in other gardens.

These pruned branches will grow in advance thanks to the rain, which allows earlier harvests as well.

Besides, pest problems will be less amid the rain, which plays a very positive role in the growth of seedlings, he added. Mohammad Ali, director of the Bangladesh Tea Research Institute, said this rain will boost tea production to a great extent.

This is because after a long period of drought, the gardens wake up to new shoots after receiving such rains.

"The buds will soon grow into trees and we will have the facility to do early plucking," Ali said.

As soon as spring arrives, the tea trees begin to sprout as early buds begin to shed.

"Our factory has started operations on a limited scale," Ali said, adding that his factory currently runs just 1-2 days a week to process tea leaves based on its supply.

Natural rainfall brings better yield than artificial irrigation, he said.

The current tea production target has been set at 77.78 million kilogrammes but if the weather is favourable, it could exceed 97 million kilogrammes, he added.

## NEWS In Brief

### BMW says every other car it sells to be fully electric by 2030

REUTERS

BMW expects at least half of its sales to be zero emission vehicles by 2030, setting a more conservative target than some rivals in the race to embrace cleaner driving.

In the short term, the German carmaker forecast on Wednesday a big year-on-year rise in pretax profit for this year, with a strong performance in all areas - from MINIS through its upmarket BMW brand to top-of-the-range Rolls-Royces.

Its shares were up around 3.8 per cent in morning trading. Bernstein analyst Arndt Ellinghorst said BMW had entered 2021 "very confidently."

"In terms of electromobility, BMW is making good progress and is taking significantly fewer risks than VW," he said. Volkswagen has said it expects 70 per cent of European sales at its core VW brand to be electric by 2030 and this week unveiled ambitious plans to expand in electric driving - including building half a dozen battery cell plants in Europe - sending its shares sharply higher.

BMW said around 90 per cent of its market categories would have fully-electric models available by 2023 and the electric BMW i4 would be launched three months ahead of schedule this year.



The logo of German car manufacturer BMW is seen on the company headquarters in Munich, Germany.

### Oil demand to reach record by 2026: IEA

AFP

Global oil demand will return to pre-pandemic levels in two years and reach record heights by 2026 unless governments take swift action to meet climate goals, the International Energy Agency said Wednesday.

Oil markets and the world economy are recovering from the massive collapse in demand caused by the coronavirus pandemic, the IEA said in an annual report. "The Covid-19 crisis caused a historic decline in global oil demand - but not necessarily a lasting one," IEA executive director Fatih Birol said in a statement.

As people get vaccinated and restrictions are lifted, demand will return to its 2019 level by 2023, according to the report.

The IEA's five-year projections estimates global demand will rise each year to reach 104 million barrels a day (mb/d) by 2026, a gain of four percent from the level in 2019. The outlook for demand, however, has shifted lower as the pandemic has forced changes in behaviour, with people working from home and travelling less, the report said.



## GLOBAL BUSINESS

# Uber grants UK drivers worker status in world first

AFP, London

Uber on Tuesday said it is granting its UK drivers worker status, with benefits including a minimum wage -- a world first for the US ride-hailing giant.

Weeks after a top court ruling that could shake up Britain's wider "gig economy" of 5.5 million people, Uber said its drivers would also get holiday pay and a pension.

It is a massive change in the business model of a company that had argued before Britain's Supreme Court that its drivers were self-employed. From Wednesday, "more than 70,000 drivers in the UK will be treated as workers, earning at least the national living wage when driving with Uber," the taxi app said in a statement. "This is a floor and not a ceiling, with drivers able to earn more." The court ruled last month that Uber's drivers are entitled to worker's rights.

The decision capped a protracted legal battle between UK drivers and the Silicon Valley taxi and delivery company.

Uber said its action over

workers' rights "means drivers will earn with greater security, helping them to plan for their futures while maintaining the flexibility that is integral to the private-hire industry." The higher costs for Uber come as it faces sliding driver bookings owing to the Covid-19 pandemic, despite strong demand for the Uber Eats food delivery service during national lockdowns.

Uber did not expect the change in driver compensation to affect its net income this year, the company said in a US regulatory filing. "We've come to recognise that platforms like ours will work differently in different countries," Uber chief executive Dara Khosrowshahi said in an editorial published in the Evening Standard. "The future of work is too big of an issue for a one-size-fits-all solution, and that's OK." Khosrowshahi has argued for a new third option, to avoid drivers being classified as either employees or independent contractors.

The British ruling follows California's top court last month refusing to consider a legal bid to



REUTERS/FILE

The logo of ride-sharing company Uber is seen on the roof of a private hire taxi in Liverpool, Britain.

nullify a referendum passed by voters that lets "gig workers" like Uber be treated as contractors. Drivers for ride-share and meal delivery apps filed the lawsuit directly to the California State Supreme Court in January to derail voter-endorsed labour legislation known as Proposition 22. Proposition 22 -- passed in

November and heavily backed by Uber, Lyft and other app-based, on-demand delivery services -- effectively overturned a state law requiring them to reclassify their drivers and provide employee benefits. The November vote came after a contentious campaign with labour groups claiming the initiative would erode worker

rights and benefits, and with backers arguing for a new, flexible economic model.

The victory for the "gig economy" in California has ignited fears that big business is rewriting labour laws. Under the proposition, drivers remain independent contractors but Uber and Lyft are to pay them a number of benefits including a minimum wage, a contribution to healthcare and other forms of insurance. Critics of the measure said it failed to take into account the full costs borne by drivers.

In a first for the European Union, Spain's government earlier this month announced a deal that will recognise riders working for food delivery firms such as Deliveroo and Uber Eats as salaried staff following complaints about their working conditions.

In Italy, prosecutors have told Uber Eats and other food delivery platforms their couriers were employees and not independent workers, fining them 733 million euros for breach of labour safety rules.

# Indian sugar mills rush to sign export contracts as prices rally

REUTERS, Mumbai

Indian mills have contracted to export 4.3 million tonnes of sugar so far in the 2020/21 season ending on Sept. 30, a trade body said on Wednesday, as a rally in global prices to a four-year high and an export subsidy makes overseas sales lucrative.

Higher exports from the world's second biggest sugar producer could cap gains in global prices, which have been buoyed by lower production in Thailand, the world's second biggest exporter.

The exports will help India reduce stockpiles and support local prices of the sweetener, crucial in ensuring millions of cane farmers get government-mandated prices.



REUTERS/FILE

Labourers carry sacks filled with sugar to load them onto a supply truck at a wholesale market in Kolkata.

"Around 4.3 million tonnes of export contracts have already been signed," the Indian Sugar Mills Association (ISMA) said in a statement.

"This is a great achievement especially because these contracts have been signed in just 2-1/2 months, since the date the export quotas were allocated by the government on 31st December, 2020," it said.

Out of the total contracts, nearly 2.2 million tonnes of sugar has already been shipped, the ISMA said.

The South Asian country has approved a subsidy of 5,833 rupees (\$80.38) a tonne for exports of 6 million tonnes in the current year.

India has been selling sugar

mainly to Indonesia, Dubai, Afghanistan, Sri Lanka and African countries, said a Mumbai-based dealer with a global trading firm.

"A container shortage and higher freight charges are limiting Indian exports," the dealer said.

Indian mills have produced 25.87 million tonnes of sugar in the current marketing year, nearly 20 per cent more than a year ago as output jumped in Maharashtra and Karnataka, the ISMA said.

However, this year many mills are closing operations early due to limited supplies of sugar cane, the trade body said.

In the current marketing year, 502 sugar mills have started operations, but 171 mills stopped crushing by mid-March end, it said.