Guava farmers grow weary of lockdown

Count losses amid low prices for second year in a row

Boatloads of guava are being unloaded for sale at a floating guava wholesale market in Bhimruli village of Jhalakathi Sadar upazila. The ongoing restrictions on public movement have been a nightmare for local traders, who were similarly affected by poor sales during the lockdown last year. The photo was taken recently.

TITU DAS

Sushanta Ghosh

DISTRICTS IN FOCUS

Guava farmer Sunil Halder had travelled to Bhimruli village, a famous floating guava wholesale market in Barishal's Jhalakathi Sadar upazila, to sell about 74 kilogrammes (kgs) of the fruit last Friday.

However, more than half of his produce remained unsold till 11:00am that day as customer turnout was less than adequate due to the ongoing nationwide lockdown aimed at curbing the spread of Covid-19.

The government has imposed a slew of restrictions on public movement since the beginning of July following a recent surge in the coronavirus infection rate.

The situation was similar when the pandemic began in March last year as the ensuing lockdown measures prevented farmers from getting fair prices, according to market players.

As a result, guava farmers seem to have suffered a double blow, they said.

The fruit was being sold for about Tk 5 per kg at the beginning of the season and although prices have since reached Tk 7-8 per kg, they can be sold for half this amount depending on the circumstance.

For example, the price may fall further if there are not enough people buying guavas, they added.

The local tourism industry has also been hit by the lockdown as people cannot visit the region amid the current crisis.

During the pre-pandemic era, Sudeb Halder would regularly carry tourists by boat to the floating guava market.

But even though peak season began about 20 days ago, he practically has no income due to the lack of travellers and even wholesalers.

"Guava cultivation is now a curse for us as these fruits cannot be preserved," said a frustrated guava trader.

"So, guavas are often being sold at cheaper prices since a rotten fruit cannot be sold at all," he added.

At least 20,000 farmers in the Barishal, Jhalakathi and Pirojpur districts rely on the seasonal fruit for an income.

READ MORE ON B2

In search of the next billion dollar destination

Shamnoon Muhib Chowdhury

Since its inception, Bangladesh has become one of the leading exporters of migrant workers and immigrants globally. The growing importance of overseas employment for Bangladesh's economy is reflected in its exponentially growing foreign reserve from foreign remittance, consistent growth of the migrant population year-over-year, and growing contribution of foreign remittance in the national GDP.

The high number of labour export is driven primarily by the promise of financial security.

Each year, more than 400,000 workers leave Bangladesh for overseas employment (International Labour Organization), with the top destination being countries in the Middle East, and neighbouring countries in the Association of Southeast Asian Nations. It is, however, worth noting that only a small portion of the global migrant population from Bangladesh ultimately acquires white-collar jobs.

Our remittance income has skyrocketed over the years to more than triple its value, from $13.57 billion in 2016 to $46.39 billion in 2021 (Bangladesh Bank, 2021).

This in turn is helping us strengthen our foreign reserves, which in turn will ensure security against any currency devaluation, provide an economic growth boost, and maintain liquidity should any economic crisis arise during or after the ongoing pandemic.

Nevertheless, all good things must come to an end; a slow, stagnant end perhaps. Although we have seen a significant increase in our foreign reserve, it can in part be attributed to migrant workers losing their jobs due to the pandemic and returning with their remaining assets.

Several countries have closed their borders to migrants and the ongoing pandemic might extend these circumstances. Moreover, with decreasing oil prices, several countries in the Middle East are looking for alternative sources to expand their financial horizon. Which means, the number of workers immigrating to the Middle East is expected to decrease.

Now it is crucial that we expand beyond the Middle East for foreign employment while also focusing on securing more white-collar jobs through our immigrants.

In this regard, Canada can be considered the next billion dollar destination as they have pro-immigration policies, high demand for a trained workforce, accessible visas and work permits, and strong education and healthcare sectors that our expatriates can take advantage of.

Utilising the many opportunities Canada has to offer is now easier than ever and it is extremely important that we don't fall behind in our efforts to establish our position in the Canadian workforce.

According to the United Nations Educational, Scientific and Cultural Organization, about 90,000 Bangladeshi students study abroad each year.

OPINION

A special emphasis needs to be placed on increasing the appeal of Canada as a study destination among the Bangladeshi youth, as the pros of getting a degree there is substantially better than other countries.

Students should be allocated special loans as well as competitive scholarships to seek the best quality education from Canada as the possibility of securing influential white-collar jobs in Canada significantly increases with a Canadian degree.

The opportunity to build a white-collar career for highly educated and skilled individuals is something that is missing in several other Asian and Middle Eastern countries. This is important, because in order for the expatriate community to fully become integrated with Canada's culture, strong representation in all sectors is vital.

READ MORE ON B2

GLOBAL BUSINESS

Biden wants US automakers to pledge 40pc electric vehicles by 2030

Reuters, *Washington*

The White House has told US automakers that it wants them to back a voluntary pledge of at least 40 per cent of new vehicles sales being electric by 2030 as it works to reduce greenhouse gas pollution, sources briefed on the matter said.

The administration is set as early as next week to roll out proposed revisions to vehicle emission standards until 2026.

Sources said a voluntary electric vehicle (EV) target could be as high as 50 per cent but emphasised that no agreement with automakers has been reached and many details remain under discussion, including whether that pledge will include various types of petrol-electric hybrids.

Mr Brian Rothenberg, a spokesman for United Auto Workers (UAW), said a published report "that we have agreed to 40 per cent EVs by 2030" was inaccurate.

"The UAW is still in discussions and has not reached agreement at this point." The UAW has opposed EV mandates, warning that it could put some jobs at risk.

This month, Stellantis, parent company of Fiat Chrysler, said it was targeting for over 40 per cent of US vehicles to be low emission by 2030. Stellantis declined to comment on Thursday (July 29).

General Motors declined to comment on the talks.

It has said it aspires to end sales of new US petrol-powered light duty vehicles by 2035. The White House declined to comment on the discussions.

Ford Motor did not comment on the discussions but noted that it has said it plans "at least 40 per cent of our global vehicle volume being all-electric by 2030".

The Biden administration has resisted calls from many Democrats to set a binding target for EV adoption or to follow California in setting 2035 as a date to phase out the sale of new petrol-powered light duty vehicles.

The National Highway Traffic Safety Administration and Environmental Protection Agency are reviewing former president Donald Trump's March 2020 rollback of fuel economy standards.

Mr Trump required 1.5 per cent annual increases in efficiency until 2026, well below the 5 per cent yearly boosts set in 2012 by former president Barack Obama's administration.

US President Joe Biden's proposed rules, which would cover 2023-2026, are expected to be similar in overall vehicle emission reductions to California's 2019 deal with some automakers that aims to improve fuel economy 3.7 per cent annually, sources told Reuters.

REUTERS/FILE

The 2020 Ford Explorer cars are seen at Ford's Chicago Assembly Plant in Chicago, Illinois, US.

Virus variant threatens to cool oil demand recovery

Reuters

Oil prices will trade near $70 per barrel for the rest of the year supported by the global economic recovery and a slower-than-expected return of Iranian supplies, with further gains limited by new coronavirus variants, a Reuters poll showed on Friday.

The survey of 38 participants forecast Brent would average $68.76 per barrel, up slightly from June's $67.48 estimate. Brent has averaged about $66.57 so far this year.

"The wax and wane of Covid-19 waves will have more of an influence on sentiment rather than supply and demand fundamentals during the rest of the year, as we do not expect politicians to impose hard and broad-based lockdown measures anymore," said Julius Baer analyst Carsten Menke.

"Oil politics will remain another source of volatility, especially if prices do overshoot in summer, which would raise the pressure on producers to react."

Earlier this month the Organization of the Petroleum Exporting Countries and allies like Russia, together known as OPEC+, agreed to increase oil supply by 2 million barrels per day (bpd) from August until end December 2021, after prices hit nearly 2-1/2 year highs.

While, analysts were divided over oil's potential to reach $80 per barrel, they agreed the level was not sustainable.

"With rising OPEC+ output, a possible comeback of US production in the second half of 2021 and Covid-19 still threatening to cool down oil demand once again, I think $70 is a more realistic level for oil," LBBW analyst Frank Schallenberger said.

While both OPEC and the International Energy Agency expect demand to reach pre-pandemic levels in 2022, countries in Asia including China are restricting movements again to curb rising Covid-19 cases.

Oil prices are also likely to be supported this year by a delay in the return of "wildcard" Iran's oil supplies, which awaits the lifting of US sanctions.

"Looks likely that Iran will be a 2022 story now, boosting oil market prospects in near term, but possibly dampening the trajectory in 1H-2022," said DBS Bank analyst Suvro Sarkar.

Hong Kong GDP up 7.5pc as recovery continues

Afp, *Hong Kong*

Hong Kong's economy is continuing to recover, advanced figures showed Friday, albeit at a slightly slower than expected pace with little sign that the international finance hub's coronavirus pandemic isolation will end any time soon.

Gross-domestic product rose 7.5 per cent from a year earlier in the second quarter according to data released by the government. That compares to a revised 8 percent growth in the previous quarter and is below a median estimate of 7.8 per cent by a Bloomberg survey of economists.

On a quarter-on-quarter basis, GDP shrank one percent compared with Bloomberg's forecast contraction of 0.8 per cent. Hong Kong entered the coronavirus pandemic in the midst of a deep recession, battered by the US-China trade war and then several months of social unrest in 2019.

It emerged from six consecutive quarters of negative growth at the start of the year, finally ending a more prolonged downturn than during both the 1997 Asian financial crisis and the 2007-08 global crash.

The city has kept coronavirus infections low by effectively closing itself off to tourists and imposing strict social distancing and quarantine rules for any locals or business figures coming to the city.

The measures have kept the disease largely at bay but imposed an economic cost, especially on the travel and retail sectors with the city shuttered to the outside world -- and mainland China -- for the last 17 months.

Vaccination take-up has been slow, hampered by lingering distrust of the government as Beijing cracks down on dissent in response to 2019's protests.

UK closing in on free trade deal with New Zealand

Reuters

Britain is nearing an agreement in principle on a free trade deal with New Zealand, its trade ministry said on Saturday, as London looks to bolster its post-Brexit trade ties with non-EU partners.

LIZ TRUSS
BRITAIN'S TRADE MINISTER

The European Union is Britain's single largest trade partner and the two sides have signed a post-Brexit trade pact, but business groups say they still face extra red tape dealing with European customers and suppliers as a result of Brexit.

Trade minister Liz Truss said that "great progress" had been made in a sixth round of discussions which ran from July 19-30.

A trade agreement with New Zealand could see the removal of tariffs on British and New Zealand goods making products available at lower prices, the ministry said.

A deal would also enable small and medium enterprises to export more goods and services to New Zealand, it added.

"We're closing in on an agreement in principle, with 6 more chapters now complete," Truss said.

In June Britain received a green light to start the process of joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) trade bloc of 11 countries.

In June Britain's trade ministry also signalled confidence in its trade talks with New Zealand and said it aimed to conclude a "fantastic" agreement in August.