

# Energy prices should retreat by early 2022: IMF official

AFP, Washington

Rising energy prices are weighing on households but the recent spike is unlikely to fuel a 1970s-style oil crisis and should retreat early next year, IMF chief economist Gita Gopinath told AFP Tuesday.

Energy prices collapsed last year amid the shutdowns imposed to contain the Covid-19 pandemic, but 2021 has brought a sharp rebound in demand as the global economy recovered, Gopinath said in an interview.

In the energy market, a long, cold winter followed by a particularly hot summer led to greater demand and depleted stocks, especially gas reserves in Europe.

"This recovery is really quite unique," she said, speaking on the sidelines of the annual meetings of the International Monetary Fund and World Bank.

Supplies of many other goods have not been able to rebound as quickly as demand, hampered in part by the spread of the Delta variant of Covid-19, which has made workers reluctant to return to their jobs and snarled supply chains.

Those labor shortages are "feeding into price pressures" in countries like Germany, the United States and Japan, she said.

"We are in a difficult situation where we've seen prices go up very sharply," and the key question is whether that will persist, she said.

While energy prices "will be elevated" for the next couple of months, "We expect that to come back down by the end of the first quarter next year and into the second quarter," she said.

"Once we get past the winter months, we will be in a better place.

"Oil prices have soared in recent weeks, jumping to multi-year highs on Monday,

with the benchmark WTI crude jumping above \$80 a barrel for the first time since October 2014 and up 30 per cent since August, which sent major stock markets tumbling.

The increase in energy prices has ramped up fears that overall inflation could tick even higher and hinder the global economic recovery.

Gopinath cautioned that the weather will play a factor, since a very severe winter could lead to broader power outages "that will have a much bigger effect on the world.

"The worst outcome would be "an extremely severe winter in the Northern Hemisphere," driving up demand for energy, combined with a failure of producers including the OPEC+ to respond with increased output, which could feed into headline inflation, she said.

In February 2021, severe weather marked by polar temperatures and snowstorms caused a surge in electricity consumption in the southern United States.

Texas, with a population of nearly 29 million, was unable to meet the explosion in demand, and blackouts affected hundreds of thousands of homes.

However, Gopinath does not expect a crisis like the one seen in the 1970s because the world relies much less on energy relative to the size of the economy.

"It would take a much bigger ratcheting up in gas prices, for instance, to have a kind of a stagflationary event," she said, referring to the economic crisis in the 1970s when inflation spiraled due to high oil prices as growth stalled.

The IMF's latest forecasts call for inflation to return to pre-pandemic levels by the middle of 2022, but warn of "high uncertainty" and upside risks in the United States.



IMF Chief Economist Gita Gopinath said she does not expect high oil prices to lead to a 1970s-style economic crisis.

AFP//FILE

# US economy almost ready for less stimulus: Fed

AFP, Washington

The United States is nearly ready for the central bank to pull back on its stimulus, and the high inflation may soon retreat, a Federal Reserve official said Tuesday.

The Fed last month signaled it would "soon" be ready to begin the process of ending its massive monthly purchases of bonds and other securities intended to help the country weather the Covid-19 downturn.

In a speech to the Institute of International Finance, Fed Vice Chair Richard Clarida said the world's largest economy was nearing completion of the "substantial further progress" test the central bank has set to determine when to back off its stimulus policies.

"I myself believe that the 'substantial further progress' standard has more than been met with regard to our price-stability mandate and has all but been met with regard to our employment mandate," Clarida said.

He noted that members of the bank's policy setting committee last month overall agreed that unless the economic situation changes dramatically, "a gradual tapering of our asset purchases that concludes around the middle of next year may soon be warranted.

"The Federal Reserve is currently buying \$80 billion in Treasury bonds and \$40 billion in mortgage-backed securities each month, which they started last year as the Covid-19 pandemic caused an unprecedented downturn.

However those purchases have been criticized for helping fuel the inflation that's risen throughout 2021 as global economics rebound and supply chains deal with resurgent demand. Clarida said the 2.9 per cent annual pace of US inflation as reported by the Commerce Department since February 2020 "is well above what I would consider to be a moderate overshoot" of the bank's two-percent goal.

# Tesla pushing Volkswagen to accelerate electric vehicle shift

REUTERS, Berlin

Competition from new entrants to Germany's autos market such as Tesla has pushed Volkswagen to accelerate plans to transform its main plant towards producing electric vehicles, the company said on Wednesday.

"There is no question that we have to address the competitiveness of our plant in Wolfsburg in view of new market entrants," Volkswagen spokesman Michael Manske said, pointing to Tesla and new Chinese automakers making inroads into Europe.

"Tesla is setting new standards for productivity and scale in Grunheide," he said, referring to a Tesla factory under construction near Berlin which at peak capacity will produce 5,000 to 10,000 cars a week - over double the entirety of German battery-electric vehicle (EV) production in 2020.

However, the spokesman denied a report published in German newspaper Handelsblatt on Wednesday which said

Volkswagen CEO Herbert Diess told a supervisory board meeting in September that the transition to EVs could cost up to 30,000 jobs at the company.

"A debate is now underway and there are already many good ideas. There are no concrete scenarios," Manske said of the report. A spokesperson for Volkswagen's workers' council said that while they would not comment on speculation as to whether Diess made the comments, "a reduction of 30,000 jobs is absurd and baseless".

EVs have far fewer parts than an internal combustion engine car and so require fewer workers to produce. According to one estimate, 100,000 jobs in the autos industry could be lost by 2025 as a result of electrification.

German automakers are struggling to catch up with pure-play EV makers' more efficient production platforms. While Volkswagen currently requires around 30 hours to produce its electric ID.3 car, Tesla needs just 10 to make a Model 3.

# Import from alternative sources on the rise

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But although imports from alternative sources have risen, the import volume is still far below the country's demand, according to various traders.

The amount of imports can only increase gradually though since shipping onions from places other than India is more time consuming due to the distance involved.

During a visit to the Khatunganj wholesale market yesterday, traders were found selling Indian onions for about Tk 55 per kg while the Myanmar variety was priced between Tk 35 and Tk 40 per kg.

At retail markets in Chattogram city, the bulbs are being sold at Tk 10 to Tk 20 per kg more than the wholesale price. Md Absar Uddin, an onion importer and owner of M/S Sonali Traders, told The Daily Star that onion production in some Indian states has declined due to heavy rain.

As a result, the price of onion in the neighbouring nation has gone up to Rs 30 per kg now while it used to be Rs 20 per kg two weeks ago.

Besides, the cost of transportation has doubled during the week-long Puja holiday.

"Now, the price of onion reaches around Tk 50 per kg by the time it arrives in Bangladesh. As a result, it is not possible to sell onions in the market at a lower price," Uddin said. Omar Faruque, director of Ira Traders, a wholesale trader of Khatunganj, said the small amount of onion imported from sources other than India is not enough to fulfil the market demand.

"But prices will be stable when large volumes of onion arrive in a couple of weeks," he added.

According to data from the Plant Quarantine Wing at Chattogram Port, import permission letters for 2,150 tonnes of onion from Turkey have been received by the Trading Corporation of Bangladesh.

# BGMEA urges EU to continue trade benefits

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industry, its challenges, opportunities and future priorities, the BGMEA said in a statement.

He also shared the industry's impressive achievements in regards to workplace safety, environmental sustainability and worker wellbeing.

He thanked the EU for its move to remove the 7.4 per cent import threshold from its GSP+ vulnerability criteria as the step will pave the way for Bangladesh to apply for the benefit after graduation.

He hoped Bangladesh would continue to get the friendly support and cooperation extended by the EU, especially for the apparel industry.

The president of the apparel makers' platform also sought cooperation of the EU for capacity development of students of the BGMEA University of Fashion and Technology in textile, apparel, fashion and business through collaborations with leading EU universities. BGMEA Vice President Miran Ali also attended the meeting.

# Pharma exports surge 33pc

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and abroad significantly helped increased pharmaceuticals export," said Monjurul Alam, director for global business development at Beacon Pharmaceuticals.

According to him, Bangladeshi companies are exporting at least Tk 30 crore worth of anti-coronavirus drugs to the countries, including those in Latin America, Africa, the Commonwealth of Independent States, and ASEAN.

The shipment of anti-cancer drugs has risen over the years as well.

Recently, Beacon Pharmaceuticals received approval from Syria to export anti-cancer drugs which will allow the company to earn an additional \$5 million.

Anti-coronavirus drugs, especially Remdesivir, are contributing to the rise in exports, said Mohammad Ziauddin, deputy general manager for marketing at Acme Laboratories Ltd.

He hopes the industry will continue the growth in shipment until Covid-19 is eradicated. Wasim Haider, manager for international marketing at Beximco Pharmaceuticals, credited four reasons for the higher growth in medicine shipment.

They are the seriousness of the pharmaceuticals companies to accelerate exports, addition of anti-coronavirus drugs to the export basket, increase of registration of drugs with various export destinations, and the 10 per cent cash incentive on export proceeds from the government.

"Local companies have done well in manufacturing of life-saving anti-coronavirus drugs and exporting them," said Haider.

He also said companies suffered a lot during the pandemic due to the supply chain disruption and the high cost for shipping of raw materials, which squeezed profits.

# Bangladesh will welcome Russia's investment: PM

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She also said Bangladesh will be happy to welcome Russian President Vladimir Putin here. The Russian ambassador said he was in Dhaka 20 years back, but the present development of the country is "massive and remarkable".

He stated that the friendship between Bangladesh and Russia has started since 1971 as the then Soviet Russia had extended cooperation to the country.

He noted that trade and commerce

between the two countries have increased substantially.

The Russian envoy also expressed his country's interest to build second nuclear power plant in Bangladesh after completing Rooppur nuclear power plant.

He also put emphasis on strengthening cooperation in defence sector between the two countries.

Ambassador-at-Large Mohammad Ziauddin and PM's Principal Secretary Ahmad Kaikus were present.

# Bangladesh keeps outrunning India in per capita GDP race

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India's per capita GDP in PPP dollars is projected to rise to \$10,866 and Bangladesh's to \$ 8,859 by 2026.

On average, Indian per capita income would still be 22.6 per cent higher than Bangladesh, but the difference is projected to shrink, Hussain said.

"So, the general conclusion that Bangladesh is catching up still holds."

"But whether Bangladesh has exceeded and will continue to exceed India in terms of per capita GDP depends critically on whether we adjust the nominal GDP per capita in USD for differences in the purchasing power of national currencies in Bangladesh and India."

Zaid Bakht, a former research director of the Bangladesh Institute of Development Studies, said Bangladesh's economy grew as its real sectors such as agriculture, remittance, and export performed well

despite the pandemic.

On the other hand, the population growth remains low, resulting in an increased per capita GDP.

"There will be a significant effect on the economy when mega public infrastructure projects become operational within the next five-six years," said Bakht.

BIDS Director-General Binayak Sen said per capita consumption had been low in India since 2012, and its economic growth declined to 2.5 per cent before the pandemic struck, owing to demonetisation and political instability.

After Covid-19 emerged, the Indian economy suffered recessions, whereas people in Bangladesh were able to resume economic activities after the two-month's shutdown.

"And the extent of injury to the economy was not that much as was feared. So, the IMF's projection appears to be realistic."

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গণপ্রজাতন্ত্রী বাংলাদেশ সরকার  
কৃষি আবহাওয়া তথ্য পদ্ধতি উন্নয়ন প্রকল্প  
কৃষি সম্প্রসারণ অবিদগ্ধ  
খামারবাড়ি, ফার্মগেট, ঢাকা- ১২১৫।

Memo No. 12.01.0000.018.03.001.21.6131 Date: 13.10.2021

### Tender Notice

Tender (Ref.: Memo No. 12.01.0000.018.03.001.21. 6131, Date:13.10.2021) is invited in the National e-GP System Portal (https://www.eprocure.gov.bd/) for the procurement of the following goods/items:

Sl. No.	Package No.	Package Name and Description	Tender ID No.	Tender Publication Date and Time	Tender Closing Date and Time
1.	AMISDP-GD-007	Upgradation of 160 AGRs and install/ setup Special Agromet Weather Station (Ag-AWS) for 160 different location of Bangladesh	618494	13-Oct-2021 at 16:00	14-Nov-2021 at 12:00
2.	AMISDP-GD-010	Office Stationary Items/Consumable Items (PIU, DAE Including Logistic support for DG & ICT Wing- DAE) for FY-21-22	593805	13-Oct-2021 at 16:00	31-Oct-2021 at 14:30
3.	AMISDP-GD-013	Purchase of Supply, Delivery and Installation of Digital Display Board at 64 Districts & Head Quarter	618496	13-Oct-2021 at 16:00	14-Nov-2021 at 14:00
4.	UNI-GD-05	Furniture for the Laboratory and Department -BAU & BSMRAU	618525	13-Oct-2021 at 16:00	07-Nov-2021 at 12:30
5.	UNI-GD-12	Supply, Delivery and Installation of Instant power Supply (IPS) for BAU and BSMRAU	593549	13-Oct-2021 at 16:00	31-Oct-2021 at 12:00

This is an online tendering process where only e-Tenderer will be accepted in e-GP portal and no hard copy will be accepted. To submit e-Tender please register on e-GP system (https://www.eprocure.gov.bd/).

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GD-1842

# Another committee formed to protect customers, merchants

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The committee will carry out the valuation of the assets of some errant e-commerce firms and determine the methods of recovering money from them.

The committee will propose how the government bring e-commerce companies under the registration and licencing process.

It will bring financial transactions of e-commerce platforms under surveillance. The companies will be brought under the VAT and tax net.

On September 27, the commerce ministry formed a 16-member committee to restore discipline in the e-commerce sector.

It constituted a nine-member sub-committee on October 5, asking it to recommend whether a new law is needed to streamline the rogue e-commerce companies.

The body has been instructed to hand in its proposals by a month.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার  
জাতীয় নদী রক্ষা কমিশন  
হোসাইন টাওয়ার (১২ তলা)  
বীরপ্রতীক গাজী গোলাম দস্তগীর রোড  
১১৬, নয়াপল্টন, ঢাকা-১০০০  
www.nrccb.gov.bd

জাতীয় নদী রক্ষা কমিশনের আওতাধীন জাতীয় জমিদার পরিষদের মালিকানাধীন পল্টনস্থ NSC Tower ভবনের ১৭তম তলায় অভ্যন্তরীণ সাজসজ্জাকরণ, পূর্ত কাজ, ইলেকট্রিক্যাল কার্য, শীতাতপ নিয়ন্ত্রণ যন্ত্র সংস্থাপনসহ অন্যান্য কাজের জন্য প্রকৃত যোগ্যতা ও অভিজ্ঞতাসম্পন্ন ঠিকাদারী প্রতিষ্ঠানের নিকট হতে পৃথক পৃথক সীলমোহরকৃত খামে কাজের নাম ও আইটেম অনুযায়ী দর উল্লেখপূর্বক প্রতিযোগিতামূলক উন্মুক্ত দরপত্র আহ্বান করা যাচ্ছে।

### উন্মুক্ত দরপত্র বিজ্ঞপ্তি

১)	মন্ত্রণালয়/বিভাগ	নৌপরিবহন মন্ত্রণালয়।			
২)	সংস্থার নাম	জাতীয় নদী রক্ষা কমিশন।			
৩)	কাজের বিষয়	ক) অভ্যন্তরীণ সাজসজ্জাকরণ, পূর্ত কাজ (সেভেটরি) খ) ইলেকট্রিক্যাল কার্যসম্পাদন ও শীতাতপ নিয়ন্ত্রণ যন্ত্র সংস্থাপন			
৪)	দরপত্র সম্পাদনকারীর প্রধান	চেয়ারম্যান, জাতীয় নদী রক্ষা কমিশন।			
৫)	দরপত্রের সূত্র নং	১৮.২০.০০০০.০১৮.০১৮.০০২.২১-৮৯৬			
৬)	তারিখ	১৩/১০/২০২১			
৭)	ক্রয় পদ্ধতি	উন্মুক্ত দরপত্র পদ্ধতি (OTM)			
৮)	অর্থের উৎস	রাজস্ব খাত (২০২১-২০২২)।			
৯)	দরপত্র দাখিল বিক্রির সুরক্ষার তারিখ ও সময়	১৭/১০/২০২১, রবিবার, সকাল ১০.০০ ঘটিকা হতে।			
১০)	দরপত্র দাখিল বিক্রির শেষ তারিখ ও সময়	৩১/১০/২০২১, রবিবার, সকাল ১১.০০ ঘটিকা পর্যন্ত।			
১১)	দরপত্র দাখিল দাখিলের তারিখ ও সময়	৩১/১০/২০২১, রবিবার, বেলা ১২.০০ ঘটিকা।			
১২)	দরপত্র খোলার তারিখ ও সময়	৩১/১০/২০২১, রবিবার, বেলা ১২.১৫ ঘটিকা।			
১৩)	দরপত্র সিডিউল প্রাপ্তির/বিক্রয়ের ঠিকানা	জাতীয় নদী রক্ষা কমিশন, হোসাইন টাওয়ার (১২ তলা), বীরপ্রতীক গাজী গোলাম দস্তগীর রোড, ১১৬, নয়াপল্টন, ঢাকা-১০০০।			
১৪)	আইটেম	কাজের বিবরণ	দরপত্রের মূল্য (অশেষতথ্যে)	নিরাপত্তা জামানত	কাজ সমাপ্ত করার সময়
	আইটেম-১	অভ্যন্তরীণ সাজসজ্জাকরণ, পূর্ত কাজ (সেভেটরি)	২০০০/-	১,৪৮,৫০০/-	কার্যাদেশ মোতাবেক
	আইটেম-২	ইলেকট্রিক্যাল কার্যসম্পাদন ও শীতাতপ নিয়ন্ত্রণ যন্ত্র সংস্থাপন	২০০০/-	১,২৩,৫০০/-	
১৫)	দরদাতাদের যোগ্যতা	১) হালনাগাদ ট্রেড লাইসেন্স ২) নির্মাণ কাজ/ইলেকট্রিক্যাল কাজের ঠিকাদারী লাইসেন্স ৩) হালনাগাদ আয়কর সনদ ৪) ভ্যাট রেজিস্ট্রেশন সনদ ৫) ব্যাংক সলভেন্সি সনদ ৬) সংশ্লিষ্ট কাজের অভিজ্ঞতা সনদপত্র ৭) অন্যান্য যোগ্যতা যা টেন্ডার সিডিউলে উল্লেখ রয়েছে।			
১৬)	নিরাপত্তা জামানত জমা দেয়ার পদ্ধতি	চেয়ারম্যান, জাতীয় নদী রক্ষা কমিশনের অনুকূলে পে-অর্ডার জমা দিতে হবে।			
১৭)	দরপত্র আহ্বানকারী	সচিব, জাতীয় নদী রক্ষা কমিশন।			
১৮)	দরপত্র আহ্বানকারীর ঠিকানা	জাতীয় নদী রক্ষা কমিশন, হোসাইন টাওয়ার (১২ তলা), বীরপ্রতীক গাজী গোলাম দস্তগীর রোড, ১১৬, নয়াপল্টন, ঢাকা-১০০০।			
১৯)	অন্যান্য তথ্যাদি	কর্তৃপক্ষ কোন কারণ দর্শানো ব্যতীত সকল/যে কোন দরপত্র গ্রহণ বা বাতিল করার ক্ষমতা সংরক্ষণ করেন।			

মোঃ আমিনুল ইসলাম  
সচিব

জিডি-১৮৩৮