

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 1.00%	▲ 1.16%	\$1,823.76	\$83.78	▼ 0.19%	▼ 0.75%	▼ 0.63%	▲ 0.24%	BUY TK 84.80	97.22	114.11	13.03
6,868.08	12,075.50	(per ounce)	(per barrel)	60,433.45	29,285.46	3,243.42	3,507.00	SELL TK 85.80	101.02	117.91	13.70

monarch
Experience a life of Unbound Privileges
Prime Bank

Star BUSINESS

DHAKA WEDNESDAY NOVEMBER 10, 2021, KARTIK 25, 1428 BS • starbusiness@thedailystar.net

Lending dismal under second stimulus package

Banks blame non-payment of loans in the first round

AKM ZAMIR UDDIN

Banks in Bangladesh are less keen on giving out loans under the second round of stimulus packages as many clients are in trouble to pay off their current debts, a development that may hurt the economic recovery.

Lenders are also cautious in lending as the central bank has beefed up monitoring on how stimulus funds are being used.

Banks disbursed only 9 per cent of Tk 20,000 crore among the borrowers of the cottage, micro, small and medium enterprises (CMSMEs) between July and October, according to data from the Bangladesh Bank.

Bankers say a large number of clients have recently sought the renewal of their current loans taken from the stimulus packages as they are unable to pay instalments due to the ongoing business slowdown.

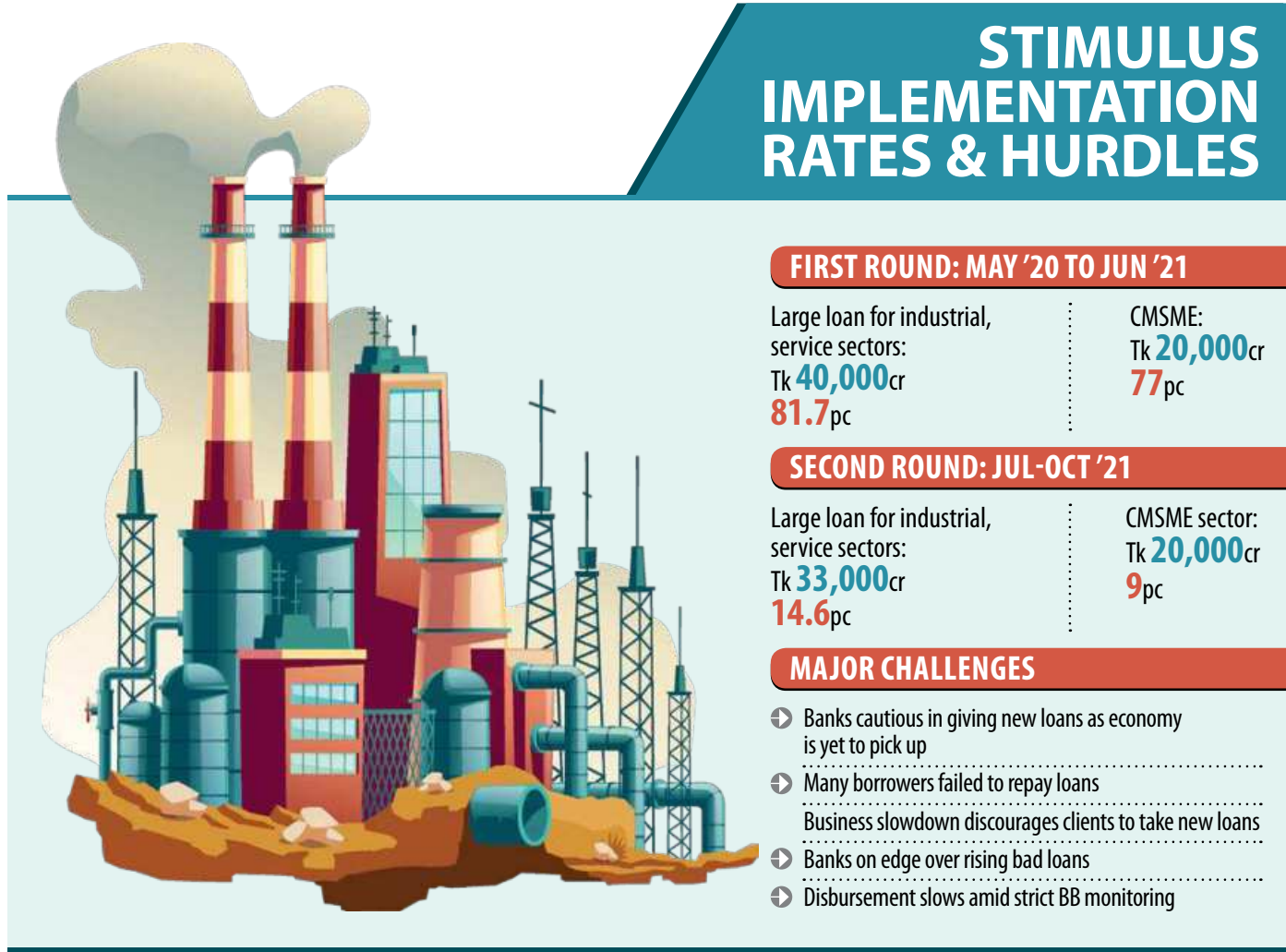
Similarly, banks are also reluctant to disburse loans to the borrowers of large industries and service units.

In the first four months of the current fiscal year, banks disbursed 14.6 per cent against the central bank's allocation of Tk 33,000 crore for the sector. The repayment tenure of the loans, disbursed in the form of working capital, under the two packages is one year.

The business slowdown is still hammering the economy despite the sharp declines in coronavirus infections. As a result, borrowers can't repay loans on time.

But Syed Mahbubur Rahman, managing

READ MORE ON B3



Fitch forecasts 7pc GDP growth

REJAUUL KARIM BYRON and MAHMUDUL HASAN

Global credit ratings agency Fitch said Bangladesh's economy would grow 7 per cent in the current fiscal year, powered by declining coronavirus infections and easing of supply chain disruptions.

The agency is more bullish about the growth potential of the country compared to many other international organisations.

The International Monetary Fund has forecast 6.5 per cent gross domestic product growth for 2021-22, while the World Bank estimates the economy will expand by 6.4 per cent and the Asian Development Bank by 6.8 per cent.

The government has targeted a 7.2 per cent growth in FY22 as the economy recovers from the coronavirus pandemic.

In its latest outlook released on Monday, Fitch affirmed "BB-" long-term foreign-currency issuer default rating with a stable outlook for Bangladesh.

The rating reflects Bangladesh's resilient external finances, relatively strong growth despite the pandemic and government debt levels that are below the peer median, against low government revenues, and weak governance indicators and the banking sector, said Fitch.

The agency believes the large year-on-year increase in remittance flow in 2020 is unlikely to be repeated as some of the factors that drove the big jump were temporary.

Remittances reached a record high of \$21.7 billion in 2020, driven by a shift to more formal remittance channels and the Bangladesh Bank's 2 per cent cash incentive for inward remittances.

READ MORE ON B3

FOR INQUIRIES CALL US AT 16704

dbi CERAMICS

E-COMMERCE SCAMS

Refund to take longer

Says a govt official

STAR BUSINESS REPORT

Customers' wait for refunds of advance payments, which eventually got stuck at payment gateways for deliveries not being made by e-commerce firms, is likely to be prolonged as the government wants to examine legal issues first.

The newly formed Digital Commerce Cell (DCC) under the commerce ministry has sought opinions of the law ministry and Criminal Investigation Department, said AHM Shafiqzaman, additional secretary to the commerce ministry.

This is for the repayment of Tk 214 crore out of a total of Tk 512 crore, which can be started very soon, he told a press conference yesterday.

"We are hopeful that we can start the repayment of funds to the consumers and merchants very soon," Shafiqzaman said after a meeting of a 15-member Cabinet Division panel at the commerce ministry.

"We will pay the non-litigants their fund and we will start repaying the rest of the consumers after settlement of legal cases in court," he said.

The Cabinet Division formed the committee last month to bring the growing e-commerce industry under regulations.

READ MORE ON B3

Unused data to be added to new pack: BTRC

STAR BUSINESS REPORT

Users who access internet on their mobile phones are going to see their unused data from one package being carried forward to any other new packs.

In a guideline yesterday, the Bangladesh Telecommunication Regulatory Commission (BTRC) said mobile phone operators would have to transfer the unused internet data to the next package if new packs are bought before the expiry of the existing ones.

And it will be applied to all types of internet bundles offered by mobile phone operators.

READ MORE ON B3

Stocks recover after two-day fall

Investors dive into depreciated shares

STAR BUSINESS REPORT

Stocks rebounded yesterday as many investors kept putting their money into shares that lost much of their value after a two-day consistent plunge.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 68 points, or 1 per cent, to 6,868.

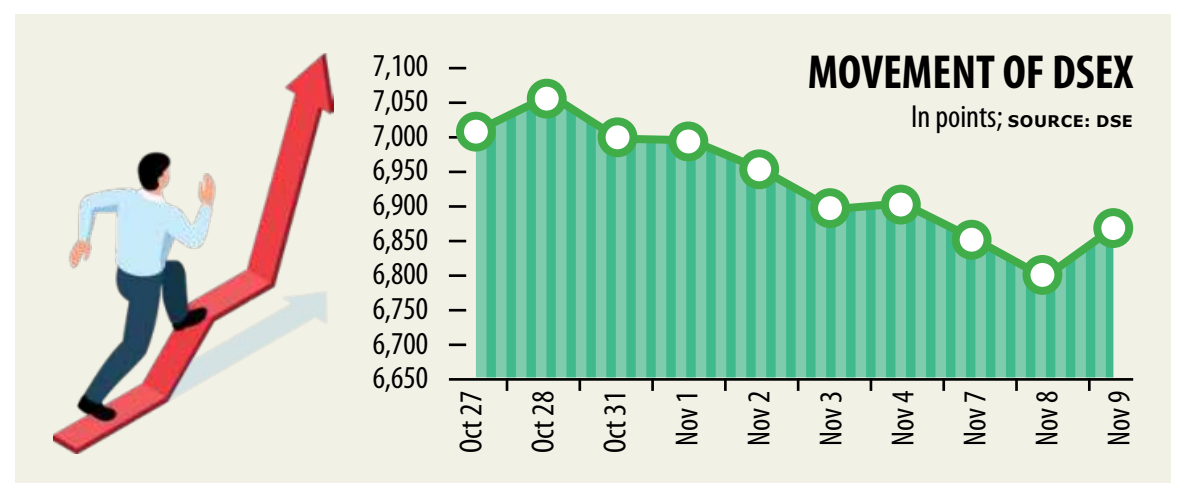
Investors are now making purchases as they found that many stocks had reached lucrative prices following the recent fall, according to a stock broker.

"This is a good sign," he said, adding that investor participation is still below an adequate level as many of them remain cautious due to a lack of confidence in the market.

As such, turnover at the DSE fell 6.3 per cent to Tk 1,007 crore yesterday from Tk 1,075 crore the day before.

At the DSE, the stocks of 223 companies rose, 99 declined and 54 remained unchanged.

The Dhaka bourse ended the day on a positive note as bargain hunters were seen in a buying spree in sector-specific stocks with lucrative prices, said International



Leasing Securities in its daily market review.

The interest to buy among buoyant investors was remarkable in sector-specific stocks as most of these shares fell by more than 5 to 10 per cent in the previous session's price correction.

Some risk-averse investors remained on the sidelines in the first hour of trade but buoyancy was observed in the closing hours.

The top ten traded stocks made

up around 45.5 per cent of the total trade, where Beximco alone accounted for 10.4 per cent, it added. National Housing Finance topped the gainers' list, rising 9.92 per cent, followed by Sena Kalyan Insurance, AFC Agro Biotech, Golden Son, and Taufika Foods and Lovello Ice-cream.

Stocks of Beximco Limited traded the most, worth Tk 97 crore, followed by Orion Pharmaceuticals, LafargeHolcim

Beximco Pharmaceuticals and Square Pharmaceuticals.

LafargeHolcim Bangladesh and Square Pharmaceuticals jointly contributed 15 points to the DSEX, according to data from amarstock.com, a stock market related data provider. The other share market of the country, the Chittagong Stock Exchange (CSE), also rose yesterday.

The CASPI, the main index of the CSE, increased 229 points, or 1.15 per cent, to 20,097.

Potato prices soar on depleting stocks

AKANDA MUHAMMAD JAHD

In line with the spiralling cost of other daily essentials, the retail price of potato rose sharply by 39 per cent.

Each kilogramme (kg) was selling for Tk 22 to Tk 28 in Dhaka markets yesterday whereas it was Tk 16 to Tk 20 a month ago, according to the Trading Corporation of Bangladesh.

A number of traders and farmers attributed the price rise to fields cultivated earlier this season being damaged by flash floods amid incessant rain last month alongside depletion of stocks kept in cold storages.

Yesterday, traders at the cold storage gates were offering each 60 kg bag of potato for Tk 850, which comes to about Tk 14 per kg.

Just a week ago, they were having to do with Tk 650, which is about 31 per cent less, they added.

Following several days of rain, flash floods occurred between October 19-October 21 across several northern districts, including Rangpur, Nilphamari, Lalmonirhat and Gaibandha.

As such, fast-growing potato varieties planted early in the season and numerous other crops in the region were lost.

So, potato cultivation in the northern region has been delayed by about 20 days, farmers and traders said, adding that it would take more than one-and-a-half

RETAIL PRICES OF POTATO IN DHAKA (Per kg)

Potato 39% costlier than a month ago

PRICE YESTERDAY

Tk 22-Tk 28

A WEEK AGO

Tk 20-Tk 25

A MONTH AGO

Tk 16-Tk 20



SOURCE: TCB

months for newly cultivated potatoes to reach the market.

Md Abu Bakkar Siddique, deputy director of Nilphamari, said about 1,627 hectares of cropland which were being

used for the cultivation of potato, paddy and other vegetables were damaged by the recent floods.

Meanwhile, potato stocks kept in the cold storage for sale in this lean period are

running out, said numerous traders.

This depleting stock and damage to the fast-growing variety are the reasons behind the potato price hike.

READ MORE ON B3

Ctg port, ICDs race to clear 4 days' backlogs

DWAIPAYAN BARUA, Ctg

With a countrywide strike of goods transporters coming to an end on Monday night, the Chattogram port and 19 private inland container depots (ICDs) are now struggling with the backlog of the preceding four days.

The import and export activities mostly encompass releasing inbound cargo arriving inside containers on ships and timely shipment of similar outbound ones.

A huge number of trucks, covered vans and prime movers were seen slowly proceeding in queues towards the port all day yesterday. The resulting tailbacks were one to two kilometres long, stretching till Barik Building Mor and Saltgola Crossing areas.

Choking with a huge number of export-laden containers, the private ICDs are sensing more backlog this week for an acute shortage of empty containers, as little delivery was made from the port in the last couple of days.

The ICD officials said as the export cargoes sent by the readymade garment factories would start arriving from today, more problems would be created for a shortage of empty containers.

Main Uddin, head of operations of private ICD Shafi Motors Ltd located around eight kilometres away from the port, informed that they sent several prime movers carrying export-laden containers at around 12:00pm.

READ MORE ON B3



Bank Asia Ltd, in collaboration with Bangladesh Financial Intelligence Unit (BFIU), arranged a daylong training programme on "Prevention of Money Laundering and Terrorist Financing" at Brac Learning Centre, Basherhat in Dinajpur recently. Around 100 officials from 42 commercial banks in the Dinajpur region participated in the programme. Mohammad Ziaul Hasan Molla, deputy managing director of Bank Asia, and Muhammad Mohsin Hossaini, deputy general manager of the BFIU, Md Azmal Hossain, a joint director, Mahmudul Haque Bhuiyan and Md Ashraful Alam, both deputy directors, were present.



Md Almas Shimul, additional managing director of GPH Ispat Ltd, distributes trophies among the best dealers for their outstanding contribution at the dealer conference "GPH Darbar-2021" at the Radisson Blu Dhaka Water Garden recently. Mohammed Jahangir Alam, chairman of GPH Group, Md Alamgir Kabir, chairman of GPH Ispat, Md Ashrafuzzaman, Md Abdul Ahad and Md Azizul Hoque, directors, MA Malek and Mukhtar Ahmed, independent directors, Shobhon Shahabuddin Raj, executive director for marketing and sales, and Mollah Mohammad Majnu, managing director of Crown Cement Ltd, were present.

Meghna Bank gets new DMD



Shyamol B Das
STAR BUSINESS DESK
Meghna Bank Ltd has appointed Shyamol B Das as its new deputy managing director and chief information officer recently.
He had been serving Mutual Trust Bank Ltd as a senior executive vice-president and the chief information and digital officer before joining Meghna Bank.
Previously, he worked at Brac Bank Ltd and various other companies at home and abroad during his 23-year checkered career.

Rate hike could come by end of 2022: Fed official

AFP, Washington
The US economy may be ready for the Federal Reserve to raise its benchmark borrowing rate by the end of next year, the central bank's Vice Chair Richard Clarida said Monday.
The comments were the clearest signal yet that the Fed is preparing the way for further steps to contain inflation and normalize monetary policy after last week announcing it would begin cutting back its pandemic stimulus.

Asian stocks extend global gains

REUTERS, Hong Kong
Asian shares followed Wall Street higher in early trade on Tuesday as the passage of a US infrastructure bill boosted sentiment while oil prices gained on the outlook for energy demand in an expansive global economy.
The congressional passage of a long-delayed US \$1 trillion infrastructure bill over the weekend has cheered investors, who however face another test later in the week from a reading on US inflation that may influence plans for tightening monetary policy.
Early in the Asian trading day, MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.3 per cent.
Japan's Nikkei stock index rose 0.06 per cent while Australian shares were down 0.12 per cent.
China's blue-chip CSI300 index was 0.33 per cent higher in early trade. Hong Kong's Hang Seng index opened

up 0.65 per cent.
On Monday, Wall Street's benchmark S&P 500 index and the Nasdaq extended their run of all-time closing highs to eight straight sessions, while the blue-chip Dow notched its second consecutive record closing high.
A 4.9 per cent decline in Tesla Inc shares however weighed on the S&P 500.
Tesla fell after Chief Executive Elon Musk's Twitter poll on whether he should sell about 10 per cent of his stock in the electric automaker.
The poll garnered more than 3.5 million votes, with 57.9 per cent voting "Yes".
World shares also rose on Monday after hitting a record high last week as relatively dovish central bank messages and strong US labour data on Friday added to optimism generated by a healthy earnings season on both sides of the Atlantic.

But a tight US labour market and the dislocation in global supply chains could result in a high reading for consumer prices on Wednesday.
Strong inflation likely would rekindle talk of Federal Reserve raising interest rates earlier than expected.
"Although Chair Powell maintains the Fed can be patient with regards to rate hikes, with measures of underlying inflation and wages intensifying and broadening, the clock is ticking on how long the it can hold that line," ANZ analysts said in a note.
Traders also sent most US Treasury yields higher on Monday after Congress passed the infrastructure bill on Saturday.
The yield on benchmark 10-year Treasury notes touched 1.4862 per cent compared with its US close of 1.497 per cent on Monday.
The dollar index, which tracks the greenback against a basket of six currencies, was up at 94.075.

Australia bumps up investment in EV chargers

REUTERS, Sydney
The Australian government on Tuesday pledged A\$178 million (\$132 million) to ramp up the rollout of hydrogen refuelling and charging stations for electric vehicles, but did not offer EV rebates or set targets to phase out petrol cars.
Prime Minister Scott Morrison said the beefed up Future Fuels Fund provides "an Australian way" to lower transport emissions, reiterating a slogan he introduced recently to describe the country's middle ground on climate change policy.
"We will not be forcing Australians out of the car they want to drive or penalising those who can least afford it through bans or taxes," Morrison said in a statement.
"Instead, the strategy will work to drive down the cost of low and zero emission vehicles."
The additional investment, which adds to an existing A\$72 million commitment

and will be spent by the end of June 2025, will also aid purchases of electric cars and buses for government and business fleets.
Industry groups and green activists, however, said rebates and tax breaks were necessary to encourage the purchase of cleaner cars in a country where transport is the third largest source of carbon emissions.
"The federal government purports to support choice for Australian motorists, but in fact its strategy stifles choice by making it very challenging for Australia to attract a wide selection of battery electric vehicles to the market," Clean Energy Council Chief Executive Kane Thornton said.
The federal funding is only slightly more than a separate commitment by New South Wales, the country's most populous state, to spend A\$171 million on EV chargers over the next four years.
Victoria, the second most populous state, is planning to spend A\$29 million on charging infrastructure in regional areas and replacing government cars by 2023.

Dealing with soaring energy costs

FROM PAGE B4
The maintenance backlogs were mainly caused by the shortages of labours during the pandemic last year. Labour shortages also caused natural gas production in the US to remain below pre-crisis levels. Production in the Netherlands and Norway was also down. Russia's Gazprom, which is the biggest natural gas supplier to Europe, has recently slowed its shipments to the continent.
The supply situation has aggravated further as renewable power generation has declined in the US and Brazil by droughts, which curbed hydropower output as reservoirs ran low. In Northern Europe, wind generation was below average this summer caused lesser electricity production.
Let's now focus on how these soaring energy prices would impact Bangladesh. Some of Bangladesh's strong trading partners, such as China, the UK, the European Union, and the

US, are badly hit by the energy crunch. In some cases, factories are closed or running with a limited capacity. Consequently, there will be huge disruptions in supply chains.
There are a few sectors in Bangladesh that would face immediate pressure. They are LNG (liquefied natural gas), fertilizers, garments accessories, and coal-based electricity production. As Bangladesh depends on importing fuel, the increased price of crude oil would put stress on government spending.
The government has two alternatives: increase subsidy or pass on the additional costs to consumers. Increased subsidy means the government has to curb its spending from other areas that might impact the growth or social safety net initiatives. If the government decides to increase the price at the consumer level, it will most likely fuel inflation.
Analysts suggest this crisis would continue till the first half of 2022. Our

businesses should plan their activities considering this ongoing constraint.
The immediate focus is to build an inventory of raw materials and intermediate goods for this volatile period. This would definitely put pressure on working capital. However, this will pave the way for uninterrupted production and supply of finished goods. Undoubtedly, the cost of goods will go up for which the price of finished products needs to be raised wherever possible.
Government intervention in terms of adjusting the import duty for essential goods will ease the inflationary pressure. Both the government and businesses should join hands together to face the global energy crisis, which has widespread impacts on our overall economy.
The author is chairman and managing director of BASF Bangladesh Ltd. Views are personal.

Sylhet City Corporation
Nagar Bhaban, Sylhet
www.scc.gov.bd

e-Tender Notice-22/2020-21 (Electrical & Mechanical)
Memo No. 46.07.0000.022.26.058.21.1199 Dated: 09.11.21

Sl. No.	Ministry/Division	Agency	Tender ID No.	Type of method	Publishing & opening date of tender submission	Brief description of work
1.	Ministry of the Local Government, Rural Development & Co-operatives.	Sylhet City Corporation.				Electrical Department
2.			625233	NCT, OTM (Goods)	09-Nov-2021 10:00:00, 09-Dec-2021 15:00:00	Procurement of wheel type Hydraulic Excavator (02 Nos.) & Chain Dozer (02 Nos.) For solid waste management at Sylhet City Corporation.
3.			625234	NCT, OTM (Works)	09-Nov-2021 10:00:00, 25-Nov-2021 15:00:00	Electrical Pole Transformer, Electrical Line Shifting works for road Widening Constructing Drain Retaining wall etc. at Coverage Area of 14 No. Ward, 18 No. Ward, 20 No. Ward different road at Sylhet City Corporation.
4.			625235	NCT, OTM (Works)	09-Nov-2021 10:00:00, 25-Nov-2021 15:00:00	Electrical Pole Transformer, Electrical Line Shifting works for road Widening Constructing Drain Retaining wall etc. at Coverage Area of 02 No. Ward, 10 No. Ward, 15 No. Ward, 16 No. Ward, 17 No. Ward different road at Sylhet City Corporation.
5.			625236	NCT, OTM (Works)	09-Nov-2021 10:00:00, 25-Nov-2021 15:00:00	Electrical Pole Transformer, Electrical Line Shifting works for road Widening Constructing Drain Retaining wall etc. at Coverage Area of 14 No. Ward, 15 No. Ward, 16 No. Ward, 17 No. Ward, 20, 21, 23, 26 No. Ward different road at Sylhet City Corporation.
6.			626414	NCT, OTM (Works)	09-Nov-2021 10:00:00, 25-Nov-2021 15:00:00	Supply & Installation of LED Street Lighting System For 20 No. Ward area at Sylhet City Corporation.
7.	Name, designation & address of PE: Md. Ruhul Alam, Executive Engineer (Electrical), Sylhet City Corporation, 0821-727151.					
8.	This is online tender, where only e-Tender will be accepted in the National e-GP Portal and offline/hard copies will not be accepted. Interested persons/firms can see details in the website: www.eprocure.gov.bd					
9.	The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered banks branches					
10.	Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).					
11.	(Sd) Md. Ruhul Alam Executive Engineer (Electrical) Sylhet City Corporation					

GD-2037

Government of the People's Republic of Bangladesh
শেখ হাসিনার নির্দেশ
জলবায়ু সচিবালয় বাংলাদেশ।

Office of the Divisional Forest Officer
Coastal Forest Division, Patuakhali
www.forest.patuakhali.gov.bd

Invitation for Tender
Date: 09/11/2021

1	Ministry/Division	Ministry of Environment, Forest and Climate Change.
2	Agency	Bangladesh Forest Department.
3	Procuring entity name	Divisional Forest Officer, Coastal Forest Division, Patuakhali.
4	Procuring entity code	1450203124537
5	Procuring entity district	Patuakhali.
6	Invitation for	Package No. PTK/CFD/CEIP-1/2021-2022/GD-5, PTK/CFD/CEIP-1/2021-2022/GD-6
7	Invitation Ref No.	04/CEIP-1 of 2021-2022
8	Date	09/11/2021

KEY INFORMATION

9	Procurement method	Open Tender Method (OTM).
---	--------------------	---------------------------

FUNDING INFORMATION

10	Budget and source of funds	Development Project (Coastal Embankment Improvement Project CEIP-1).
----	----------------------------	--

PARTICULAR INFORMATION

11	Tender Package No.	PTK/CFD/CEIP-1/2021-2022/GD-5, PTK/CFD/CEIP-1/2021-2022/GD-6
12	Tender package name	i) Supply of Nursery and Plantation Materials (Polybag, Soil, Hosepipe Cow-dung, Fertilizer, Pesticide, Bamboo etc.) ii) Supply of Plantation Materials (Stationery, Cow-dung, Fertilizer, Bamboo Stakes, Suti, Ash, Tal Seedling and Signboard Materials).
13	Tender publication date	10 November, 2021.
14	Tender last selling date	28 November 2021 during office hour.
15	Tender closing date and time	29 November 2021 up to 01.00pm.
16	Tender opening date and time	29 November 2021, 02.00pm.
17	Name & address of the office(s)	Sadar Headquarter Range, Coastal Forest Division, Patuakhali. Office of the Divisional Forest Officer, Coastal Forest Division, Patuakhali. Office of the Divisional Forest Officer, Coastal Forest Division, Patuakhali.

INFORMATION FOR TENDERER

18	Brief eligibility and qualification of tenderer	Registered contractor of government/semi-government/autonomous organization having experience on supply of similar goods. Other requirements as mentioned in tender data sheet of the tender document.
19	Brief description of goods	Supply of Nursery and Plantation Material.
21	Price of tender document	Tk 1,000/- (non-refundable) for each package.

Package No.	Identification of lot	Location	Tender security amount (Tk)	Completion time
PTK/CFD/CEIP-1/2021-2022/GD-5	Supply of Nursery and Plantation Materials	Folder No. 48, 47/2, 43/2c, 40/2, 41/1 (Mohipur Range, Golachipa Range, Pathorghata Range, SFNTC, Barguna)	BDT 30,000/- (thirty thousand) only	30 (thirty) days from the date of signing of contract.
PTK/CFD/CEIP-1/2021-2022/GD-6	Supply of Plantation Materials		BDT 54,000/- (fifty-four thousand) only	45 (forty-five) days from the date of signing of contract.

PROCURING ENTITY DETAILS

23	Name of official inviting tender	Abdullah Al Mamun.
24	Designation of official inviting tender	Divisional Forest Officer.
25	Address of official inviting tender	Coastal Forest Division, Patuakhali.
26	Contact details of official inviting tender	Ph. 0441-62285 Cell: 01999001541 E-mail: dfopatuakhali@gmail.com
27	The procuring entity reserves the right to reject all tenders or annul the tender proceedings.	

Abdullah Al Mamun
Divisional Forest Officer
Coastal Forest Division, Patuakhali

GD-2035

Rangamati Government College
Sadar, Rangamati Hill District
www.rangamaticollege.gov.bd

Date: 10/11/2021

e-Tender Notice

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following package:

Sl. No.	Tender ID No.	Name of works	Last date and time of tender security submission	Tender closing date & time
1.	626458	Supply of Furniture for Seminar room, Classrooms, Science lab, Central library, Women corner, Meeting room, Department and related services	29/11/2021; 2:00pm	29/11/2021; 3:00pm

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copy will be accepted.
To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required.
The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered banks' branches up to 28/11/2021 at 4:00pm.
Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

Principal
Rangamati Govt. College
Phone: 035162215
E-mail: rgcctbd@yahoo.com

GD-2033

Unilever Frontliners Academy launched

STAR BUSINESS DESK

Unilever Bangladesh has recently launched the "Unilever Frontliners Academy" (UFA) in a bid to support the government in addressing the issue of skill development in the country.

The platform aims to up-skill the youth and assist them in obtaining frontline sales and marketing jobs in the fast-moving consumer goods industry, according to a press release.

This initiative is also in line with the company's social promise of up-skilling 10 million youth globally for better opportunities.

The academy's first batch, consisting of 34 graduates, has already completed their training courses, and secured jobs with

Unilever's distributors.

The company officially recognised the 34 graduates through a ceremony, handing out certificates at the Divine Distribution and Company, Khilgaon in the capital.

"With the pilot learnings from Dhaka, we are now going to roll this out in Pakistan and other African countries, in our first phase of rollout," said Tanzen Ferdous, marketing director of Unilever.

"From the pilot program, we learned that the academy provides a safe environment for women to first learn and experience the job, without fully committing to it. Thus, through this platform the contribution of women intake in the team is expected to double," he added.

In addition, the second phase is now underway at Joypurhat with 43 students.

Daraz set for 'Eleven Eleven' campaign

STAR BUSINESS DESK

Online marketplace Daraz Bangladesh has taken preparations for the biggest one-day sale campaign "Eleven Eleven" to keep its promise to present with the best customer and seller support.

To make the campaign a success, it has also taken a number of initiatives, including the recruitment of more than 400 customer and partner support executives.

The new batch of executives have boosted the pipeline of Daraz's Customer Service and Partner Support Center units, which are acknowledged under the name- "Delight Squad" with the tagline "Always Here For You", said a press release.

The employees have also been equipped with all necessary information to deliver a prompt response to queries and log complaints whenever necessary to streamline the channels.

"On this year's 11.11, we shall present our shoppers with the ultimate ease and fun of shopping," said Farhana Rafiq Uzzaman, chief customer officer of Daraz.

In addition to such foolproof preparation, Daraz's own smart chatbot "DAZ" shall remain on standby with all its features to support customers with all the information regarding the "11.11 Campaign" traction, and prepayment offers round the clock.

Saudi Q3 GDP growth highest since 2012

REUTERS, Dubai

Saudi Arabia's economy grew 6.8 per cent in the third quarter from a year earlier, the fastest expansion since 2012, official data showed on Tuesday, as the world's top oil exporter benefits from rebounding global energy demand.

"This positive growth was due to the high increase in oil activities by 9.0 per cent as a result of rising world demand for crude oil and the increase of Saudi production in 2021," said the General Authority for

Statistics, based on flash estimates. Seasonally adjusted real gross domestic product (GDP) grew 5.8 per cent quarter-on-quarter on the back of 12.9 per cent growth in oil activities, it said.

The largest Arab economy was hit hard last year by the twin shocks of the Covid-19 pandemic and record-low oil prices. The economy has rebounded this year, however, amid easing coronavirus-related restrictions, a vaccine roll-out and higher crude prices.

Non-oil activities posted 6.2 per

cent annual growth in the third quarter, the flash estimates showed.

"Saudi Arabia's economic recovery looks to have picked up speed in Q3 and should remain strong over the rest of this year and 2022, underpinned by rising oil output", London-based Capital Economics said in a report last week.

"Looking ahead, as oil production rises, virus restrictions are relaxed further, and the government leans towards loosening fiscal policy, the recovery is likely gather momentum", it said.



A Saudi flag flutters atop the Saudi Arabia's embassy in Beirut on October 30.

REUTERS/FILE

Abul Khair Steel arranges seminar for employees

STAR BUSINESS DESK

Abul Khair Steel recently organised a seminar to develop skills of employees from sales, brand and marketing alongside engineers of Sylhet region from production and quality assurance department.

Titled "Importance of Refined Steel Bar for the Safety of RCC Structures", the seminar was conducted by Prof Md Aminul Islam of the Department of Materials and Metallurgical Engineering at Bangladesh

University of Engineering and Technology.

"Prospects of future development of Bangladesh lie in the hands of the engineers, so they should be more cautious while choosing rebars for structural development," he said according to a press release.

Islam gave a presentation on the importance of refined steel bars and safe construction materials for structures.

Md Masud Alam, deputy general manager of Abul Khair Steel, also spoke.

Fitch forecasts 7pc GDP growth

FROM PAGE B1

Growth in remittances has slowed this year, reaching \$18.9 billion by October. Authorities have indicated that the incentive is likely to remain in place.

Bangladesh's foreign exchange (FX) reserves increased to about \$46 billion by the end of September 2021, from \$43 billion in 2020, due to the higher remittance flow, increased external borrowings primarily for Covid-19 relief, and a pick-up in exports.

"We believe the Bangladesh Bank will maintain its policy stance for a stable and competitive exchange rate through FX intervention."

FX reserves, however, could come under pressure if the authorities were to intervene aggressively to support the exchange rate in the event of an external or confidence shock, it said.

Fitch estimated the FY21 budget deficit at 5.8 per cent of GDP, slightly above the 5.7 per cent forecast made for the countries with a similar rating. The government has forecast a budget deficit of about 6.2 per cent of GDP in FY22.

"We expect spending on Covid-19 relief measures to continue until FY22 and withdrawn from FY23."

Risks to the forecasts remain if the economic recovery is weaker than the authorities' expectations or due to the extension of support measures, Fitch warned.

"Fiscal risks from contingent liabilities have increased due to the economic fallout of the pandemic on state-owned enterprises and forbearance measures still in place for the banking sector."

Bangladesh's low government revenue-

to-GDP ratio remains a key weakness in the sovereign's credit profile. The official revenue-to-GDP ratio in FY20 was 9.8 per cent, a fraction of the 'BB' median of around 28 per cent.

Introduction of a new VAT law from July 2019 has not been effective in raising the revenue ratio so far, the rating agency said.

It says the health of Bangladesh's banking sector and its governance standards remain weak, especially among public-sector banks.

The gross non-performing loan ratio rose modestly to 8.2 per cent by June 2021 from 7.7 per cent at end-2020, but the reported figure is likely understated because of an extensive loan moratorium.

State-owned commercial banks' NPL ratio of 20.6 per cent is substantially higher than private-sector banks' 5.4 per cent.

"But we expect both to rise significantly when repayment relief is withdrawn next year, provided it is not extended again," said Fitch.

Bangladesh's structural indicators remain a weakness relative to its peers, according to the agency.

"In addition to weaker governance indicators, foreign direct investment remains constrained by large infrastructure gaps, although the government's focus on building large infrastructure projects in the next few years could bode well for investment."

"The security situation in Bangladesh has improved in recent years and is now less of a concern to foreign visitors, although the risk of a recurrence of security incidents and political turmoil remains."

Ctg port, ICDs race to clear 4 days' backlogs

FROM PAGE B1

The vehicles were yet to enter the port as of 5:00pm.

Altaf Hossain, general secretary of the Chittagong Customs Clearing and Forwarding (C&F) Association, said it was taking a long time for vehicles to enter the port as there was a huge pressure of outbound vehicles.

Everyone is trying to get their own tasks completed, he said.

During the four-day strike, over 2,500 TEUs of import-laden containers had piled up inside the port yards as deliveries were badly disrupted.

The C&F association leader said it would take three to four days to regain the normal pace.

Four vessels, SOL Hind, Kota Bistari, Maersk Haiphong and MV Bangkok, sailed out of the port yesterday afternoon.

Though some 370 TEUs could not be reached to them within that time, it was not as big a failure as was being apprehended earlier.

All of these vessels had deferred their morning departures and waited till afternoon, only to get as many export-laden containers as possible from different ICDs.

SOL Hind, which had first deferred its scheduled departure on Sunday, had 545 TEUs till Monday night.

Since resumption of operations on Monday night, 424 TEUs could be reached to the vessel from different ICDs before it left at 1:45pm.

"The vessel left behind 121 TEUs though

we had feared it might miss more. But the ICDs put in a huge effort," said Muntasir Rubayat, head of operations at the ship's local agent GBX Logistics.

With several vessels extending stays at jetties waiting for exports, the number of container vessels waiting at the outer anchorage increased, causing berthing delay for them.

A total of 10 container vessels were waiting for berths till yesterday morning.

Till yesterday, 9,500 TEUs containers were still inside the ICDs.

Bangladesh Inland Container Depots Association Secretary Ruhul Amin Sikder said the ICDs can operate in a comfortable manner if the number stands between 6,000 TEUs and 7,000 TEUs.

It will take a few days to ship the 9,500 TEUs as it will be a challenge to find feeder vessels bound for transshipment ports available, he said.

Summit Alliance Port Limited (SAPL), an ICD at Patenga area, had a total of 1,315 TEUs till yesterday afternoon while usually it stores some 700 TEUs to 800 TEUs.

SAPL Chief Operating Officer Kamrul Islam Mazumder said the real pressure was yet to come from garment manufacturers waiting to send their exports for the past four days.

He sensed that a huge number of exports-carrying vehicles from Dhaka and other parts of country would start turning up from today or tomorrow.

And it will take several days for the ICDs to deal with those, he opined.

Cybersecurity firm McAfee to be sold for \$14b

AFP, New York

US cybersecurity firm McAfee announced on Monday it will be sold to a group of investors for more than \$14 billion, just over a year after going public.

The consortium led by Advent International Corporation and Permira Advisers will pay about \$12 billion in cash to acquire all of McAfee's outstanding shares, with the cost rising to more than \$14 billion when the company's debt is added.

The investor group also includes Crosspoint Capital Partners, Canadian pension fund CPP Investments, Singapore's sovereign wealth fund GIC and a subsidiary of the Abu Dhabi Investment Authority sovereign wealth fund.

The sale is the latest episode in the history of the company founded by John McAfee in 1987, the namesake of the antivirus software.

The firm once went public in 1992, then again in 1999 following a merger, before Intel bought it for about \$7.7 billion and delisted it in 2011.

Following an integration process observers viewed as fraught, Intel in 2016 then spun McAfee off from its core business, keeping a large stake but handing control to investment company TPG Capital.

Refund to take longer

FROM PAGE B1

However, the additional secretary could not specifically state from when Bangladesh Bank would be able to start making the repayments.

The DCC has been working since October 25 to recover the money from the central bank's payment gateway services.

Primarily, non-litigants will get back Tk 214 crore and later consumers and merchants will get back Tk 298 crore which Bangladesh Financial Intelligence Unit recovered from payment gateways.

"So, the refunding is depending on the opinion of the legislative wing of the law ministry and CID as both of them are working on it," he said.

The refunding decision was taken at an inter-ministerial meeting on October 25.

The CID was supposed to recommend unfreezing accounts of consumers and merchants but could not submit a report up until now as the intelligence unit is still working on it, he said.

Now, the opinion of the legislative division is also required along with the CID opinion, he said.

"So, the consumers will have to be patient for a few more days as we are waiting for their opinions," said the additional secretary.

Shafiquzzaman, said the 15-member committee would submit a report to the cabinet division tomorrow with three recommendations on e-commerce business, including launching unique business identification numbers, a central complaint management system and central logistic tracking platform.

Unused data to be added to new pack: BTRC

FROM PAGE B1

"Mobile phone operators will have to comply with the guideline from March next year," said BTRC Director General for Systems and Services Md Nasim Parvez at an event at the commission.

Under the current system, users are often deprived as internet data remains unused for many customers. The new guideline will give them the full benefit of a data package.

The Bangladesh Mobile Phone Consumer Association (BMPCA), a platform of mobile phone users, has long been demanding mobile phone operators adjust the unused data to the subsequent packages.

"We are glad. But we will see whether the guideline will benefit users," said Mohiuddin Ahmed, president of the BMPCA.

There are 11.54 crore mobile internet users in Bangladesh. At the event, the commission launched the Discover App to allow mobile phone users to communicate through texts via Facebook and Messenger if they run out of internet data.

Post and Telecommunication Minister Mustafa Jabbar, BTRC Chairman Shyam Sunder Sikder, Post and Telecommunication Secretary Md Khalilur Rahman, and representatives of mobile operators were present. The new guideline capped the packages for operators at 85.

Potato prices soar on depleting stocks

FROM PAGE B1

Although marginal consumers are paying a high price for potatoes, the farmers and traders who stored the tuber crop in cold storages for sale in the lean period are not getting their share, they added.

Mazharul Islam, a potato farmer in Joypurhat, one of the main potato producing districts in the country's north, said the wholesale price was almost half of the retail price.

Islam stored nearly 4.5 tonnes of the vegetable in a cold storage this year, including 3.6 tonnes grown on his own fields.

He bought the rest for about Tk 17.5 per kg during the peak harvesting season to sell in the lean period.

"I have already sold two-thirds of the potato at a loss of Tk 350 per 60-kg bag. Though the price has risen slightly in the wholesale market, it is still less than the production and storage costs," Islam added.

Manik Mia, a potato grower and trader in Dinajpur who stored 6,000 bags of the tuber crop this year, said he has already sold all of his produce in this lean period at a loss of Tk 10 lakh due to the prevailing low price.

"If the price of potato had gone up in the wholesale market at the current rate of the retail market, farmers and traders would not have to incur so much loss," Mia said, adding that middlemen were the ones making a profit now.

A CAUSE OF CONCERN FOR THE POOR

With the prices of daily commodities rice, flour, chicken, onion, sugar, oil and vegetables in the kitchen market increasing

one after another, potatoes are the only low-cost option for a decent meal for the country's Covid-stricken low-income and marginal people.

"Potato was the prime item at daily meals of my five-member family as the prices of other essential commodities have already gone beyond my purchasing capacity," said Shahinul Islam, who worked at a restaurant in Dhanmondi area.

"Now the price of potato is rising and I do not know how I will survive with my school-going son and family in Dhaka with my shrunken income," he added.

This correspondent spoke to multiple people from low-income and marginal households, including street vendors, rickshaw pullers and housemaids in the capital.

They shared similar concerns about the price hike of essential commodities, especially potatoes.

This calendar year, farmers produced 1.06 crore tonnes of the tuber, up 10 per cent from 96 lakh tonnes in 2020, according to data from the Department of Agricultural Extension (DAE) and Bangladesh Bureau of Statistics (BBS).

Despite the bumper yield of potato, growers and traders suffered huge losses as demand fell amidst the recurring countrywide lockdowns aimed at curbing the spread of Covid-19.

Bangladesh Cold Storage Association estimated that growers and traders stored 55 lakh tonnes of potato this year to sell during the lean season.

Of the quantity, roughly 10 lakh tonnes will be used as seed and the rest for consumption.

Lending dismal under second stimulus package

FROM PAGE B1

director of Mutual Trust Bank, thinks: "There is no way but to provide the loan renewal facility to clients for the sake of the business sector."

The disbursement rate of the stimulus loans aimed at large and CMSME borrowers was 81.7 per cent and 77 per cent, respectively, in the first round, which was implemented from May last year to June this year.

The two stimulus packages collectively received Tk 60,000 crore in the first round and Tk 53,000 crore in the second phase.

The interest rate on the stimulus loans is 9 per cent, with large borrowers accessing funds at 4.50 per cent and the firms in the CMSME sector at 4 per cent. The government is giving subsidies to implement the packages.

Mutual Trust Bank's Rahman said banks had lent to their best clients in the first phase, but many of them were now unable to pay instalments.

"Against the backdrop, it is difficult for banks to select new clients as the old ones are struggling."

The dismal lending scenario prompted a majority of lenders to inform the central bank in the first week of October about the difficulty in disbursing fresh loans to CMSMEs. On October 20, the central bank, however, ordered the banks to lift the disbursement rate to at least 50 per cent by December.

"The demand for loan renewal from the clients has discouraged banks from disbursing loans from other stimulus programmes as well," Rahman said.

In another discouraging development, default loans in the banking sector have been on the rise, handing a blow to lenders

to give fresh funds.

On September 14, the central bank also unveiled the second round of stimulus funds amounting to Tk 3,000 crore for the farm sector. It is yet to avail any information linked to loan disbursement under the package.

In the first phase, the sector got a stimulus fund of Tk 5,000 crore, of which 85 per cent was disbursed between April last year and June this year.

Rahman said: "It is difficult for private banks to provide farm loans directly to clients as they usually lend through microfinance institutions."

In April last year, the BB unveiled another refinancing scheme worth Tk 3,000 crore, a revolving fund for three years, for the marginalised groups to help them survive amidst the pandemic. But, banks are yet to implement it fully: 77 per cent of the fund has been given out so far.

Banks also displayed a disappointing performance to materialise the pre-shipment refinancing scheme as they disbursed only 8.57 per cent of Tk 5,000 crore. The central bank announced the three-year scheme last year.

Md Abdus Salam Azad, managing director of Janata Bank, says banks are a bit cautious in giving new loans as many clients are struggling to repay.

He, however, expressed hopes that demand for loans would increase as the economy was getting back its tempo.

Mirza Elias Uddin Ahmed, managing director of Jamuna Bank, said that the economy was still facing a slowdown, so demand for loans had not picked up.

Since the inception of the pandemic, the central bank has rolled out 10 stimulus packages involving Tk 160,000 crore.



A view of the Padma bridge rail link project at the Mawa end in Munshiganj. Contractors of infrastructure projects have demanded that the government raise the procurement prices of construction materials.

PHOTO: SAJJAD HOSSAIN

Revise procurement prices of construction raw materials

Demand contractors of public infrastructure projects

STAR BUSINESS REPORT

Contractors of infrastructure projects yesterday demanded the government increase the procurement prices of construction materials as the current market prices of key ingredients are higher than the government rates.

They also urged the government to update its purchase rates for the various materials government procuring agencies buy through tenders.

"The price of all construction materials increased from 25 to 45 per cent depending on the item in question," said Sheikh Md Rafiqul Islam, former president of the Bangladesh Association of Construction Industry (BACI), a trade lobby group for firms that mostly work for the state-financed construction projects.

Islam's comments came at a press conference at the Dhaka Reporters Unity in the capital.

BACI went on to demand the inclusion of water and electric bills with the schedule of the Public Works Department.

Islam said the prices of almost all construction materials, including steel and iron products, stone chips, cement, bricks, sanitary and electrical items, have risen thanks to increased demand amid the reopening of economies worldwide.

Besides, labour cost increased by 60 to 70 per cent based on geographical location. Similarly, transport costs will go up in line with the price hike of oil.

In this situation, if it is not possible to stop the trend of abnormal price hikes, all construction work will come to a standstill and project implementation will become

impossible, Islam said.

Project implementing agencies usually place work orders for the required materials at fixed rates from construction companies that do not adjust the price in spite of changes in the market. But there is an option to adjust prices with rate escalation for foreign companies, he added.

Shafiqul Haque Talukdar, president of BACI, said implementation of the annual development programme will be affected if the situation does not change.

In addition, many of the roughly 50 lakh people employed by the construction sector could lose their jobs.

"Even the contractors will fall into bankruptcy as they will fail to make repayment of their loans," he said, adding that financial institutions will face huge losses as a result.

Dealing with soaring energy costs



SAZZADUL HASSAN

Of late, energy prices have gone through the roof. Prices of natural gas and coal in recent weeks have risen to a level that is the highest in decades. Consequently, electricity prices in some parts of the world, especially in Europe, North America, and some parts of Asia have skyrocketed.

According to the World Bank's latest Commodity Markets Outlook report, on average, energy prices are expected to be 80 per cent higher in 2021 compared to that of last year. The report also forecasts that it will remain at high levels in the first half of 2022. Energy prices are expected to decline in the second half of next year as supply constraints ease.

Brent crude oil price recently reached a seven-year high above \$85 per barrel. Experts in this field anticipate that the oil price will jump further as stock drawdowns deepen.

According to Goldman Sachs, prices could hit \$90 this year, while Bank of America thinks oil prices might reach up to \$100 a barrel in the upcoming winter. However, according to an analysis done by the World Bank, the average crude oil price would be \$70 in 2021, an increase of 70 per cent from last year. The price will hover around \$74 a barrel in 2022 as oil demand strengthens as the world economy is expected to get back to pre-pandemic levels.

The price of natural gas in Europe and Asia is at record highs, while the US prices have doubled this year. According to a Deutsche Bank report, natural gas prices are up by five-fold in Europe, and prices are about 1.5 times higher in the US and Asia.

Latest data showed US natural gas futures rose to above \$5.5 per million British thermal units (BTU). JP Morgan forecasts that the price in 2022 would remain high,

at around \$5/MBTU.

Coal price has also reached a new height. Prices for Australian thermal coal has reached an all-time high in early October. The average price in October this year has been around \$235 per tonne, which is 192 per cent higher than that of last year.

Coal price in China has also exploded as demand has surged worldwide. The current price in China is around \$260 per tonne, which is 200 per cent higher compared to the previous year's price.

Now, the natural question is: why will the world have to pay such exorbitant energy prices this year?

The jump in energy prices has been caused by a number of factors. As the covid-19 pandemic hit the world in the beginning of last year, economic activities around the globe had halted, driving the prices of many fuels to their lowest levels in decades.

However, to the surprise of many, the resilient human beings bounced back strongly since the third quarter of 2020. Economic activities rebounded strongly, causing the demand for fuels to rise. Rising industrial production, which accounts for about 20 per cent of final natural gas consumption, contributed to the rise in the



OPINION

demand of natural gas.

The weather has also exacerbated the demand and supply imbalance of energy requirements. The Northern Hemisphere's severe winter cold and summer heat increased heating and cooling demand, respectively.

As the demand for power has been increasing, the supply situation was unable to keep pace with the demand.

The major reasons are maintenance backlogs, longer lead times to deliver new projects, and lack of new investments in the oil and natural gas sector in recent years as a result of two commodity price collapses.

READ MORE ON B2



GLOBAL BUSINESS

German exports fall for second straight month

AFP, Frankfurt

German exports fell for the second month in a row in September as Europe's top economy grapples with global supply shortages, official data showed Tuesday.

Germany exported 112.3 billion euros (\$130.2 billion) worth of goods in September, adjusted for the season -- a 0.7 per cent drop from the previous month, according to federal statistics agency Destatis.

Imports rose by 0.1 per cent to 99.2 billion euros.

The August drop in exports was the first since April 2020, when the first wave of the coronavirus pandemic stifled the global economy.

The upheaval caused by Covid-19 has given rise to global shortages in components, such as semiconductors, timber and plastics, limiting production in key sectors for the German economy such as the car industry.

A business survey found that shortages of materials eased in October, though companies still expect the situation to remain difficult for months to come. The German government has downgraded its forecast for economic growth this year from 3.5 per cent to 2.6 per cent.



Cars intended for export wait at the port for loading, as the spread of the coronavirus disease continues in Bremerhaven, Germany.

REUTERS/FILE

Chip maker TSMC, Sony partner on new \$7b plant in Japan

AFP, Tokyo

Taiwanese chip giant TSMC will partner with Sony on a new \$7 billion plant in Japan, the firms announced Tuesday, as an ongoing global semiconductor shortage squeezes the production of everything from cars to TVs and gaming consoles.

Taiwan Semiconductor Manufacturing Company (TSMC) had announced plans for its first plant in Japan earlier this month, with construction expected to begin next year. But it offered more details in a statement on Tuesday, including that the initial expenditure on the plant is expected to total \$7 billion.

It said the Japanese government was offering "strong support", without offering any specifics.

Local media reports suggested the government was considering ploughing more than \$4 billion into the plant.

TSMC said it was partnering with Sony Semiconductor Solutions (SSS) Corporation, a Sony subsidiary, on the plant to be built in southern Japan's Kumamoto.

The firms will create a joint Japanese subsidiary, with SSS taking an equity stake of less than 20 per cent for an investment of approximately \$500 million.

The move comes during a global shortage of semiconductors caused by surging demand during the pandemic paired with supply issues.

Rolls-Royce launches nuclear reactor business

AFP, London

UK aircraft engine maker Rolls-Royce launched plans Tuesday to build small low-cost nuclear reactors, backed with private and public cash, to help reduce the country's carbon emissions.

Rolls-Royce has created a new Small Modular Reactor (SMR) division after clinching a cash injection of £405 million (\$547 million, 473 million euros), it said in a statement.

SMR reactors are far cheaper to build than large-scale nuclear plants because the vast majority of manufacturing and assembly is done in a factory, before transporting to the site.

"Today's announcement is another step towards the delivery of the government's net zero strategy," Rolls added.

The British government, which is currently hosting the UN climate change summit in Glasgow, aims to reach net zero carbon by 2050 with the help of nuclear.

The London-listed engineering giant hopes that the new business could create up to 40,000 jobs by 2050.

Rolls-Royce, BNF Resources and Exelon Generation will together invest £195 million over three years alongside a £210-million state grant, the group added

in a statement.

"The SMR programme is one of the ways that Rolls-Royce is meeting the need to ensure the UK continues to develop innovative ways to tackle the global threat of climate change," said chief executive Warren East.

"With the Rolls-Royce SMR technology, we have developed a clean energy solution." Britain's Business and Energy Secretary Kwasi Kwarteng described the news as a "once in a lifetime opportunity" to "deploy more low carbon energy ... and ensure greater energy independence".

The development would "bring clean electricity to people's homes and cut our already-dwindling use of volatile fossil fuels even further", he said.

Britain's nuclear power plants built in the last century have either closed or are coming to the end of their lifespan.

But the country wants to maintain the 20 per cent of electricity it generates from nuclear power to help meet its pledge to reduce carbon emissions to net zero by mid-century and tackle climate change.

Rolls-Royce meanwhile suffered huge financial losses as the coronavirus pandemic hammered the aviation sector and air travel demand.

Fed flags potential risk from Evergrande

AFP, Washington

Stresses in China's real estate sector including from heavily-indebted Evergrande have the potential to impact the United States if they spread first to the Chinese financial system, the Federal Reserve said Monday.

Noting the concerns about high debt levels and inflated real estate values causing regulators in Beijing to take action, the central bank's latest Financial Stability Report said the stresses could cause "a sudden correction of real estate prices" and impact the China's financial system.

As one of China's biggest property developers, fears around Evergrande's debt mountain have battered investor sentiment and shaken the country's mammoth real estate market, but the firm recently met an interest payment it was expected to miss.

"Given the size of China's economy and financial system as well as its extensive trade linkages with the rest of the world, financial stresses in China could strain global financial markets through a deterioration of risk sentiment, pose risks to global economic growth, and affect the United States," the report said.

The issue was one of several possible financial risks the Fed said had the potential to impact the United States.

Fed Chair Jerome Powell in September downplayed the situation noting the lack of direct US exposure, but said it could hit global consumer confidence.

Toshiba to split business into three

AFP, Tokyo

Toshiba plans to split into three companies as early as 2023, a report said Tuesday, after a series of crises at the firm including the ouster of the board's chairman and a contentious buyout offer.

The Nikkei business daily said the three units would focus on infrastructure, devices and semiconductor memory and are expected to be listed, possibly within two years.

Toshiba told AFP the option of splitting its business up was under consideration but said nothing had been decided yet.

The Nikkei, which did not cite sources, said the move could be announced Friday when Toshiba reports earnings and unveils a new mid-term business plan.

"We are drafting a mid-term business plan to enhance our corporate value, and dividing our businesses is one of the options, but there is nothing officially decided at this point," Toshiba spokesman Tatsuro Oishi told AFP.

"We will swiftly announce if we decide anything that should be disclosed," he said.

The decision, if confirmed, would cap a period of enormous upheaval for the firm, once a symbol of Japan's advanced technology and economic power.

In June, shareholders voted to oust the board's chairman after a series of scandals and losses, in a rare victory for activist investors in corporate Japan. The move followed the damaging revelations of an independent

probe that concluded Toshiba attempted to block shareholders from exercising their proposal and voting rights.

The investigation's report detailed how the firm had pursued an intervention from Japan's Ministry of Economy, Trade and Industry to help sway a board vote.

The revelations came after an unexpected buyout offer in April from a private equity fund associated with then-CEO Nobuaki Kurumatani.

The offer sparked uproar, with allegations it was intended to blunt the influence of activist investors. Other offers emerged subsequently, and Kurumatani resigned in April, though he insisted it was not related to the buyout controversy.

The decision to split Toshiba's businesses "is a consequence of listening to activist shareholders," said Hideki Yasuda, an analyst with Ace Research Institute.

The move would be seen by proponents as maximising the combined market value of Toshiba's operations.

But he warned there could be downsides.

"While the market value could be maximised... you can't cover losses in one business with profits in other businesses," making individual segments of Toshiba's operation potentially more vulnerable, he said.

The Nikkei noted that splitting up conglomerates had been a successful strategy for some firms in the United States, including Hewlett-Packard.