$500m cheap loans from WB to improve power supply system

Star Business Report

The World Bank yesterday announced that it would provide Bangladesh a concessional loan of $500 million to improve electricity services for about 40 million people in Dhaka and Mymensingh divisions.

Coming from the International Development Association for an "Electricity Distribution Modernisation Programme", the credit has a 30-year term, including a five-year grace period, says a press release.

The programme includes a $15 million grant from the Clean Technology Fund, which provides new large-scale financial resources to invest in clean technology projects in developing countries.

The credit will be used to upgrade and construct over 31,000 kilometres of distribution lines, 157 distribution substations and related infrastructure with new and advanced technologies.

It will also incorporate measures to increase climate resilience of network infrastructure in 25 rural electricity cooperatives under the Bangladesh Rural Electrification Board (BREB).

The programme will introduce a modern grid system that can support the two-way flow of electricity and information, minimising and recovering quickly from climate and cyber risks, including natural disasters and extreme weather events.

It will also introduce state-of-the-art technologies such as supervisory control and data acquisition systems and install advanced metering infrastructure.

Moreover, it will support the de-carbonisation of the power sector by facilitating the integration of renewable energy and battery energy storage systems in the electricity distribution network.

"In the last decade, Bangladesh achieved a more than fourfold increase in electricity generation capacity and delivered electricity connections to more than 99 per cent of its population," said Dandan Chen, World Bank's acting country director, in the press release.

"But the electricity distribution network could not keep pace with the remarkable increase in electricity generation," said Chen.

Since 2009, the BREB has implemented one of the largest rural electrification programmes in the world, reaching over 90 million people, said Bipul Singh, World Bank's senior energy specialist and task team leader of the programme.

"With the access agenda nearing completion, this programme will strengthen the BREB's ability to deliver reliable electricity supply and support the energy transition in Bangladesh," said Singh.

Stocks fall marginally

Star Business Report

Shares on the Dhaka Stock Exchange (DSE) fell marginally yesterday as shaky investors preferred to sell securities.

The benchmark DSEX closed the day at 6,754, down 2.81 points.

The key index witnessed a marginal decline as the shaky investors were indulged in selling off their sector-specific shares amid a lack of confidence, said International Leasing Securities Ltd (ILSL), a brokerage house, in its daily market analysis.

The market, however, had started with a flying note. But soon after the end of the first hour, the DSEX started falling and stood almost flat in the end.

"The pessimist investors reshuffled their portfolio in cement, mutual fund and ceramic sectors, while the buying interest was observed in paper, printing, general insurance, and life insurance sectors," said ILSL.

Turnover, an important indicator of the market, rose 17.64 per cent to Tk 767 crore, rising from an eight-month low of Tk 652 crore on Tuesday.

Stylecraft Ltd topped the gainers' list, rising 9.94 per cent. Asia Insurance, Bangladesh National Insurance, Provati Insurance Company, Agrani Insurance, and Sonali Paper & Board Mills were also on the top gainers' chart.

Paper Processing & Packaging was the worst-performing stock on the day, losing 6.43 per cent. Zeal Bangla Sugar Mills, National Tea Company, Libra Infusions, Eastern Lubricants, Gemini Sea Food, and Pharma Aids lost between 4 and 6 per cent.

Beximco Ltd was the most traded stock with its shares worth Tk 91 crore changing hands.

On the DSE, 142 stocks advanced, 186 declined, and 49 were unchanged.

The shares on the Chittagong Stock Exchange also fell. The CASPI, the benchmark index, edged down 13 points to end the session at 19,668.

Of the stocks traded on the bourse in the port city, 121 was up, 127 down and 45 companies ended without any change.

Be proud of yourself and your achievements

Mubina Asaf, head of legal and external affairs at BAT Bangladesh, says during an interview with The Daily Star

Aysha Zaheen

Bangladesh has made impressive strides in empowering women in recent decades. Today, women are better educated and holding top positions at government and corporate offices. But Mubina Asaf, head of legal and external affairs at BAT Bangladesh, thinks more needs to be done so that we can create an inclusive and sustainable future.

Mubina Asaf

The Daily Star (TDS): Women empowerment has been a buzzword in recent times. How do you define it? How has the role of women in Bangladesh evolved over the years?

Mubina Asaf: Women empowerment, to me, means to be able to recognise your own power and capabilities regardless of the barriers that come your way. The empowerment should be attained from self-confidence and resilience and the mindset that failure is instrumental part of success.

It gives me immense pride and happiness to see our very own Bangladeshi women thriving in all sectors and also exploring unknown territories and making a mark there as well in 2021. Kishwar Chowdhury, Azmeri Haque Badhon and Rabab Fatima were among those who are achieving international success due to their own merit and hard work. This is how women are breaking barriers.

Even a little over 50 years back, our mothers and grandmothers did not have many options to choose from. The Liberation War was a turning point for us. The efforts of our women freedom fighters such as Bir Protik Taramon Bibi, Dr Captain (retd) Sitara Begum and Hena Das, who had such heroic contributions during our Liberation War, did not go in vain. They showed us the path and now I take pride in saying our girls are outshining in every sector. As we venture further into the 21st century, we find ourselves living in a world with more opportunities than ever before.

Our political empowerment is on the rise. The current parliament of Bangladesh contains 350 seats, out of which 277 are male and 73 are female, which is almost 21 per cent. We are ahead of India and Pakistan when it comes to the percentage of elected women representatives in national parliaments.

I think as a society we have come a long way. Nowadays we see more women in leading roles than ever before. We need to strive for the highest stature and never give up. We should always remember that hard work takes you places, and if you are passionate about your craft then just go for it and grab the opportunity that comes your way.

TDS: Let's talk about your early career days which were about 30 years ago. You entered a very male-dominated professional world. How did you navigate through the situation?

Mubina Asaf: Historically, the legal profession is an extremely male-dominated one and truth be told, it has not been easy.

I completed both my Bachelor of Laws and Master of Laws from the University of Dhaka. I began my career as an associate at Rokanuddin Mahmud & Associates. Afterwards, I worked in the attorney general's office of the government, first as an assistant attorney general and then as a deputy attorney general.

I also enrolled as an advocate of the Dhaka District Court, the High Court Division and the Appellate Division of the Supreme Court.

Every profession has its own challenges, but we must overcome those. To have a successful career, hard work and resilience is must. There are also various infrastructural barriers, such as female washrooms, in workplace. There is room for improvement. We should all work together to mitigate those.

TDS: Shifting careers is regarded as a bold move. What was the defining moment that pushed you to take up the challenge?

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GLOBAL BUSINESS

Weak winds worsened Europe's power crunch

Reuters, *Oslo*

Wind speeds were milder than usual in Europe this year, so windmills across the bloc generated less electricity which worsened a crunch that sent power prices to record highs as utilities had to buy more coal and scarce, costly, natural gas.

The situation illustrated a challenge facing the European Union as it tries to boost renewable power and meet its climate targets: Power prices can soar when the wind dies down, so generators need ways to store some of the excess power when winds are strong.

"If we had high winds or just reasonable winds over that period, we wouldn't have seen these price spikes," said Rory McCarthy, principal analyst at Wood Mackenzie.

Less wind power increased demand at thermal power plants, but tight natural gas supplies raised their costs.

The worldwide spike in gas prices drove up energy bills for businesses and consumers.

Some heavy industry had to cut supplies and some power suppliers went out of business.

Europe's largest wind producers Britain, Germany and Denmark harnessed just 14 per cent of installed capacity, in the third quarter, when gas prices hit record highs, compared with an average of 20-26 per cent seen in previous years, according to Refinitiv data.

In Germany, Europe's largest economy with the continent's highest wind power capacity, combined output from both on and offshore wind farms fell around 16 per cent this year-to-date, Bruno Burger, an analyst at Germany's Fraunhofer Institute, told Reuters.

Wind power generation has low operating costs, offering cheaper wholesale power than thermal plants that must pay for fuel, along with costs associated with carbon emissions.

This makes wholesale electricity prices lower at times of high wind, leading to lower consumer bills. Weaker wind periods, which are not uncommon, cause prices to rise and more thermal plants are needed.

Anna Borg, chief executive of Swedish utility Vattenfall sees two lessons. First, "the market will be more volatile going forward and that the market needs to adapt to that," she told Reuters.

Also, "there is an evident need and also a value in flexibility services and storage. ... I think we are only at the beginning of the development of that kind of business model."

Utilities across Europe are starting to invest in storage systems including large batteries or smart charging solutions for electric cars.

REUTERS, FILE

A general view of the Walney Extension offshore wind farm operated by Orsted off the coast of Blackpool, Britain.

Several countries are also seeking to reward flexible consumer behaviour such as industrial customers curbing demand at certain hours. Better matching supply and demand can help maintain grid stability.

Europe currently invests 40 billion euros a year on power grids, according to lobby group WindEurope which estimates that annual investments need to double over the next thirty years to 66-80 billion euros a year.

Both the European Commission and International Energy Agency (IEA) said recent record energy prices should not slow the effort to meet climate targets under the Paris agreement by moving away from fossil fuels.

Instead, governments should help boost capacity of wind and other renewable power sources, ensuring more overall output and avoiding the need for reliance on fossil fuels as backup.

"The more renewable energy we can build, the more electricity will come from those sources and the less coal and gas is needed for electricity production," Christian Rynning-Toennesen, head of Norwegian utility Statkraft, told Reuters.

"So we think the trend (for renewable energy growth) will continue and be strengthened by these electricity prices, rather than slowed down," he said.

But some believe the energy transition may already be getting ahead of itself.

Sindre Knutsson, vice president markets at consultancy Rystad Energy told Reuters Europe is turning away from fossil fuels too quickly.

Knutsson noted that more coal-fired plants capable of stable power generation are being decommissioned together with nuclear.

"It's no secret that we will use renewables to generate electricity in the future. But at the moment, we're still relying on fossil fuels," he said.

Low or zero-emissions back-up capacity for periods of low wind or solar supply such as batteries, hydrogen or carbon capture and storage are still more than a decade away from being available at scale, agreed Matthew Jones, lead analyst for EU Power at ICIS.

"So for the moment thermal capacity is required," he told Reuters.

Earnings at several European wind power generators were hit by this year's wind lulls, but the companies remain committed to increasing capacity.

The world's largest developer of offshore wind farms, Orsted said the lower wind speeds had a negative 2.5 billion crowns ($379.20 million) impact for the first nine months of the year compared to 2020.

Germany's RWE said weaker winds caused profits at its wind and solar units to fall by 38 per cent in the first nine months of the year.

There was nothing to suggest that climate change itself played a role in the lower wind speeds, companies in the sector said.

"We follow it on a daily basis, but we see nothing which indicate that there is a long-term change coming," Orsteds head of Continental Europe, Rasmus Errboe, told Reuters.

Statkraft also regularly measures wind speeds and conditions but had not seen any extraordinary adjustments to its data, according to its CEO.

"To my knowledge, there's not any pattern that we can see," Rynning-Toennesen said.

More renewables will make prices more volatile in the short to mid term, as weather will largely dictate prices, the heads of two power trading firms agreed.

China will be able to keep economic growth stable

Reuters, *Shanghai*

China has the confidence, condition, and ability to keep economic growth at a reasonable level, a senior state planning official told the Xinhua News Agency.

The world's second-largest economy faces multiple challenges heading into 2022, amid a property downturn and with strict Covid-19 curbs in some areas hurting consumer spending.

China should evaluate the likely impact of policies on growth before implementation, and "be prudent" in rolling out those with contractionary effects, Ning Jizhe, deputy head of the National Development and Reform Commission (NDRC), said in the interview that was published on Wednesday.

The country will make preparations for next year's economic work in advance and "strive to stabilize economic operations in the first quarter, the first half and even the whole year".

China issued 1.46 trillion yuan ($229.21 billion) in the 2022 advance quota for local government special bonds to help spur investment and support the economy, the finance ministry said last week.

China will step up government spending, strengthen support to manufacturers and small companies, and ensure price stability, Ning added.

China will also work to stabilise industry supply chains, focus on solving chip shortage issues, and step up monitoring of commodity prices, said Ning, who is also the head of the National Bureau of Statistics.

Sony, Zee finalise India merger

Afp, *Mumbai*

Sony's India unit finalised merger plans with local broadcasting giant Zee Entertainment on Wednesday in a deal that may yet be blocked by fierce opposition from a disgruntled US investor.

Analysts say the arrangement could create the country's second-biggest entertainment network, rivalling market leaders Disney.

The proposal gives Zee's founding family four percent of the new entity but keeps them in management control, with chief executive officer and managing director Punit Goenka to continue at the helm.

"The combined company will create a comprehensive entertainment business, enabling us to serve our consumers with wider content choices across platforms," he said in a statement. But Goenka's tenure has been opposed by Zee's largest shareholder Invesco, which in September demanded his ouster for "repeated governance failures and underperformance".

Zee and the US investment company have since faced off in court over Invesco's pursuit of an extraordinary general meeting and board overhaul.

Sony's deal would also allow Goenka's family to raise its stake in the combined entity to 20 per cent in the future -- a clause shareholders led by Invesco are likely to oppose.

A successful merger would nonetheless be a "win-win proposition" that would expand the reach of both companies in India, Elara Capital media analyst Karan Taurani told AFP.

"Sony has a strong sports offering and an urban entertainment offering, which Zee does not have, and Zee is very strong in the regional and rural segments," he added.