

North set for record tea production

QUAMRUL ISLAM RUBAIYAT, Thakurgaon

The country's northwestern region, which emerged as a tea producing zone in recent years, is expected to register record production of tea in 2021 thanks to favourable weather and growing interest among locals seeking to profit from rising internal consumption of tea.

Already production of tea has risen 31 per cent year-on-year to 13.5 million kilogrammes (kg) in five northern districts, namely Panchagarh, Thakurgaon, Dinajpur, Nilphamari and Lalmonirhat, until November 30 this year from 10.3 million kg in 2020, according to Bangladesh Tea Board (BTB) data.

Total production in the north accounted for 15 per cent of the 89.57 million kg produced in the country as of November 30 this year, official data showed.

Annual tea consumption stood at 95 million kg in 2019, double the 46 million kg consumed in 2007, according to the BTB.

As production will continue till the end of this month, tea gardeners and the BTB officials expect that total tea output would exceed 14 million kg in the region this year.

The positive outlook comes at a time when the government is planning to establish a tea auction centre at the border district of Panchagarh in order to ensure that growers and processors get better prices of tea.

The cabinet last month asked the BTB to set up the tea auction centre and the BTB has already held meetings with tea industry stakeholders regarding opening the auction centre in Panchagarh, to be the third in the country. The other two are in Chattogram and Sreemangal of Sylhet.

The BTB officials, tea producers and processors in the



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PHOTO: QUAMRUL ISLAM RUBAIYAT

Submarine Cable Co to issue 1.44cr shares to govt

STAR BUSINESS REPORT

Stocks of Bangladesh Submarine Cable Company Ltd (BSCCL) jumped yesterday after the state-run enterprise announced that it is going to issue shares to the government against its investment at a market price instead of face value.

BSCCL shares rose 8.81 per cent to Tk 207 on the Dhaka Stock Exchange after the disclosure that its board decided to issue 1.48 crore shares against Tk 166 crore share money deposit.

Stock investors had feared if the company issues the shares at face value, it would impact the company's earnings per share in the coming years, said Md Moniruzzaman, managing director of IDLC Investments.

But it decided to issue shares at much higher than the face value. Moreover, it is going to issue shares at the price of the last day of the year when the government invested the fund.

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DISTRICTS IN FOCUS

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north said tea produced in the region were auctioned in Chattogram and Sreemangal at lower prices because of quality deterioration for the transportation over the long distance.

Factories also have to count transport costs.

Another meeting is likely to take place next week at the Divisional Commissioner's office in Rangpur, said Mohammad Shamim Al Mamun, senior scientific officer of the regional office of the BTB in Panchagarh.

"Tea farmers will benefit for establishment of an auction centre in Panchagarh. This will help flourish the tea industry in the northern part and create more jobs," said Amirul Haque Khokon, president of Small Tea Garden Owners' Association in the region.

Ishag Ali Mandal, one of the few growers in Tetulia upazila of Panchagarh, said tea growers got Tk 16-Tk 25 for each kg of green tea leaves. "If the auction centre is set up here, we will get better prices," he said.

Currently tea is grown on 10,170 acres of land in Panchagarh, Thakurgaon, Lalmonirhat, Dinajpur and Nilphamari out of about 50,000 acres that is suitable for tea cultivation in the region, according to the BTB official.

Some 2,000 acres of land have come under tea cultivation this year, taking the total tea garden area to more than 12,000 acres in the region.

Cultivation in the northern parts of Bangladesh grew at an average rate of 15 per cent per annum over the past five years. Production has been growing too, according to the BTB.

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

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Two decades on, euro can't shake reputation as price driver

AFP, Paris

Europeans have been living with euro banknotes and coins for 20 years now, but many still point the finger at the single currency for covertly driving up consumer prices -- despite plenty of evidence to the contrary.

"The euro is a catastrophe, it's catastrophic," says Maria Napolitano, a 65-year-old Italian living in Frankfurt. "With 100 deutschmarks, you could fill up your shopping trolley.

Now, 100 euros aren't enough to fill two bags. "It's an impression that is shared by many across the eurozone, from Paris to Rome, Madrid to Athens.

Victor Irun, a 53-year-old teacher in Madrid, said that for Spaniards the switch to the euro was "like entering a club for rich people while not wearing the right clothes. "You had the impression we weren't yet ready," he told AFP.

"It was as if we were living in Spain, but paying with French or Dutch money. "Some Germans even coined a new nickname for the single currency -- "teuro", a pun on the German word for expensive, "teuer".

In a 2006 study, university professor Hans Wolfgang Brachinger compiled an index of "perceived" inflation among Germans, which measured a "felt" increase in consumer prices of seven percent between 2001 and 2002, compared with around

two percent normally.

In reality, however, official statistics showed no pick-up in inflation in Europe's biggest economy.

"There was a very strong feeling in several countries that prices had gone up, and yet we had official stats telling us otherwise," said Giovanni Mastrobuoni,

the single currency, it was hardly surprising that people noticed -- and felt cheated.

"The things that you consume very often, food, coffee, things that don't cost that much. Over time, they would shape your perceptions because these are the most frequent transactions," Mastrobuoni said.



an economics professor at the University of Turin.

In a detailed study on the issue, he tracked the prices of different everyday goods in the eurozone -- from fruit, vegetables and bread, to beverages and restaurant meals -- and found that the prices of some inexpensive products really did increase as a result of the switch to the euro.

And as retailers tended to round up rather than down when converting the price into

In France, the average price of a simple coffee in a bar rose from 1.19 euros to 1.22 euros between the end of 2001 and the beginning of 2002, according to the national statistics office, Insee.

According to Mastrobuoni, the phenomenon is even more marked in countries where distribution sectors are less concentrated, as small retailers there are at greater liberty to raise their prices.

The European Commission calculates that the actual increase

linked to the introduction of the euro was between 0.1 and 0.3 percent. However, headline inflation was largely unaffected because the prices of higher-end goods did not increase and, in some cases, even declined thanks to improved productivity.

For all 12 of the countries that adopted the euro from the very beginning, the average annual rate of inflation stood at 2.3 percent in both 2001 and 2002, according to the EU's Eurostat statistics agency.

However, the picture varied from country to country. In Spain, inflation stood at 2.8 percent in 2001 and 3.6 percent in 2002, while most other countries recorded constant inflation or, in the case of Belgium, Germany, Luxembourg and the Netherlands, slower inflation.

Pierre Jaillet, a researcher at both the Jacques Delors and Iris institutes in France, said that consumers' profiles played a significant role in whether they felt a discrepancy between real and perceived price developments.

"The average consumer price inflation basket corresponds to the average budget of an average urban white-collar worker," Jaillet said.

People who are less well-off tend to spend a greater proportion of their income on food, so they will be squeezed more, he argued, noting that consumers generally remembered price increases, but not price reductions.

Apple puts India iPhone plant on probation

AFP, Mumbai

Apple said Wednesday it has put the Indian plant of its main supplier "on probation" after a mass food poisoning and protests over workers' living conditions.

Some 250 women working at Foxconn's iPhone factory in the southern Indian state of Tamil Nadu were treated for food poisoning this month, 159 of whom were hospitalised.

This prompted demonstration against living conditions at company hostels that have kept the factory at Sriperumbudur near Chennai closed since December 18.

Apple said it has placed the plant "on probation" and is working with the supplier to rapidly implement "a comprehensive set of corrective actions".

The factory employs some 17,000 people. It makes iPhones for the Indian market and for export, as well as other gadgets.

Foxconn said it was "very sorry for the issue our employees experienced and are taking immediate steps to enhance the facilities and services we provide at the remote dormitory accommodations."

Vietnam's growth slides to new 30-year low

AFP, Hanoi

Vietnam reported economic growth for 2021 of just 2.58 per cent on Wednesday, beating a 30-year low set last year as the pandemic continues to take a toll.

The communist state has long been a success story among Asian economies, posting growth of seven percent in 2019.

But shutdowns caused by coronavirus have battered the export-reliant economy, sending GDP growth plunging to 2.91 per cent in 2020 -- the lowest reported in three decades.

The General Statistics Office (GSO) in Hanoi said fourth quarter growth was at 5.22 per cent, but the annual figure was dragged down by a contraction of 6.02 per cent in the third quarter.

"The complicated situation of the Covid-19 pandemic since the end of April seriously impacted commercial and service activities... pulling down the growth of the service sector and the whole economy," GSO said in a statement.



Workers are busy at a factory producing activewear for various textile and clothing brands in Hanoi on September 21.

PHOTO: AFP/FILE

Opec+ prioritises mid-term strategy over US calls for more oil

REUTERS, Moscow

Russian Deputy Prime Minister Alexander Novak said on Wednesday that OPEC+ group of largest oil producers has resisted calls from Washington to boost output because it wants to provide the market with clear guidance and not deviate from policy.

The United States has repeatedly pushed OPEC+ to accelerate output hikes as US gasoline prices soared and President Joe Biden's approval ratings slid. Faced with resistance, Washington said in November it and other consumers would release reserves.

Asked why OPEC+ rebuffed the calls, Novak said OPEC+ had a long-term vision.

"We believe that it would be right for the market to show in the mid-term how we will increase production as demand grows," he told RBC media outlet.

"The producing companies should understand beforehand which investments they have to plan in order to ensure a production increase."

OPEC and its allies agreed earlier this month to stick to their existing policy of monthly oil output increases despite fears that a US release from crude reserves and the new Omicron coronavirus variant would lead to a fresh oil price rout. Novak also said the possible release of the strategic stockpiles by the United States and other large consumers will have a limited short-term impact on the oil market.

He said global oil demand was seen rising by around 4 million barrels per day (bpd) next year after an increase of up to 5 million bpd this year. Novak said an oil price of between \$65 and \$80 per barrel should be comfortable next year. Currently, oil LCOc1 is trading below \$80.