

Star BUSINESS

MONGLA PORT

CARGO HANDLING (in tonnes)

Total	
FY16	57,97,521
FY21	119,44,608

PRESENT AND PROJECTED GROWTH OF DEMAND AND HANDLING CAPACITY OF THE PORT

	Berth	Cargo	Container	Car
2022:	25	1.0cr tonne	100,000 TEUs	20,000
2041:	31	3.3cr tonne	1,500,000 TEUs	51,000

COMPLETED AND UNDER IMPLEMENTATION PROJECTS

Dredging of outer bar
Vessel Traffic Management and Information System
Purchase of 75 handling equipment

UPCOMING PROJECTS

Construction of 2 jetties under PPP
Construction of 2 jetties under Indian credit
Building of 2 jetties under Chinese funding

AVERAGE MONTHLY ARRIVAL OF SHIPS AT MONGLA PORT

SOURCE: MONGLA PORT AUTHORITY

2016 | 2017 | 2018 | 2019 | 2020 | 2021

DISTANCE FROM DHAKA

Chattogram: 260km
Payra: 190 km
Mongla: 170km*
(*After Padma Bridge opening)

Mongla port turns around

Awaits a further fillip from Padma bridge

SOHEL PARVEZ

Mongla port, the country's second biggest seaport, has made a strong comeback as it sees an increased arrival of ships, making it a major gateway for Bangladesh's overseas trade once again. Officials and port users say the opening of the Padma bridge will give a further boost to the port. The monthly arrival of ships, which fell below 10 in 2008, grew several times in recent years. In 2021, 71 vessels arrived at the port every month on average, up from 46 five years ago, showing signs of steady growth in activities thanks to the completion of dredging at the outer bar of a nearly 140-kilometre channel to improve navigability and enable

the movement of vessels that require a higher draft. The dredging involving Tk 712 crore was completed in December 2020. And the Mongla Port Authority (MPA) is in process of buying 75 pieces of equipment and machinery to handle cargoes under a Tk 433 crore project. Besides, the port authority is buying six vessels to handle ocean-going ships under another project involving Tk 767 crore. Users say these steps have given impetus to businesses to use the port at an increasing rate at a time when the country's biggest seaport in Chattogram faces repeated congestion as it is running at full capacity. "Arrivals of ships have increased as the economic growth has fueled domestic

demand. Besides, the Chattogram port, in one sense, is saturated in its current capacity. Many are looking for an alternative," said Commodore Md Abdul Wadud Tarafder, member for harbour and marine at the MPA. Activities of the port in the southwest region began to pick up after the government took several projects to revive its old glory. The port has registered 17 per cent annual average growth in ship handling since 2012, while the volume of cargo handling grew 19 per cent over the past decade. It can handle one crore tonnes of cargo, 100,000 twenty-foot equivalent units of containers, and 20,000 cars annually. In 2020, cargo handling stood at 1.19 crore tonnes, just double the volume five years ago. "We don't have any waiting time for ships," said Tarafder. The port has 25 berthing facilities, including five jetties. Yet, it suffers from an inadequate draft at the jetty that restricts the entry of vessels of more than seven metres draft. Dredging at the inner bar of the Pashur channel is underway

to enable ships with more than nine metres draft to use the jetty. The Tk 793 crore dredging project is expected to complete by June next year. "Once dredging is complete, the arrival of ships will increase a lot," Tarafder said. The opening of the Padma bridge, scheduled for June this year, along with the establishment of the railway link will make the port more attractive to businesses, at home and abroad. The opening of the bridge will shorten the distance between the Mongla port and Dhaka, the main economic and industrial hub in Bangladesh, and it will be the closest from the capital compared to Chattogram and Payra ports. The distance between Dhaka and Chattogram is 260 kms and the completion of the Padma bridge will narrow the distance between Dhaka and Mongla to 170 kms from 274 kms now. Tarafder said the port is going to be connected by railways along with the existing road and waterways, and the use of the port by businesses will increase once the bridge opens to the public. "We are working to be a

regional port." Its closest ports are located in landlocked Nepal and Bhutan. It is located on the artery of regional waterways under the India-Bangladesh protocol route on inland water transit and trade. "These unique location and features have provided the port a greater opportunity to be a vibrant and dominant port in the region," said Tarafder. The overall turnaround time of ships at the port is expected to halve to 24 hours from the present 48 hours after the purchase of equipment and gantry crane. "The prospect of the Mongla port is very bright. Activities have increased and the demand for using the port will jump just after the completion of the Padma bridge," said Syed Mohammad Arif, chairman of the Bangladesh Shipping Agents Association. He said the cost of shipping goods through the port will reduce because of the much-talked bridge. "So, exporters will be interested in using the port," he said, adding that congestion at the Chattogram port will decline as more ships will come

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Shipping lines sceptical about new ICD policy

DWAIPAYAN BARUA, Chattogram

Shipping lines in Bangladesh have expressed concern over some provisions in the recently published policy for private inland container depots (ICDs), citing that certain measures may cause adversities in running operations. The National Board of Revenue (NBR) issued a gazette on the "Private Inland Container Depot and Container Freight Station Policy-2021" on December 19 last year, setting guidelines for the establishment and operation of private ICDs. The Bangladesh Container Shipping Association (BCSA), a group of major shipping lines working in the country, expressed its concern over the new policy through a letter to the NBR issued yesterday. BCSA members

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Red and yellow, colours representing spring, feature in clothing put on display at Aziz Cooperative Super Market in Shahbagh of Dhaka yesterday marking Pchela Falgun, the first day of spring and 11th month of the Bangla calendar.

PHOTO: RASHED SHUMON

NBFIs barred from disbursing loans on BB cheques

Misuse revealed during probe into scams

AKM ZAMIR UDDIN

Bangladesh Bank yesterday ordered non-bank financial institutions (NBFIs) not to disburse loans using cheques of current accounts they have to maintain with the central bank. Bangladesh Financial Intelligence Unit (BFIU) and Anti Corruption Commission (ACC) had discovered that the cheques were used in some of the major scams perpetrated in the NBFIs sector, said officials of the central bank. Every NBFIs has to have a current account with the central bank to maintain their cash reserve ratio and statutory liquidity ratio. The NBFIs are allowed to use the cheques when they want to withdraw funds from the central bank or settle any inter-bank loans or liabilities such as call money. Some delinquent NBFIs used the cheques to give out loans to the scammers so that no suspicion arose among watchdogs, explained a BB official. Usually no question is raised when cheques of current accounts with the central bank are placed for withdrawal or transfer of funds. The cheques enabled the scammers to seamlessly withdraw funds from banks. And this was what the swindlers capitalised on to siphon off funds, unearthed the BFIU and the ACC. And this has prompted the central bank to send letters to all NBFIs, barring them from disbursing any loans using the BB current account cheques. Prashanta Kumar Halder, also known as PK Halder, swindled a large amount of money from four NBFIs using the BB cheques. Halder, a former managing director of

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Banks asked to duly provide inland LC data

STAR BUSINESS REPORT

Bangladesh Bank yesterday asked banks to appropriately provide relevant data of inland letters of credit (LCs) to the online import monitoring system (OIMS). Although the central bank had earlier asked the lenders to submit the data on a regular basis, some have not followed the instruction. Under the inland back-to-back LCs, local businesses import raw materials from exporters staying within the country. The businesses import the items to produce goods, which are usually exported abroad. The lenders now grant "acceptance" to corresponding banks in favour of inland LCs without placing the data on the OIMS. Acceptance means a bank takes responsibility of an importer to pay the worth of the imported items to the corresponding bank, through which the products are exported. On receiving the acceptance, the corresponding bank pays the cost of exported items to the exporters without realising the funds. The central bank says that the corresponding banks also do not verify the local or inland bills using the OIMS while purchasing those in order to settle the LCs. This has created complexities in settling the bills, according to a central bank notice. The central bank has asked banks, which purchase the bills, to make payments to exporters after ensuring that the inland bills were available on the OIMS.

DSEX ▲		CSCX ▲	
0.05%	7,089.52	0.01%	12,473.95

COMMODITIES AS OF FRIDAY	
Gold ▲	Oil ▲
\$1,858.90 (per ounce)	\$93.96 (per barrel)

ASIAN MARKETS FRIDAY CLOSINGS			
₹ USD	€ EUR	£ GBP	¥ CNY

ASIAN MARKETS FRIDAY CLOSINGS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 1.31%	▲ 0.42%	▲ 0.03%	▼ 0.66%
58,152.92	27,696.08	3,428.95	3,462.95



Seaweed being grown in Cox's Bazar. About 300 households at Inani Beach and Cox's Bazar are engaged in farming the fast-growing algae which have potential applications in the food, cosmetic, feed and pharmaceutical sectors. In 2020, their production stood at 390 tonnes. The photo was taken recently.

PHOTO: BANGLADESH FISHERIES RESEARCH INSTITUTE

Seaweed's potential to be harnessed: fisheries minister

STAR BUSINESS REPORT

The government will take all possible steps to harness the potential of seaweed and other marine resources for the development of the blue economy, said Fisheries and Livestock Minister SM Rezaul Karim.

He was addressing a workshop on the production and popularisation of seaweed products, organised by the Bangladesh Fisheries Research Institute (BFRI) at a hotel in Cox's Bazar on Saturday.

"Although seaweed is unconventional, it has many qualities. There is huge potential for multifaceted use of seaweed in medicine, cosmetics and herbal products and making nutritious food items," he said.

Karim said there are restaurants dedicatedly serving seafood while demand for marine fish is huge. Training needs to be provided to help harness the potential, he said.

The versatile use of seaweed as well as its taste should be given special importance and all necessary measures

will be taken to create more awareness on the products, he said. "We need to grow a habit of eating seafood."

The extraction of marine resources will be another huge chapter in the development of the country. "We have to utilise marine fish, seaweed and mineral resources. For this, we have to create skilled human resources," Karim said.



Although seaweed is unconventional, it has many qualities. There is huge potential for multifaceted use of seaweed in medicine, cosmetics and herbal products and making nutritious food items.

SM Rezaul Karim
Fisheries and Livestock Minister

Muhidul Islam, project director of the BFRI, presented a keynote paper at the workshop.

With more than 700 kilometres of coastline and 25,000 square kilometres of the coastal area, Bangladesh has enormous potential for seaweed cultivation as the country's beaches,

estuaries and mangroves make it an ideal habitat for the plant, according to the Food and Agriculture

Organisation.

The BFRI said it has already identified 23 species of commercially important seaweed through research. Six variants of seaweed are being cultivated in the country.

About 300 households are engaged in seaweed farming at Inani Beach and Reju Khal of Cox's Bazar.

They produced 390 tonnes in 2020, with potential applications in the food, cosmetic, feed and pharmaceutical sectors.

Currently, 390 tonnes of wet seaweed can fetch Tk 2.34 crore at Tk 60 per kg.

Dried seaweed for food and feed formulation sells at Tk 300 per kg while the price goes up to as much as Tk 1,000 per kg for that meant for cosmetic and pharmaceutical applications, according to a BFRI study.

Right now, seaweed farming is one of the fastest-growing aquaculture sectors with an annual production of about 3,300 crore tonnes worth \$11.8 billion globally, which is expected to double by 2024.

Singer Bangladesh

FROM PAGE B4

It covers almost 12 brands and has 30 research and development (R&D) and design centres. And it has 1,700 researchers and 3,000 international patent rights. So, because of the takeover, we are able to get that knowledge, R&D support or even in terms of quality.

Arcelik has separate quality labs. In terms of innovation with Arcelik, we are now in a position to develop our own models, designs and features that are more suitable for Bangladeshi consumers.

DS. There is a huge middle-class segment in Bangladesh and it is expanding. Researchers suggest that the middle-class tends to consume high-end products. How are you preparing for the next five to 10 years?

MHM Fairuz: With more disposable income, the middle-class wants to elevate their lifestyle. As a brand, we are quite strong in the mid-segment. The needs and requirements of consumers who are elevating to the premium segment are slightly different. They are more brand-conscious. They want more premium end products with many features and benefits. For this segment of consumers, we have many options in line.

At this moment, we have an Arcelik-owned brand Beko, which is a top brand in Europe and clearly the number one brand in the UK. And Arcelik also owns over 12 other brands. So, we always have the option to select other brands

and offer the premium segment that is emerging in Bangladesh.

DS. What is the future investment plans of Singer and Arcelik in Bangladesh?

MHM Fairuz: We want to increase our local production in Bangladesh to 60-70 per cent from the present 52 per cent. If there are opportunities, we will produce more locally.

The factories that we have are okay to cater to the demand in the next two to three years. But as we move forward, we need to increase our production capacities.

The next thing is we are looking at the global trend. With the innovation, technology and R&D that Arcelik has, we believe that there is no one in Bangladesh that has that capability. We are going to bring that innovation and capability, using our local resources. So, we need investment and also need to expand our footprint.

Even though the business models are changing and online efforts are increasing, we still believe there are customers who would prefer to walk into retail stores. There are customers who want to go to dealers' stores to have a bargain and there are also corporate customers. So, with all these channels, we are in an expansion mode for which we need investment not only in production but also to improve our service. Our plan is to be the number one service provider in Bangladesh in the consumer durable category.



AK Abdul Momen, minister for foreign affairs, attends "The Role of NRBs in the Implementation of Economic and Public Diplomacy and CIP Reception" programme by Bangladesh Business Council (BBC), Dubai, at Crown Plaza Hotel on Sheikh Zayed road in Dubai, the UAE. Mohammad Mahtabur Rahman, president of BBC, Dubai, and chairman of NRB Bank, presided over the event. Md Abu Zafar, ambassador of Bangladesh to the UAE, BM Jamal Hossain, consulate general of Bangladesh to Dubai, and Saed Mohammed Al Muhairi, former ambassador of the UAE to Bangladesh, were present.

PHOTO: BANGLADESH BUSINESS COUNCIL



Mutual Trust Bank (MTB) virtually organised its Town Hall 2022 with the theme "Towards Resilient Growth" on Saturday. Md Wakiluddin, chairman of the bank, Md Abdul Malek, vice-chairman, Syed Manzur Elahi, director, and Nasreen Sattar and Faruq Ahmad Siddiqi, independent directors, attended the programme. Syed Mahbubur Rahman, managing director, and Chowdhury Akhtar Asif, additional managing director, also attended.

PHOTO: MUTUAL TRUST BANK

Visa makes payments easier for Bangladeshi patients in India

STAR BUSINESS DESK

Visa, the global leader in digital payments, announced yesterday that it has partnered with Vaidam, a hospital care discovery platform, to make payments easier for medical travelers from South Asian countries seeking healthcare in India.

The Vaidam platform enables patients seeking healthcare from numerous countries, including Bangladesh and Nepal, to look for specialist services for critical illnesses and medical care close to 100 hospitals across India, for a variety of treatments and procedures, a press release said.

Vaidam also assists patients with required visa invitations and logistics once they arrive in India.

This partnership with Vaidam provides Visa cardholders a discount of up to 10 per cent on various in-patient services, including procedures and surgeries, on using Vaidam to book healthcare services in India.

"We are pleased to partner with Vaidam to enable citizens of Bangladesh seeking medical treatment in India with more comfort, wider access and the benefit and convenience of using their Visa cards to pay," said Soumya Basu, country manager for Bangladesh, Nepal and Bhutan at Visa.

"Having served thousands of patients so far from Bangladesh in almost 6 years, Vaidam is now proud to partner with Visa, one of the most trusted brands throughout the world, and serve all Visa cardholders in the Vaidam hospital network to help them get back to a healthy life faster," said Pankaj Chandna, co-founder of Vaidam Health.

Saudi transfers oil giant Aramco shares to sovereign fund

AFP, Riyadh

Saudi Arabia has moved four per cent of Aramco shares worth 80 billion dollars in the world's biggest oil exporter to the kingdom's sovereign wealth fund, authorities said Sunday.

Crown Prince Mohammed bin Salman, Saudi Arabia's effective ruler, announced the move as part of efforts to recalibrate the oil-dominated economy.

The transfer is also the latest sign that Saudi Arabia wants to open up the oil giant and "crown jewel" of the Saudi economy.

The "transfer of four per cent of Aramco shares to the Public Investment Fund (PIF) ... is part of the kingdom's long-term strategy to support the restructuring of its economy," the crown prince was quoted as saying by the state SPA news agency.

Crown Prince Mohammed said he wants the investment fund to have one trillion dollars in assets by the end of 2025. The fund is the centrepiece of official moves to end economic reliance on oil.

Global fuel shortage spreads to diesel

REUTERS, London

Global supplies of diesel are dwindling as refiners struggle to keep pace with rapid post-pandemic demand recovery, exacerbating an acute global energy shortage which has already sent the prices of gas, coal and crude oil soaring.

At a time when global central banks are fretting over inflation rates not seen for decades, diesel shortages would push up fuel and transportation costs further and add more upward pressure on retail prices.

The US and Asian diesel imports on which Europe relies have been limited in recent weeks due to higher domestic consumption for manufacturing and road fuel purposes.

Gasoil inventories, which include diesel and heating oil, held in independent storage in Europe's Amsterdam-Rotterdam-Antwerp (ARA) refining and storage area fell last week by 2.5 per cent, data from Dutch consultancy Insights Global showed.

Regional stocks were at their lowest level for this time of year since 2008, according to the data, while Singapore's onshore inventories of middle distillates also sank to multi-year lows of 8.21 million barrels.

"Diesel demand seems to be improving in (northwest Europe) but lower refining capacity compared with pre-Covid and low import levels are keeping the market under severe pressure," said Insights Global's Lars van Wageningen.

Northwest European diesel cargo prices reached \$114/bbl on Monday, the highest since September 2014, while margins to crude reached two-year highs last week.

Morgan Stanley analysts note that diesel prices reached around \$180 a barrel in 2008, driven by an "exceedingly tight" middle distillate market as Brent crude rose close to \$150/bbl.

"A repeat of that is not our base case, but it is notable that diesel prices have been tracking the 2007-08 period closely in recent months," they said, adding that they expected crude prices to reach \$100/bbl in the second half of this year.

Last week, a winter storm tested fuel availability in the US with some utilities preparing to use more distillate fuel oil to meet demand, while South Korea and India have been unable to fill a supply gap left by China's recent clampdown on refined product exports due to their own domestic needs.

Eastland Insurance wins SAFA award

STAR BUSINESS DESK

Eastland Insurance Company Ltd won a certificate of merit for the "Best Presented Annual Report Awards 2020" by the South Asian Federation of Accountants (SAFA) in the insurance category.

Abdul Haque, chief executive officer of the insurer, received the certificate from Md Shahadat Hossain, president of the Institute of Chartered Accountants of Bangladesh at the CA Bhaban auditorium in Karwan Bazar, Dhaka recently, a press release said.

Earlier, the company was also awarded with the "Best Corporate Award" by the Institute of Cost and Management Accountants of Bangladesh for four consecutive years.

Myanmar firm poised to control Telenor unit

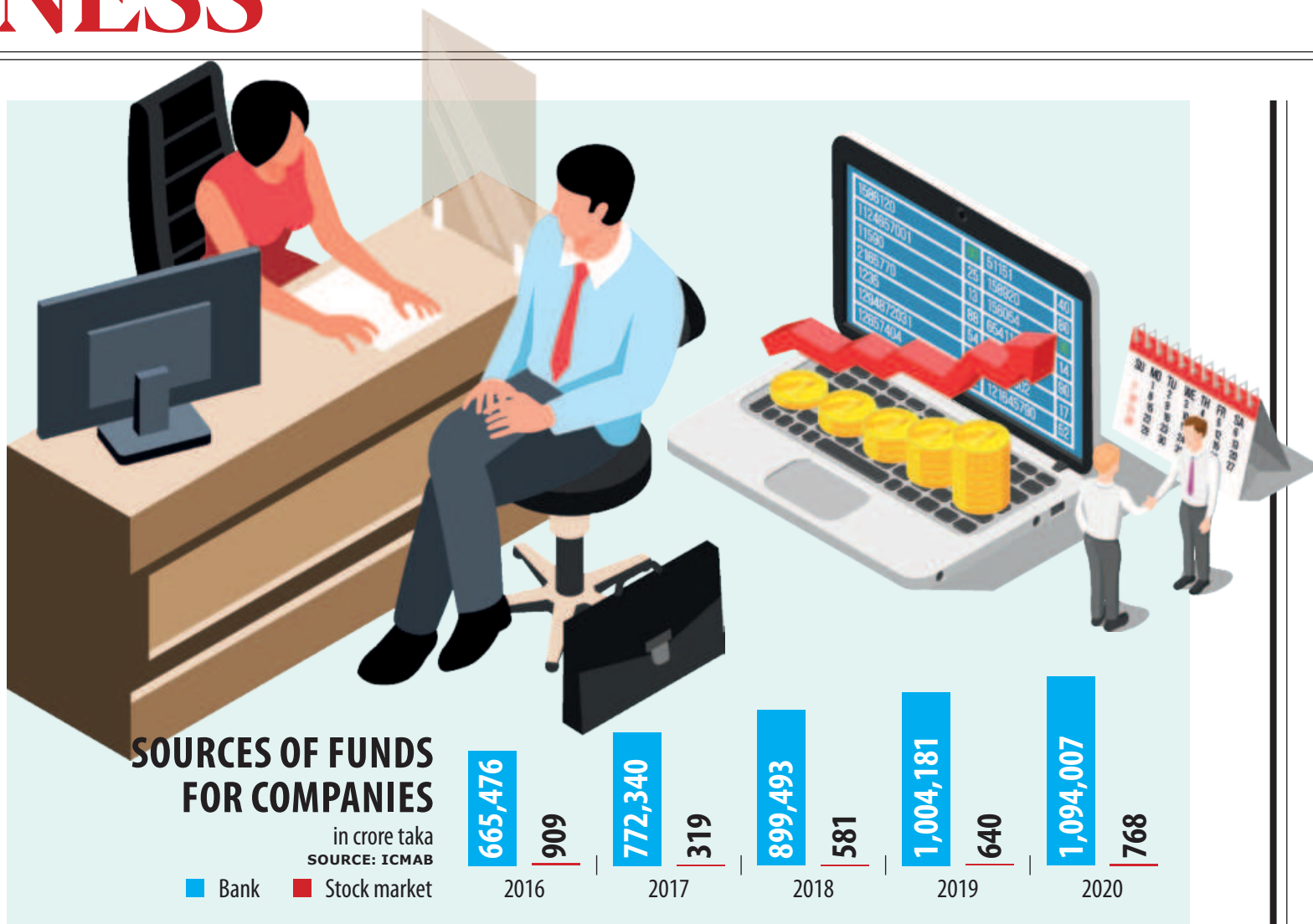
REUTERS

Myanmar's military has given the go-ahead for a local company to own most of Norwegian telco Telenor's operations in the country, under a deal to be finalised shortly, communications seen by Reuters show.

Civil rights groups said the deal could put the data of 18 million people within the junta's reach.

The new information reviewed by Reuters shows Shwe Byain Phyu will own 80 per cent of the unit under a handover expected to be concluded within days. Lebanese investment group MI will own the rest.

Shwe Byain Phyu's chairman, Thein Win Zaw, has a history of business ties to the military, including, most recently, as an investor in Mytel, an army-owned telco, undated corporate records seen by Reuters show.



Long-term loans from short-term deposits weaken banks: experts

STAR BUSINESS REPORT

Heavy dependence on banks for long-term funding is weakening the financial health of local lenders, according to analysts.

And since a number of banks in the country are suffering from a huge amount of non-performing loans, entrepreneurs should turn to the stock market to raise funds if they need long-term capital, they said.

Their comments came at a seminar, titled "Barrier of listing of well-performing companies and its way out", organised by a business news portal, businesshour24.com, yesterday.

Prof Shibli Rubayat-Ul-Islam, chairman of the Bangladesh Securities and Exchange Commission (BSEC), said it is risky when banks provide large, long-term loans from their short-term deposits.

This is because the rate of non-performing loans is so high that if the provisioning system had been absent, many banks would have been bound to close.

"Doing business is full of uncertainties so when a company incurs losses and the entrepreneur defaults on loans, then all companies suffer, even well-performing ones," he said while addressing the event as chief guest.

"So, we are trying to bring the

companies to the stock market for meeting their capital needs but we are facing some challenges in this regard and solving them patiently."

The BSEC chairman went on to say that if a company seeking entry to the stock market properly submits all the relevant documents, then its initial public offering could be approved within seven to 30 working days.

Doing business is full of uncertainties so when a company incurs losses and the entrepreneur defaults on loans, then all companies suffer, even well-performing ones. So, we are trying to bring the companies to the stock market for meeting their capital needs.

"People go to banks for their capital needs because bank loans are easy to get," said Faruq Ahmad Siddiqi, a former chairman of the BSEC.

"So, as long banks have enough liquidity to finance long-term projects, entrepreneurs will not come to the stock

market. Besides, the domestic stock market does not match the country's economic vibrancy as it booms and bursts without any economic reason."

Compared to how Bangladesh's economy grew last year, the stock market did not perform at the same pace. Under the circumstances, only a few good companies have come to the stock market in the last few years.

"So, investors also suffer in finding good scrips to park their hard-earned money," Siddiqi said.

Although bourses are well-poised to provide long-term funding solutions, only 0.07 per cent of the country's financing needs were met through the stock market in 2020 while the rest came from banks, said Mamunur Rashid, president of the Institute of Cost and Management Accountants of Bangladesh.

"Tax evasion should be stopped by any means to bring the companies to the stock market. Companies often shy away from going public as they come under the BSEC scanner and other legal bindings once listed," he added.

Sayedur Rahman, president of the Bangladesh Merchant Bankers Association, Akter Hossain Sannamat, adviser to Businesshour24.com, and Amirul Islam, publisher of the online news portal, also spoke.

Peninsula hotel's earnings double

STAR BUSINESS REPORT

Earnings of Peninsula Chittagong, a posh hotel in the port city that is listed on the bourses, more than doubled in the October-December quarter of the current financial year of 2021-22.

Its earnings per share rose 120 per cent year-on-year to Tk 0.33 during the period, according to data posted on the website of the Dhaka Stock Exchange (DSE).

The hotel's half-yearly (July to December) earnings per share went up to Tk 0.64, which was Tk 0.42 in the same period of the previous year.

The EPS has increased due to a rise in net profit, net operating income and a decrease in tax rate compared to that in the previous year, the hotel said.

Its paid-up capital is now Tk 118 crore, according to the DSE data.

Sponsors hold 49.95 per cent stake in the hotel, while institutions hold 10.67 per cent and general investors the rest.

Xinjiang labour policies discriminatory

Says ILO

REUTERS, Geneva

An International Labour Organization committee has expressed "deep concern" about China's policies in its far western region of Xinjiang, calling them discriminatory and asking Beijing to bring its employment practices into line with global standards.

The report on the region, home to China's minority Muslim Uyghurs, risks stoking geopolitical tensions between China and the United States at a sensitive time for Beijing as it hosts the Winter Olympics.

The United States accuses China of genocide and along with other Western nations has imposed a diplomatic boycott of the Games over China's treatment of Uyghurs in Xinjiang. Allegations of rights abuses include some that are reviewed by the ILO committee, such as China's alleged use of forced and prison labour. China denies the accusations.

"The Committee expresses its deep concern in respect of the policy directions expressed in numerous national and regional policy and regulatory documents and requests therefore the government to... review its national and regional policies with a view to eliminating all distinction, exclusion or preference," the report released by the UN agency on Thursday said.

Specifically, the committee asked China to repeal provisions "that impose de-radicalisation duties on enterprises and trade unions" in Xinjiang and to amend political re-education provisions. "As a ILO member state, the Chinese government is firmly committed to respecting, promoting and realizing the full access to productive and freely chosen employment and decent work for all Chinas ethnic minority groups including Uyghurs in Xinjiang," its diplomatic mission in Geneva said on Twitter.

Oil majors face backlash as era of big profits returns

AFP, Paris

Soaring energy prices have brought massive profits to oil majors - along with fierce criticism from environmentalists and politicians at a time when consumers are left with rising bills.

US firm ExxonMobil, France's TotalEnergies, and UK giants Shell and BP announced in the past week 2021 profits totalling a whopping \$66.7 billion.

It marked a huge turnaround from 2020, when they posted losses as the pandemic emerged, prompting lockdowns that brought the world economy to a grinding halt and caused crude prices to collapse.

But oil and gas prices rallied big time last year, surging to \$70 per barrel after briefly sinking into negative territory in 2020.

The main international and US contracts rose to seven-year highs in January and now sit at around \$90. Gas prices, meanwhile, hit records in Europe.

"Oil companies benefited from an extraordinary alignment of the planets," said Moez Ajmi, oil industry expert at EY consultancy.

In addition to higher energy prices, energy firms "cleaned up" their assets to only keep the most profitable ones, Ajmi said.

The companies also strengthened their cost-cutting policies which started in a previous price slump in 2014.

A gradual increase in output by OPEC

and its allies has also helped.

ExxonMobil went from a \$22.4 billion loss in 2020 to a \$23 billion profit in 2021. Shell was \$20.1 billion in the green last year after a \$21.7 billion loss in 2020.

TotalEnergies went from a historic \$7.2 billion loss to a 15-year high profit of \$16 billion.

BP's recovery was not as big, going from \$20.3 billion in the red to \$7.6 billion in the green.

Prices at the pump and utility bills, meanwhile, have gone up for consumers. BP said the result would allow it to accelerate "the greening" of the company.

But the performances at the companies triggered calls for a windfall tax on the profits of energy firms in the UK.

"These profits are a slap in the face to the millions of people dreading their next energy bill," Greenpeace UK's head of climate Kate Blagojevic said in a statement.

"BP and Shell are raking in billions from the gas price crisis while enjoying one of the most favourable tax regimes in the world for offshore drillers," she said. "And these are the same companies responsible for pushing our world closer to catastrophic climate change."

Seeking to head off a political storm, the government of Prime Minister Boris Johnson announced last week a package of financial support after the state energy regulator lifted prices.

The opposition Labour Party said it was not enough.

NBFIs barred from disbursing

FROM PAGE B1

NRB Global Bank and Reliance Finance who is believed to be living in Canada on fleeing from Bangladesh, is one of the people responsible for the vulnerable situation now plaguing the NBFIs sector.

He and his associates

siphoned off around Tk 4,000 crore to Tk 5,000 crore from four NBFIs - International Leasing and Financial Services, FAS Finance & Investment, People's Leasing and Financial Services, and Reliance Finance.

Falling victim to the

scams in recent years, a good number of the NBFIs are now unable to repay depositors in spite of their funds reaching maturity.

Non-performing loans in the country's 34 NBFIs stood at Tk 11,757 crore as of September last year, up 17 per cent year-on-year.

China's soymeal prices hit highs

REUTERS, Beijing

China's soymeal futures soared to record highs this week on concerns about the scale of South America's drought-hit soybean crop and tightening meal supplies in domestic markets.

Elevated prices of soymeal, the top protein ingredient in animal feed, could lift production costs for Chinese hog farmers who are already struggling with huge losses, and may push some to exit the market, traders and analysts said.

The most actively traded soymeal futures on the Dalian Commodity Exchange rallied to 3,792 yuan (\$596.22) per tonne this week, the highest price on record, and up 13 per cent from before the week-long Chinese New Year holiday.

Shipping lines sceptical

FROM PAGE B1

include the local agents and branch offices of numerous global shipping lines, including Maersk Line, CMA CGM, Hapag Lloyd, Orient Overseas Container Line (OOCL), Cosco Shipping, Samudera Shipping Line, Mediterranean Shipping Company (MSC), Ocean Network Express (One), and HMM.

In the letter, Captain AS Chowdhury, general secretary of the BCSA, said the provision for consignees and shippers to stipulate the names of ICDs as the "port of delivery" or "port of shipment" in letters of credit (LCs) and bills of lading (BLs) would have wide-ranging implications on the shipping process.

According to the NBR policy, importers and exporters need to state an ICD's name in the LC or BL

respectively if they intend to take import delivery or stuff export cargo at the ICDs. Mentioning that in case of imports, this would mean the carrier responsibility would end at the ICD while for exports the carrier would start handling containers from the ICDs, the BCSA opined that the inland haulage charge that was once the merchant charge would turn into shipping lines' charge.

This would require the shipping lines to update their freight charges to and from Bangladesh as well as their corresponding contracts with customers, it stated. Currently, shipping lines have individual commercial contracts with their choice of ICDs.

Chowdhury in the letter said the new provision would require shipping lines or main line operators

Mongla port turns around

FROM PAGE B1

to the Mongla port. He suggested the MPA take preparations to increase handling and other facilities so that the port can respond to the spike in demand.

NS Guha Roy Nilaz, regional general manager of shipping and logistics service provider Karnaphuli Group in Khulna, said vessels with drafts up to 8.5 metres can come up to the Akram point and Harbaria.

Currently, fully loaded container vessels can't navigate in the channel because of the lower draft.

That is why the cost of shipping containers from the port is higher.

Ships with up to 9.5 metres draft will be able to come to the jetty following the dredging of the inner bar of the channel, he said.

"Then, we will see a higher volume of container cargoes, especially garments, coming for shipment through Mongla," Nilaz said.

According to him, what is needed now is to develop backup facilities.

The establishment of off-dock is also necessary to facilitate export containers.

The port has space to establish inland container depots and it can be set up within 5 kms of the port, he said, suggesting that the customs authority revise the Inland Container Depot Policy depending on the situation and surrounding of the port instead of making a common rule.

Md Sultan Hossain Khan, president of the Clearing & Forwarding Agents Association, says services of the port and customs have improved.

"Users are also bringing more goods through the port now than in the past."

The association also expressed concern over how the new policy does not have any specifics on the much talked about "tariff committee", allowing ICD owners to fix charges on their own accord.

The tariff committee, as stipulated in the Shipping Ministry's ICD Policy formulated in 2016, was a means of relief for the trade, it said. The ICD Policy-2016 directed that a tariff committee comprising prescribed representatives needs to be formed to fix the charges of ICDs.

An official of a shipping agent said that in November last year, some ICD owners increased their charges by 23 per cent based on the hike in diesel prices even though there were some items on which the increased prices should not have had any impact. The BCSA also opposed

the provision that prohibited the use of ICDs for handling Less-than-Container Load (LCL) import containers.

Mentioning that it is a common occurrence for import-export activities to exceed the storage capacity of Chittagong Port due to delays in container delivery, the BCSA stated that arrangements need to be made to handle LCL cargoes outside the port in order to keep enough free space inside.

The association opined that shipping lines, the most important stakeholders of the ICDs, should be given an opportunity to share their thoughts on the draft policy during the formulation.

Assuch, it urged the NBR to address and resolve these issues in the best interest of the country's import and export activities.

Progress eyed through the programme of carbon trading

CHINA DAILY/ANN

With the help of its carbon trading program, China has made notable progress in accelerating the low-carbon transition of the nation's businesses, said Chinese authorities.

As the trading market, currently only involving the power generation sector, wrapped up its first cycle of trading, a decline had already been registered in carbon emissions per unit of electricity.

With 179 million metric tons of carbon emission allowances changing hands, the trading volume of the market in 2021 reached almost 7.7 billion yuan (\$1.2 billion), according to a media release from the Shanghai Environment and Energy Exchange, which runs the trading platform.

"The trading price was stable with a moderate increase," it said. The market closed with a price of about 54 yuan per metric ton on December 31, up by 13 per cent from July 16 when it opened.

Carbon trading is the process of buying and selling carbon emission permits among designated emitters. Involving 2,162 power generators, which are responsible for 4.5 billion tons of carbon dioxide emissions, the country's trading program is already the largest in the world.

The program imposes carbon emission limits for every unit of electricity a power plant generates. After each cycle of trading, operators will be able to sell their carbon allowances if the emission intensity of their plants is below the benchmark. Otherwise, they will have to purchase allowances.

Currently, the allowances are distributed to participating emitters free of charge.

The market has already demonstrated its role as a key policy instrument that could help curb carbon emissions as China forges ahead in meeting its climate targets, said a statement from the China Hubei Emission Exchange, based in Wuhan, capital of Hubei province, which is in charge of the registration of applications and data collection for the trading program.

China aims to peak carbon dioxide emissions before 2030 and realize carbon neutrality before 2060.



Workers of Singer Bangladesh Ltd work on the refrigerator production line at one of its factories in Savar recently.

PHOTO: SINGER BANGLADESH

Singer Bangladesh expanding to cater to new generation of consumers

DWAIPAYAN BARUA

Singer has been operating in Bangladesh for 117 years and is growing at a healthy pace. Currently, the company is putting emphasis on brick-and-mortar sales as well as fast-expanding digital commerce in order to serve the current generations. Singer Bangladesh Ltd Managing Director & Chief Executive MHM Fairoz shares his company's plans on investment, expansion and digital customers during an interview with The Daily Star recently.

DS. What has been the key factor behind Singer's continuous success in Bangladesh for 117 years?

MHM Fairoz: Obviously, a brand needs to win the trust of consumers to survive in any market for 117 years. During this long journey, Singer brand started with marketing sewing machines and we have earned the trust. This trust factor among consumers across the segments in Bangladesh has helped us.

In addition to the quality of the product and services, another key factor behind this long and successful journey is that we kept changing our business model in line with

the changing need of the consumers. Since everything is becoming digital, we also have gone for selling products online through our e-commerce site. So, this sort of effort actually helps us remain relevant to the consumers of Bangladesh and grow our business.

DS. Where do you see Singer Bangladesh in the next five years?

MHM Fairoz: We want to further improve the brand recognition and the strength that we have. Even though we have been successful so far, we are emphasising executing strategies to successfully cater to the future generations.

We are closely following the global market trends in our industry, especially, in line with Arcelik, the major shareholder of Singer Bangladesh.

Of course, we look at what is happening in Bangladesh too. The needs and purchasing behaviour of the new generations are changing. They prefer the convenience and are more reliant on service. We made a

journey from a product-driven company towards a sales-oriented company. Alongside focusing on our sales, we want to become a more consumer-centric or consumer-driven company taking the mindset of our future customers into consideration and continue the business success.

DS. What is the current strength of Singer? What is your target in the coming years?

MHM Fairoz: We can't change the business model overnight. Currently, we have about 437 retail outlets, 1,200 dealers and a corporate sales division. The fourth channel we

already have is our online store. With the changing consumer behaviour, we want to play a significant role in e-commerce. Before the pandemic, we had almost 100 per cent growth in revenue and almost three times increase in our profitability within a period of five years. So, in terms of revenue, our minimum aim is to continue the same growth, year-on-year.

DS. The profitability and

turnover of Singer were affected in 2020. How do you assess your business in 2021?

MHM Fairoz: Not only Singer Bangladesh, other industries like FMCG, automobiles and footwear were not able to continue their usual business due to the pandemic. During the Eid-ul-Azha season in 2021, there had been lockdown and we were not able to open our retail outlets through which around 80 per cent of our revenue is generated. So, we lost almost Tk 270 crore in revenue during the third quarter of 2021.

But there was no job cut in Singer Bangladesh due to the pandemic because we believe that our employees are our bigger asset, and when things are right, our teams will bounce back to capitalise on opportunities.

DS. What strategic advantage Singer has got in Bangladesh since Arcelik took over?

MHM Fairoz: We believe Arcelik's taking over Singer Bangladesh was a perfect marriage. Before Arcelik took over, Singer was predominantly a company that is quite strong in sales.

Arcelik has about 40,000 employees and 28 production

READ MORE ON B2



Stocks insipid as investors remain cautious

STAR BUSINESS REPORT

Stocks ended flat for the second consecutive day yesterday as investors kept maintaining their wait and see approach amid higher infections of Covid-19.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), edged up 3 points, or 0.05 per cent, to 7,089 at the end of the day.

On the premier bourse, 142 stocks rose, 196 declined and 41 remained the same.

The market posted a slight gain after witnessing choppy trading as most investors followed a cautious stance ahead of December-end earnings and dividend declarations, said International Leasing Securities in its daily market review.

Some large-cap stocks such as British American Tobacco, Beacon Pharmaceuticals, and Square Pharmaceuticals glided the broad index upward, it said.

Among the sectors, tannery rose 3.5 per cent, jute was up 1.8 per cent, and food and allied increased 1.6 per cent. The life insurance sector dropped 2.1 per cent, travel and leisure fell 1.7 per cent, and general insurance declined 1.1 per cent.

The investors' activity was mostly concentrated on pharmaceuticals and chemicals, which accounted for 14.6 per cent of the day's turnover, followed by engineering with 13.2 per cent and textile with 10.3 per cent.

Turnover advanced 1.54 per cent to Tk 1,275 crore.

Fortune Shoes was the most-traded stock on the day with shares worth Tk 98 crore changing hands. Orion Pharmaceuticals, Beximco Ltd, Bangladesh Shipping Corporation, and Saif Powertec also saw heavy trading.

Meghna Pet Industries topped the gainers list, advancing 10 per cent. Aramit Cement, BD Thai Food, Meghna Condensed Milk, and Zeal Bangla Sugar Mills all rose more than 9 per cent.

Queen South Textile was the worst-performing stock, shedding 7.12 per cent. Peninsula Chittagong, Bangladesh Shipping Corporation, Acme Pesticides, and Yeakin Polymer were also among the major losers.

The Chittagong Stock Exchange also dropped. The CASPI, the main index of the bourse in the port city, rose 6 points, or 0.03 per cent, to close at 20,775.

Of the 311 securities traded, 129 rose, 152 fell and 74 remained unchanged.

US inflation data hits global stocks

REUTERS, Washington/London

Major global stock indexes fell on Thursday under pressure from crucial US inflation data, falling technology shares and rising benchmark bond yields.

US consumer prices rose solidly in January, leading to the biggest annual increase in inflation in 40 years, which could fuel financial market speculation for a 50 basis points interest rate hike from the Federal Reserve next month, read more

Wall Street retreated. The Dow Jones Industrial Average fell 1.47 per cent to end at 35,241.59 points, while the S&P 500 lost 1.81 per cent to 4,504.06. The Nasdaq Composite dropped 2.1 per cent to 14,185.64. It was the seventh time in 2022 that the Nasdaq lost more than 2 per cent in a session.

The S&P 500 is now down about 5 per cent in 2022, and the Nasdaq is down about 9 per cent. Tech stocks, which boosted US shares to steep gains earlier in the week, fell 2.75 per cent.

The MSCI world equity index fell after clinging to gains throughout much of the session. The pan-European STOXX 600 index closed down 0.2 per cent as rising bond yields.

US solar tariff: Boon for South Korea, blow for China

THE KOREA HERALD/ANN

South Korean solar companies may face a bright future this year as the US recently extended a tariff for four more years to keep cheap Chinese products in check.

According to industry sources Friday, the US last week decided to impose a 15 per cent tax on imported solar cells and panels for another four years as part of an apparent effort to block the inflow of Chinese-made products.

The US first introduced the tariff to safeguard its domestic solar industry from China, which manufactures roughly 70 per cent of the world's solar panels. The tariff, which started at 30 per cent, has gone down to 15 per cent this year.

For Hanwha Q Cells and LG Electronics, which have solar cell and panel factories in the US, the extension of the tariff is expected to help them maintain their dominant status in the North American market and spare them from the cutthroat competition with cheap Chinese products. "It's good news that Korean companies don't have to compete against cheap Chinese solar panels. The tariff will allow them to stay competitive in the US market," an industry official said.

Hanwha Q Cells and LG Electronics face an even brighter future as the US prepares a massive stimulus package to nurture its domestic solar industry.

Within the first half of this year, the US is expected to pass a bill called SEMA, or Solar Energy Manufacturing for America Act. If passed, the bill will provide tax deductions for all solar cells and modules produced on American soil until 2030. In addition, the bill will provide massive subsidies for new factories.



The US last week decided to impose a 15 per cent tax on imported solar cells and panels for another four years.

PHOTO: AFP

India hopes to replace diesel

REUTERS, New Delhi

India is hoping to cut diesel use by farms to zero and migrate the agriculture sector to renewable energy as early as 2024, the Power Ministry said on Friday, as a part of its broader plan to transition to cleaner energy sources.

"India will replace diesel with renewables to achieve target of zero diesel use in agricultural sector by 2024," the ministry said in a statement.

The ministry did not say how it planned to achieve the ambitious target. In February 2020 it launched a scheme to provide financial incentives to farmers to use solar instead of diesel-fired irrigation pumps.

Diesel accounts for about two-fifths of India's overall refined fuel consumption, and the farm sector is one of the largest users of the fuel, according to government data.