

Sri Lanka fuel prices soar as economy reels

AFP, Colombo

One of Sri Lanka's biggest fuel suppliers hiked the price of gasoline by nearly 20 per cent on Saturday, the second increase in as many weeks, as the country struggles to import oil without dollars.

Lanka IOC, a fuel retailer which accounts for a third of the market, said it raised the petrol price to 303 rupees (just over \$1) a litre, up from 254 rupees. Two weeks ago, the company increased the price of gasoline by 25 per cent.

The company said the 30 per cent depreciation of the rupee against the US dollar and other major currencies this month fuelled the increase.

There was no immediate price revision from the state-owned Ceylon Petroleum Corporation but its representatives, who asked to remain anonymous, told AFP it was almost certain to follow Lanka IOC.

The 30 per cent depreciation of the rupee against the US dollar and other major currencies this month fuelled the increase in prices

Sri Lanka is in the grip of its worst economic crisis since independence from Britain in 1948.

The island's foreign reserves have hit rock bottom, with commercial banks unable to secure dollars to finance imports of food, fuel and medicines.

At least four people have died while waiting in long queues to buy fuel in the past week.

Sri Lanka was in a deep economic crisis when the Covid-19 pandemic hit, reducing foreign worker remittances and crippling the lucrative tourism sector – a key source of dollars for the economy.

The government imposed a broad import ban in March 2020 to save foreign currency.

The shortages pushed food prices up 25 per cent last month, with overall inflation at 17.5 per cent – the fifth consecutive monthly record high.

Sri Lanka is also facing five-hour rolling electricity blackouts as thermal generators have run out of oil.



Govt looks to open Ramgarh land port by next year

JAGARAN CHAKMA

The government is keen to open Ramgarh land port in Khagrachhari by 2023 in order to boost trade with north-eastern states of India, according to officials of the Bangladesh Land Port Authority (BLPA).

“Work orders for developing the necessary infrastructure have already been awarded to various contractors at an estimated cost of Tk 123 crore,” said Mohammad Jahangeer Kobir, member (traffic) of the BLPA.

Besides, the BLPA aims to make at least immigration services available at the land port by the end of this year.

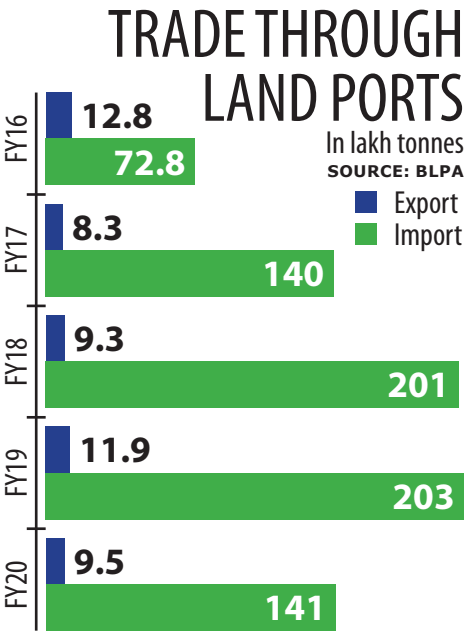
Kobir informed that Indian authorities had previously urged Bangladesh's government to begin immigration services even ahead of import-export activities at Ramgarh.

An inter-ministerial meeting was held to this end at the Ministry of Foreign Affairs, where an approval was sought from the Ministry of Home Affairs to begin immigration through the land port.

In addition, India has already started constructing integrated check-posts in Sabroom of Tripura in anticipation of the movement of goods and travellers once the port becomes operational, Kobir added.

The BLPA has acquired 10 acres of land in Ramgarh to establish the necessary port infrastructure, which is being developed with financial support from the World Bank under the regional connectivity project.

Kobir went on to say that even if construction is not complete within the stipulated time, temporary sheds would be set up to facilitate import-export activities as both governments are keen to begin



commercial operations as soon as possible.

In March 2021, Bangladesh's Prime Minister Sheikh Hasina and her Indian counterpart Narendra Modi jointly inaugurated the Bangladesh-India Friendship Bridge-1 over the Feni river in Ramgarh.

The two premiers had laid the foundation stone for the bridge, which connects Tripura of India with Ramgarh, via a video conference earlier on June 6, 2015.

Once the associated land port becomes operational, this bridge will facilitate the movement of goods to and from Bangladesh and the north-eastern states of India.

The BLPA hopes to export all kinds of products through Ramgarh but it has also identified that Bangladesh could import livestock, fruit, wood, seeds, wheat, stone, coal, fertiliser, and so on once the port officially opens.

On August 18, 2020, the Executive Committee of the National Economic Council approved a Tk 848.3 crore project to widen the road that connects the Dhaka-Chattogram highway with Ramgrah land port.

As such, widening of the 38-kilometre Baraiyerhat-Hiako-Ramgarh road to 7.3 metres from 5.5 metres is being performed by the Roads and Highways Department between January 2020 and June 2022.

India would provide Tk 581.2 crore for the project from the third Indian line of credit extended to Bangladesh, which will bear the rest of the cost.

The project would contribute to establishing a road network between Chattogram port and the Ramgarh land port, opening the door for two-way trade between Bangladesh and India through the Sabroom/Ramgarh land port, according to project documents.

The proposed road is 72 kilometres off from Chattogram port and 201 kilometres off from Dhaka.

The project, which was included in the list of newly approved projects in the annual development programme last fiscal year, is expected to widen the import and export activities between India and Bangladesh, and improve the socio-economic conditions of people in the area.

The project's implementation would also establish a safe, developed, time and cost efficient road transport network between the two countries, the project proposal says.

Banglalink strives to be a digital operator

Says Kaan Terzioğlu, group CEO of Banglalink's parent company Veon

MAHMUDUL HASAN

Banglalink will make significant investments to transform itself from a traditional telecom operator to a digital one as a part of its effort to adapt to the changing nature of the industry.

“There is a transition in the industry and the traditional telecom company will not be able to live long,” said Kaan Terzioğlu, group chief executive officer (CEO) of Banglalink's parent company Veon, in an interview recently.

“...and that is why our strategy is – how do we become a digital operator, not a telecom operator,” he said.



He said a traditional operator sells a number of minutes, data and SMS. On the other hand, digital operators' services are to support customers' lifestyle – TV service, music, news, cloud, financing, healthcare and many more.

“You will see us not focusing on traditional voice and data, we will not sell raw data in future, you will see us providing a bundle of digital applications, that's the area of our future investment,” he said.

Banglalink has already launched digital entertainment platform Toffee, where customers can watch many television channels and entertainment content. Becoming available at end of 2019, the platform has already garnered 8 million customers.

During his recent visit to Bangladesh, Terzioğlu launched Health Hub, the country's first integrated digital health platform, partnering with healthcare providers Daktarbhai, DocTime and Pulse as a part of the company's vision to diversify its operation more into the digital space.

He said once Banglalink completes its investment in 4G, which remains its top priority for now, it would invest in digital services and applications ranging from entertainment to healthcare and education to financial services.

“Some of them we will do ourselves, some of them we will do on a partnership basis,” he said.

The regulator has to understand that traditional telecom services will not survive very long and allow mobile operators to provide services to the customer based on what customers expect and demand, he said.

He said in many countries, mobile operators were leading mobile financial services from the front and something similar could be done in Bangladesh.

This device is the bank, Terzioğlu said while taking a cellphone in hand, adding that it needs to transform as a significant cost saver.

Asked about the upcoming spectrum auction which prioritised the launch of 5G, he said the upcoming auction was important and he was very glad that Bangladesh was finally making an abundant amount of spectrum available at reasonable prices.

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Gas bills in roubles are just days away Russia warns West

REUTERS, London

Russia warned the West on Friday that billing in roubles for billions of dollars of natural gas exports to Europe could be just days away, Moscow's toughest response yet to crippling sanctions imposed by the West for the invasion of Ukraine.

With the Russian economy facing its gravest crisis since the years that followed the break-up of the Soviet Union, President Vladimir Putin on Wednesday hit back at the West, ordering that Russian gas exports should be paid for in roubles.

Putin said the West had declared economic war by freezing Russian assets, and so Russia saw no point in receiving dollars or euros for Russian exports anymore.

The Kremlin on Friday said Putin had ordered Gazprom, the world's biggest natural gas company, which supplies 40 per cent of Europe's gas, to accept export payments in roubles, and that it had just four days left to work out how.

“There is an instruction to Gazprom from the president of the Russian Federation to accept payments in roubles,” Kremlin spokesperson Dmitry Peskov told reporters. “This information will be brought to the purchasers of Gazprom products.”

Gas buyers have been seeking guidance on how they could get the roubles to make any such payments, given the extent of the sanctions on Russia.

“Rouble payments are somewhere between very difficult and not possible for the majority of European buyers to organise, and certainly not at short notice,” Jonathan Stern, Distinguished Research Fellow at the Oxford Institute for Energy Studies, told Reuters.

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An aerial view of a compressor station for the German natural gas network at Open Grid Europe, one of Europe's largest gas transmission system operators, in Werne, western German on March 24.

PHOTO: AFP

US durable goods end streak of gains in Feb

AFP, Washington

Orders for big-ticket manufactured goods fell for the first time in five months in February amid a slump in business for civilian aircraft manufacturers, US government data said Thursday.

The Commerce Department said durable goods orders fell 2.2 per cent last month, more than expected and a sharp turnaround from the 1.6 per cent increase seen in January.

The decline was driven by a shortfall in transportation equipment, which dropped 5.6 per cent, and much of that was caused by a 30.4 per cent decline in nondefense aircraft and parts, such as Boeing's jets, the data said.

Orders for motor vehicles and parts, whose manufacturers have struggled to obtain scarce semiconductors, fell 0.5 per cent.