



Farmers are having to purchase early varieties of paddy meant for the Aus season, which runs from July to August, at Tk 1,000 to Tk 1,100 per 1,600 saplings, which is double that paid last year, with many blaming untimely floods for having ruined nurseries. The Department of Agricultural Extension aims to have 12,000 hectares of land cultivated in Lalmonirhat this Aus season. As per Bangladesh Bureau of Statistics, 1.09 million hectares of land throughout the country was cultivated with Aus crop in fiscal year 2019-20. The photo was taken at Barabari Haat in Lalmonirhat sadar upazila last week.

PHOTO: S DILIP ROY

Oil refinery workers caught in Germany's energy dilemma

AFP, Schwedt

Germany is seeking to ban Russian oil by the end of this year over the war in Ukraine, but workers at the PCK oil refinery outside Berlin are less than happy about the plans.

"We need Russian oil. We have our houses, our families. If (the government) wants to stop it, then the area here will be dead," Thorsten Scheer, 60, told AFP at the refinery in the town of Schwedt, on the border with Poland.

The plant, which employs 1,200 people, exclusively processes Russian crude oil from a branch of the Druzhba pipeline, the world's longest oil pipeline. It supplies around 90 per cent of the oil consumed in Berlin and the surrounding region, including Berlin-Brandenburg airport, and many local businesses depend on the cash it brings to the area.

Economy Minister Robert Habeck travelled to Schwedt on Monday to hold a question-and-answer session with the

refinery's employees, where he met a mixed reception.

Standing on a table outside the staff canteen, Habeck sought to reassure the crowd of workers in green and orange overalls that the government would seek alternative ways to keep the plant running.

But employees accused him of serving US interests in seeking to drive a wedge between Germany and Russia.

"Yes, war is rubbish. That is perfectly clear to us," one worker told the crowd.

"But on the other hand, why should we suddenly ban a business partner who has delivered reliably for decades? We get a raw material and we process it. If this raw material is interrupted out of political correctness, that is not right in my eyes."

Another worker, 48, who did not want to give his name, told AFP the situation was "stressful for everyone" as their jobs were "hanging in the balance".

"In my opinion, the war is not Germany's concern," he said. "If (the

oil embargo) would end the war, fine. But it won't. Putin will peddle his oil somewhere else."

Habeck, a member of the Green party, was also met with protests from environmental campaigners, who said they had managed to turn off the oil supply to the PCK plant in advance of his visit. Germany has ruled out an immediate embargo on all Russian energy in response to the war in Ukraine, especially gas.

However, Europe's biggest economy has already slashed its oil imports from Russia to 12 per cent of the total from 35 per cent before Russia's invasion.

But the PCK refinery presents it with a sticky problem – especially since the site is majority owned by Russian oil giant Rosneft, controlled by the Kremlin.

In late 2021, Rosneft announced plans to increase its stake in the refinery from 54 to 92 per cent by buying shares from Shell.

Germany's Federal Cartel Office

approved the transaction a few days before the outbreak of the war but the Economy Ministry is examining whether it can still be stopped.

Habeck laid out three elements that would have to come together to keep the plant alive: new oil deliveries from other countries via ships arriving in the port of Rostock; financial aid from the government; and a new ownership structure to wrest control from Rosneft.

The minister said he was "well aware" that there was "a lot of uncertainty" for the workers. "I would be happy if you would see me not just as your enemy, but as someone who is really trying to save this site and keep it alive and lead it into the future," he said.

But after the meeting, as the workers stood in line to help themselves to barbecued burgers and sausages, many remained unconvinced by his plans.

"It's an experiment. We all just have to hope it works out," said Steffen Thierbach, 64.

Litchi production to hit record

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pack each maund [37 kilogrammes] of litchi after harvesting. As the harvesting season is ongoing, I have joined a litchi orchard for harvesting and packaging work to earn Tk 500 hundred per day," said Md Alif, a resident of Tilokpur village in Ishwardi upazila.

Pabna DAE Deputy Director Rahman told The Daily Star that more than 20,000 to 25,000 unemployed people get seasonal job opportunities amid the litchi harvesting period each year.

Marketing hassle for growers

Despite the bumper production though, litchi growers of the district have been experiencing hassles in marketing due to the

monopoly of wholesale traders.

"Litchi prices vary in different markets across the country but we don't have the facility to get a suitable market because there is no dedicated market for litchi growers in the country's biggest litchi producing area," said litchi grower Sardar.

"The litchi season is very short-lived and when the harvesting season hits its peak, wholesale traders cut prices but we have no scope to store the fruit and so, we are bound to depend on them," he said.

"If there were special wholesale markets for litchi growers in Pabna, where wholesale traders from different areas could come, then the hassle of marketing would be

removed," Sardar added.

According to the traders, more than 20 to 25 trucks loaded with litchis have been supplying the fruit across the country each day ahead of the peak harvesting season, after which over one hundred trucks will supply to fruit to various areas every day.

While speaking with The Daily Star, Md Mazhar Ali, director of the Organisation for Social Advancement and Cultural Activities (OSACA), a leading non-government organisation, said his organisation has taken steps to set up dedicated litchi markets.

"Concerning the hassle of marketing for farmers, we have already taken preparation to establish dedicated a litchi market at Varuimari in Ishwardi

upazila, where wholesale traders from across the country will come to buy litchis directly from producers avoiding the middle men," he said.

"We are expecting to resume the litchi market this season," Ali added.

Other than setting up a dedicated market, this organisation has already working to establish a tourism spot at Awtapara and Kathalbaria villages in Pabna for attracting visitors.

"In the peak litchi harvesting season, people from different corners of the country come to Pabna every year for buying the juicy fruit. So, we have plans to decorate a few orchards at the Awtapara and Kathalbaria villages as a tourism spot," Ali said.

Biden says inflation top

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different speeds.

He said that President Vladimir Putin's decision to invade Ukraine, spiking energy markets prices and severely disrupting Ukraine's ability to export agricultural products, is also rippling through the US economy.

"I know you've got to be frustrated... believe me I understand the frustration," the Democrat said, addressing Americans directly.

Republicans have blamed Biden, saying that his policies of injecting billions of dollars into the US economy at the height of the pandemic shutdown spurred the inflationary cycle.

The White House says those packages effectively saved the country from a disastrous recession.

Calling out Republicans' "extreme agenda," Biden said "they've done everything to slow down" his attempts to manage economic stresses.

Addressing another politically sensitive aspect of the inflation puzzle, Biden said he was considering lifting trade tariffs imposed by his predecessor Donald Trump on China.

"We're discussing that right now," he told reporters, adding that "no decision has been made on it." Biden is under pressure from some quarters to remove the tariffs in a bid to cut roaring US inflation by making imports cheaper.

Offer roadmap for post-LDC

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the current tax-to-GDP ratio is very low in Bangladesh, said Hossain.

"Emphasis has to be given in this area so that the pressure on the fiscal space lessens."

He asked the government to revise upwards the mouza-based value of land since the country is losing a lot of revenue for the lower rate.

The capacity-building and digitalisation process of the National Board of Revenue have to be beefed up to generate more taxes.

The economist suggested learning from Sri Lanka's experience when it comes to exports.

"We should not depend on a single product since it is always exposed to

external shocks. We have to take initiatives to diversify exports in terms of products and markets."

Bangladesh's export is dominated by garments, which account for about 85 per cent of national receipts.

Destination-wise, the country's shipment relies largely on the European Union and the United States.

Some reforms are needed in the interest rate regime in the banking sector and the caps on both deposit and lending rates should be revised upwards, he said.

If the deposit rate goes from the current 6 per cent, people will be interested in parking funds with banks since the real interest rate

will be above the inflation rate, which stood at 6.22 per cent in March.

"The upward revision of the lending rate from 9 per cent will squeeze the money supply that is needed to control inflation," he said.

The economist suggested preparing a database of the poor.

The government is going to carry out a new population census. So, if possible, the database of the poor should be prepared along with the census, he said.

If there is a database, government assistance can be extended to them, he said, calling for expanding the coverage of safety nets considering new poor and vulnerable groups.

The government will

have to continue the open market sales operation through the Trading Corporation of Bangladesh for a year or two since there is inflationary pressure, he added.

A few programmes aimed at creating jobs the rural areas were taken in the past, and those programmes can be relaunched, said Hossain, who obtained his PhD in international economics from the National Graduate Institute for Policy Studies in Tokyo in 2007.

He called for rolling out some programmes targeting the unemployed people, especially those who lost jobs amidst the coronavirus pandemic so that they can find employment again.

Shanta Equity gets new CEO

STAR BUSINESS REPORT

Rubayet E Ferdous has recently joined Shanta Equity Ltd, a concern of Shanta Group, as chief executive officer.

Prior to joining the full-fledged merchant bank, he worked for IDLC Investments Ltd.

The seasoned investment banker served IDLC Investments as chief operating officer since 2011.

Apart from investment banking, he also headed the portfolio management and operations team of the company.

Rubayet E Ferdous has over 22 years of experience in the capital market.



TallyKhata selected for Visa Accelerator Programme

STAR BUSINESS DESK

Digital payment service provider Visa has selected digital payments start-up TallyKhata from Bangladesh for the 2022 cohort of its Visa Accelerator Programme in the Asia Pacific.

Joining a select group of five elite startups from across the region, TallyKhata is a leading digital payments platform with wallet and credit capabilities for small and micro-businesses in Bangladesh, a press release said.

It will support financial inclusion by developing new ways for small businesses to access credit lines and working capital.

Over the next six months, the startups will work closely with Visa on creating defined commercial opportunities they can bring to Visa's extensive network of banks, merchants, governments and venture partners.

Through the programme, TallyKhata aims to partner with leading banks in Bangladesh to issue a Visa virtual card for small business working capital to micro merchants.

The Visa virtual card serves as a line of credit (short-term working capital loan) to be used by the MSME for direct payment to a list of approved suppliers/FMCG companies.

"Leveraging Visa rails and TallyKhata transaction data and credit scoring, we will enable quick and easy access of digital credit for the 11 million small businesses in Bangladesh," said Shahadat Khan, chief executive officer of TallyKhata.

"We aim to help scale the economy and accelerate the digitization of the value chain," said Soumya Basu, country manager for Bangladesh, Nepal and Bhutan at Visa.



Arif Quadri, managing director of United Commercial Bank, poses for photographs after handing over Service Excellence Award-2021 to the winners at the bank's corporate office in Dhaka yesterday. Syed Faridul Islam, Nabil Mustafizur Rahman, Abul Alam Ferdous, additional managing directors of the bank, were present.

PHOTO: UNITED COMMERCIAL BANK



M Rezaul Karim, managing director of Premier Bank, and M Shahadat Hossain Taslim, president of the Hajj Agencies Association of Bangladesh (HAAB), exchanged signed documents of an agreement at the latter's head office in Dhaka recently. Under the agreement, the association members will open accounts with the bank for depositing Hajj related fees and expenses.

PHOTO: PREMIER BANK



HN Ashequr Rahman, chairman of Meghna Bank, cuts a cake at the lender's head office in Dhaka yesterday to celebrate its 9th founding anniversary. SM Jahangir Alam Manik and Uzma Chowdhury, directors, Syed Ferhat Anwar, independent director, and Sohail RK Hussain, managing director, were present.

PHOTO: MEGHNA BANK