

Jet fuel price hits record high

Air fare set to increase further
RASHIDUL HASAN

Local airlines are poised to raise ticket prices further after Padma Oil Company this week hiked the price of jet fuel for the 14th time in 18 months.

Jet fuel, also known as aviation turbine fuel, accounts for up to 46 percent of an airline's operational costs.

After the 6 percent hike on Sunday, the price of jet fuel is now Tk 106 per litre, the highest yet. In December 2020, it was Tk 48 a litre.

Fresh rounds of hike are not off the table as the Russia-Ukraine war, which sent the price of oil rocketing to a 14-year high, is raging on.

"We don't produce jet fuel – we need to import it. Therefore, the local price of jet fuel corresponded to those in the international market," said ABM Azad, chairman of Bangladesh Petroleum Corporation, whose subsidiary Padma Oil is the lone supplier of jet fuel to airlines.

Russia's invasion of Ukraine comes at a critical time for the airline industry: it was hoping to recover the losses from the pandemic by cashing in on the pent-up demand for travel.

"It's really an ominous sign for our airline industry," said Kamrul Islam, spokesman of US Bangla Airlines.

The airlines will most definitely pass off the higher fuel prices by raising the airfare, which has doubled in the last year and a half on the domestic route.

The higher fares might change people's minds.

"Under the present circumstances, our survival will be at stake," said Mesbah UI Islam, head of marketing and sales at Novoair.

'No shortcuts' to Ukraine's EU membership

Says German Chancellor

AFP, Berlin

Ukraine's bid to join the EU cannot be sped up despite the country's invasion by Russia, German Chancellor Olaf Scholz said yesterday, adding that the bloc must find a "fast and pragmatic" way to help Kyiv.

"There are no shortcuts on the way to the EU," Scholz said, adding that an exception for Ukraine would be unfair to the Western Balkan countries also seeking membership. "The accession process is not a matter of a few months or years," he said.

Scholz had in April called for Western Balkan countries' efforts to join the EU to be accelerated amid a "new era" in the wake of Russia's invasion of Ukraine.

The man

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Gaffar was born in Barishal on December 12, 1934. He started his journalism career during his student life in 1950. He worked with Dainik Insaaf and was a translator for Dainik Sangbad. He also worked for Monthly Sougat and Monthly Nakib until 1955.

He then worked at Dainik Ittefaq and Dainik Azad before leaving journalism for two years in 1964 to set up a press. In 1966, he returned to the profession and published Dainik Awaz.

He also worked with Dainik Azad and Dainik Ittefaq in his second stint in journalism till 1969.

When the Liberation War began in 1971, he took his family across the border and reached Kolkata via Agartala. There, he wrote for Anandabazar and Jugantar, two newspapers of Kolkata.

He left Bangladesh in 1974, when his wife became seriously ill, and went to London where he ended up living till his last days. In the UK, he started a newspaper called Notun Din. From London, he regularly wrote columns for Bangladeshi dailies, Bangla newspapers published by the Bangladeshi community in the UK, and a daily newspaper in Kolkata.

He has authored 35 books that include children's literature, poetry, a novel, short stories, memoirs and a book on Bangabandhu and the Liberation War. A short-story collection titled "Samrater Chhobi", a novel titled "Chandrodwiper Upakhkhyan", a play titled "Palashi Theke

Dhanmondi", children's fiction "Danpita Shawkat" and memoirs "Dhiree Bahe Buriganga", are some of his notable works which give an idea of his versatility as a writer.

Gaffar Chowdhury's repertoire also includes a film titled "Palashi Theke Dhanmondi" on the assassination of Bangabandhu Sheikh Mujibur Rahman.

He is the recipient of both the Swadhinata Padak and Ekushey Padak, the country's highest civilian honours, for his contribution to literature. His other accolades include the Bangla Academy Literary Award, UNESCO Literary Award, Bangabandhu Award, Sanghati Lifetime Achievement Award, and PIB-Sohel Samad Memorial Award.

The Daily Ittefaq honoured him with the Manik Miah Padak.

On December 18, 2012, his wife Selima Chowdhury passed away in London. His daughter Binita Chowdhury died last month. Binita was the third among his four daughters and a son.

The Bangladesh High Commission in London has said in a statement that the time of Gaffar's namaz-e-janaza would be announced soon.

Although he has passed on, Gaffar will be remembered with love and admiration for unstintingly championing the values of the Liberation War and for the timeless song dedicated to the sacrifice of the Language Movement martyrs.



Showing a blatant disregard for safety, a man along with his son crosses the Bangla Motor intersection, one of the busiest junctions in the capital, though a footbridge (not in the picture) is only a few yards away. The photo was taken yesterday.

PHOTO: ANISUR RAHMAN

Global food crisis may last for years

Warns UN chief as World Bank pledges extra \$12b; Russia says over 1,700 Mariupol fighters surrendered in 3 days

AGENCIES

The UN warned Wednesday that a growing global food crisis could last years if it goes unchecked, as the World Bank announced an additional \$12 billion in funding to mitigate its "devastating effects."

Food insecurity is soaring due to warming temperatures, the coronavirus pandemic and Russia's invasion of Ukraine, which has led to critical shortages of grains and fertiliser.

At a major United Nations meeting in New York on global food security, Secretary-General Antonio Guterres said the war "threatens to tip tens of millions of people over the edge into food insecurity."

He said what could follow would be "malnutrition, mass hunger and famine, in a crisis that could last for years," as he and others urged Russia to release Ukrainian grain exports.

"Let's be clear: there is no effective solution to the food crisis without reintegrating Ukraine's food production," Guterres said. "Russia must permit the safe and secure export of grain stored in Ukrainian ports."

Food insecurity had begun to spike even before Moscow, which was not invited to Wednesday's UN meet, invaded its neighbour on February 24.

The World Bank's announcement will bring total available funding for projects over the next 15 months to \$30 billion.

The new funding will help boost food and fertiliser production, facilitate greater trade and support vulnerable households and producers, the World Bank said.

Ukraine used to export most of its goods through seaports but since Russia's invasion, it has been forced to export by train or via its small Danube River ports, reports Reuters.

Meanwhile, Moscow said yesterday that 1,730 Ukrainian fighters had surrendered in Mariupol over three days, including 771 in the past 24 hours, claiming a surrender on a far bigger scale than Kyiv has acknowledged since ordering its garrison to stand down.

But while Mariupol has fallen,

Chinese firm wants joint venture

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strategies and construction of the 'Belt and Road', which will promote greater cooperation between Dhaka and Beijing.

China's Belt and Road Initiative, where Bangladesh is a signatory, aims to rediscover the ancient Silk Road for regional integration and to boost trade and economic growth across Asia and Europe.

The Chinese proposal comes at a time when BR is implementing its biggest project yet – Padma Bridge Rail Link – with Tk 39,246 crore in Chinese loan.

Two more rail projects were expected to be implemented with Chinese loans. Beijing had even selected two Chinese contractors for these projects.

But both projects are now uncertain. One project stalled after China pulled out from the Joydebpur-Ishwardi double line project "for a lack of in-depth primary work and insufficient feasibility study". The other project meant to expand the Akhaura-Sylhet track is also stalled as the Chinese contractor declined to work after the Bangladesh government revised the cost down.

Different Chinese companies are involved with at least five major railway infrastructure projects, including two fast-track projects – Padma Bridge Rail Link and Chattogram-Cox's Bazar Rail Link.

CRDC, which proposed to co-build the research and development centre, is the only design enterprise subordinate to China State Railway Group Co Ltd.

It was involved in carrying out the feasibility study and detailed design for the high-speed rail line between Dhaka and Chattogram. The study was completed last year.

THE PROPOSAL

During his China visit on August 26, 2019, Bangladesh Railways Minister Nurul Islam Sujon and Chairman of China State Railway Co Ltd had "reached an important consensus," the proposal said.

"The two sides suggest strengthening the cooperation in railway technology, equipment, construction, operation, training, etc. The Chinese side will provide full support," reads the proposal.

It said establishment of the proposed centre will accelerate the formation of Bangladesh's localised independent technology research and development, improve project management capabilities, reduce dependency on foreign products and services, and thus save foreign reserves.

It can also generate forex income by exporting high-end products and services, it added.

CRDC estimates the center can earn some \$187 million per year by providing services, including training, planning, design, project management supervision, quality testing and product sales.

The Chinese company proposed two models for setting up the centre. One is by establishing a separate department within the BR to be staffed jointly by CRDC and BR. The other by launching a joint venture company, also manned jointly by the two state agencies.

As a starter, the centre can be launched with personnel training for the proposed high-speed railway on Dhaka-Chattogram route, it said.

However, the railways minister told The Daily Star in October last year that the government would "go slow" with the high-speed train project due to the cost involved.

"It is proposed that BRCRD be elevated to the level of cooperation between the two governments and that the specification, scale and initial funding of BRCRD be resolved by making full use of the inter-government force," the proposal said.

BR Director General Dhirendra Nath Mazumder did not comment on the proposal, only saying they sent their evaluation report to the ministry.

The rail secretary did not pick up the calls nor respond to text messages requesting his comments.

But sources in the BR said the proposal is not supported by any detailed assessments and lacks details on cost and benefit sharing.

Transport expert Prof Shamsul Hoque said countries around the world have research and development wings in major agencies like railways.

"Unfortunately, we do not have such wings in any agencies, let alone in railway. If we want sustainable development, railways should have such a wing," he told The Daily Star recently.

But the BR has to lead the initiative and the Chinese company can provide necessary support, he added.

Ex-MP jailed for 7yrs in corruption case

OUR CORRESPONDENT, Bogura

BNP leader and former MP Noor Afroz Begum Jyoti was awarded with seven-year imprisonment in a graft case yesterday.

Emran Hossain Choudhury, special judge of a Bogura court, passed the order.

Abul Kalam Azad, public prosecutor of Anti-Corruption Commission in Bogura, said along with the jail sentence, the court also fined her Tk 53 lakh.

An arrest warrant was issued against her last Tuesday.

ACC Deputy Director Anwarul Haque filed the graft case in 2014 and the trial started in 2017.

Three to walk gallows for 1971 war crimes

BSS, Dhaka

The International Crimes Tribunal yesterday sentenced three men to death for crimes against humanity in Moulavibazar during the Liberation War.

The death awardees are Abdul Aziz alias Habul, Abdul Mannan and Abdul Matin, of the same district.

A three-member panel of the ICT-1, led by its chairman Justice Md Shahinur Islam, handed down the verdict last morning.

Habul and Mannan were present at the court during pronouncing the verdict while Matin was still hiding.

Navy rescues 33 Rohingyas off Teknaf coast

OUR CORRESPONDENT, Cox's Bazar

Members of Bangladesh Navy yesterday rescued 33 Rohingya refugees off the Teknaf coast in Cox's Bazar while they were being trafficked to Malaysia through the Bay of Bengal.

Navy ship BNS Ali Haidar rescued the refugees around two nautical miles away from St Martin's Island, said the ship's captain Soheli Azam.

The Rohingyas – 12 female, 20 male and one child – were rescued before their sea voyage by an engine-run trawler, the Navy official said.

The Rohingya refugees fled a Rohingya camp in Teknaf around 8:00pm Wednesday, he said, adding that they were handed over to Coast Guard.

Govt imposes 65-day fishing ban

OUR CORRESPONDENT, Patuakhali

A 65-day ban has been imposed on all kinds of fishing in Bangladesh maritime from today.

The ban is in force for fair breeding, production and conservation of marine and sustainable fisheries, read a circular of the Ministry of Fisheries and Livestock.

The long ban, however, raised concerns among seafaring fishermen in Kuakata, Cox's Bazar and other fishing zones in the country.

According to fishermen, they face 147 days of ban each year at different stages.

A 22-day ban on mother hilsa conservation in October, a 60-day ban on hilsa sanctuaries in March-April and the latest ban from May 20 to July 23.

Hopeless revenue target

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March when seeking budget support of \$250 million.

This action plan has been peddled for long – with little progress.

"We have been hearing about widening the tax net, automation and setting up tax offices in rural areas for a long time now," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

Reforms are too tough on the administrative side.

"When it takes them a year just to recruit officers, how can the entire tax administration be reformed in that time?"

Expecting collections will shoot up in a year because of administrative reforms is being overly optimistic.

"It is an unrealistic target," he said, adding that the forthcoming year's targets are most definitely set without considering the present state of collection.

Instead, overhauling the tax policy by simplifying rates would have brought immediate results.

There are numerous tax rates, which leads to manipulation, leakages and corruption, according to Hussain.

For instance, there is one rate for the import of capital machinery and a higher rate for its spare parts.

"Both are capital machinery, so what is the need for two different rates?"

This leaves the door open for businessmen to negotiate with customs officials to lump both under the same category.

"If we don't design the rate structure in a way that it closes the loop for tax avoidance, the problem of revenue collection will not be solved," he said, adding that the VAT law, which was meant to have a uniform rate, has too many slabs and exceptions.

The government could also withdraw the tax holidays and tax breaks, which, according to the NBR's own calculations, cause revenue losses equivalent to 7-8 percent of GDP.

"This also creates scope for leakages. All policy decisions are taken on an ad hoc basis," he added.

Tax compliance is too weak in Bangladesh because of problems in both policy and administration, according to Ahmed.

"The corporate tax rate is too high. The VAT rates are not right – too many exemptions were made. The tax administration is not well-equipped. It is not digitalised, which gives scope for conflict of interest among tax officials."

He went on to call for accelerating the automation of the tax system.

"Let alone other reforms, just full automation would lead to collections that far exceed the target," he added.

Whatever the government does, it must act now and decisively as the existing revenue base, which is just shy of 10 percent of GDP, is insufficient to meet the country's development needs, according to the WB.

"Bangladesh's aspiration of becoming an upper-middle-income country by 2031 crucially hinges on the improvement of its revenue mobilisation."

The issue of domestic revenue mobilisation has been highlighted in several policy documents, including in the Five-Year Plans and the yearly budgets.

"But revenue generation continues to disappoint," it said.

Selim Raihan, a professor at the University of Dhaka's economics department, says it is because of a lack of strong will on the government's part.

"The government has failed to carry out longstanding reforms. Reforms cannot happen for vested pressure groups. Take the case of VAT law, which was implemented by accommodating everyone's demands – it has failed to make a difference," he added.

Star editor

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communication in any form with the World Bank President on any matter directly or indirectly connected with the Padma Bridge funding or any issue relating to Padma Bridge either in Washington or in any other place or in any other city of the world.

I respectfully and humbly state that me comments made about me are not founded on facts.