



P7 Women 'essential' to peace talks: UN



BFF seeks Tk 450cr from sports ministry



B4 Fruit bags promise high quality mango



Locals of Nandirgaon union in Sylhet's Gowainghat upazila travelling by boat past half-submerged houses. Seasonal floods have hit the north-eastern parts of the country hard as rivers overflow due to heavy rainfall upstream in India. The photo was taken yesterday. PHOTO: SHEIKH NASIR

Govt left BPC in the lurch

It took the profits of company; BPC now struggling to deal with high fuel prices in int'l market

REJAUL KARIM BYRON and ASIFUR RAHMAN

Bangladesh Petroleum Corporation made huge profits for seven years through import of petroleum at low prices but the government took that money, leaving the BPC ill-equipped to cope with the current international market volatility.

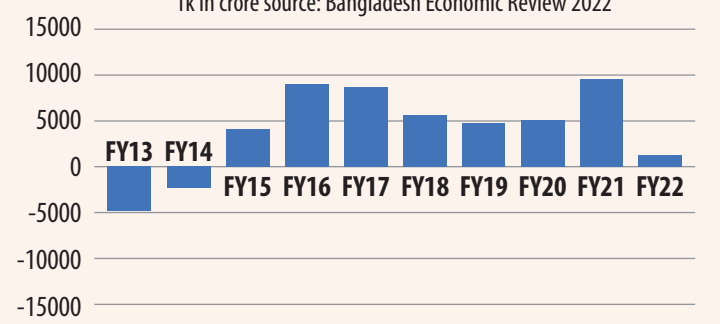
Two ministers this week hinted at a hike in the prices of petrol and diesel, citing an upward trend in the international market. The fact that it was the government that put the BPC in this tight spot seemed lost on them.

The BPC made money since fiscal 2014-15 and is still in the black as of May, government reports show.

Critics and economists have questioned the timing of the move to increase the prices when consumers are already struggling to deal with high prices of daily essentials. Besides, diesel price was increased by Tk 15 just last November.

BPC PROFIT AND LOSSES

Tk in crore source: Bangladesh Economic Review 2022



They said there were ways around increasing the prices. Nasrul Hamid, state minister for power, energy and mineral resources, on Tuesday said, "The BPC is losing about Tk 100 crore every day due to the abnormal price hike of oil in the international market."

Talking to The Daily Star yesterday, BPC Chairman ABM Azad said, "We are in trouble as the international market has become volatile..." He said the corporation was incurring losses since February but has made no proposals to the government for raising prices.

When diesel price was increased last year, transport owners went on strike for three days, forcing the government to raise fares and putting the burden on the people.

Diesel was \$100 a barrel, about 159 litres, then and crude \$80. Azad said diesel was over \$170 a barrel in the global market this month and crude oil over \$115.

Economist Zahid Hussain said the government should clearly outline its fuel pricing policy. "When you [the government] made profits, you didn't decrease the prices, and when you are in losses, you want to hike the prices... it is not acceptable to the people."

He said a huge amount of money has been put aside for subsidies, of which a large portion is kept for the energy sector. The government should publish a clear picture of accounts in this regard.

"People are already under pressure from inflation. The inflation in the public transport sector is high enough. Now, if the government hikes the fuel prices again -- saying that otherwise, the development projects [of BPC] would stop -- it will not be acceptable."

The economist said fuel prices were decreasing significantly in the international market since 2014, but the government only made a minor adjustment in 2016. It made huge profits during that time.

Prof Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue, said, "If the BPC had the profit to itself, it could

LOCAL GOVT POLLS Rebels sink AL

MOHIUDDIN ALAMGIR and PARTHA PRATIM BHATTACHARJEE

Gopalganj is considered an Awami League bastion as it is the ancestral home of Father of the Nation Bangabandhu Sheikh Mujibur Rahman and Prime Minister Sheikh Hasina.

But Wednesday's Maksudpur municipality elections did not reflect that as AL candidate Atikur Rahman Mia finished last among five candidates.

He bagged only 604 votes -- less than a tenth of winning candidate Ashrafal Alam's 6,154 votes. Ashrafal is a rebel candidate of the party.

Atik, the Maksudpur upazila AL president, said a major reason behind his crushing defeat was that none but his committee general secretary worked in his favour during the campaigning.

The ruling party did not field any mayor candidate for Gopalganj municipality and its supporter Sheikh Rakib Hossain was elected.

AL candidate for Sylhet's Beanibazar municipality, Abdus Sakkur, was also defeated in the election by party rebel candidate Farukul Haque. Faruk bagged 3,567 votes while Sakkur got 2,048 votes and stood third among 10 candidates.

Sylhet district AL acting president Shafikur Rahman Chowdhury said different factors, including family influence, played a role in the local government election.

"Besides, there were three Awami League rebel candidates in the polls, which divided the votes from party supporters," he added.

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An uphill task, yet Sakkur fought well

Split BNP vote, AL unity, 'Bahar factor' helped Rifat win

MOHAMMAD AL MASUM MOLLA and KHALID BIN NAZRUL

The split in the pro-BNP vote bank because of the party's two expelled leaders running for mayor was a big advantage for the ruling Awami League candidate in the Cumilla City Corporation election.

Arfanul Haque Rifat won by a slim margin of 343 votes, beating his closest competitor

Monirul Haque Sakkur, two-time mayor and an influential local leader who ran as an independent candidate being disowned by the BNP.

The third place went to Nizamuddin Kaiser, another independent who bagged nearly 30,000 votes, most of which would have gone to Sakkur had he not been in the race.

The total number of votes Sakkur and Kaiser secured was around 80,000.

Both were expelled from the BNP for contesting the polls disobeying the party's



decision. Moreover, the party had instructed its leaders and activists not to engage in any sort of election campaign.

"If Kaiser was not in the race, Sakkur would have got most of his votes. Basically horse [the electoral symbol of Kaiser] ensured the defeat of table clock [electoral symbol of Sakkur]," said Ramjan Ali, a grocery owner in Kandirpar of the city.

The other reason behind Sakkur's defeat could be that he served as mayor twice and there were corruption allegations against him, and he failed to solve some civic problems, including waterlogging and traffic congestion, said a number of locals.

Khairul Azim Shimul, former general secretary of Sammilita Sangskritik Jote, Cumilla unit, said the AL checked intra party feuds to some extent and also engaged various social organisations to woo voters. Sakkur, on the other hand, did not get any party support.

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BANGLADESHI INDIVIDUALS, BANKS Deposits with Swiss banks rise 55pc

The amount stood at Tk 8,266cr last year

REJAUL KARIM BYRON and MAHMUDUL HASAN

Funds deposited by Bangladeshi citizens and banks with different Swiss banks witnessed a massive rise of 55 percent to 871 million Swiss francs (CHF), about Tk 8,266 crore, in 2021 compared to the previous year.

Of the amount, CHF 844 million belongs to different banks and the rest to Bangladeshi nationals, according to data released by the Swiss National Bank yesterday.

In 2020, funds parked by Bangladeshi individuals and banks in Swiss banks dropped 6.6 percent to CHF 563 million (about Tk 5,215 crore), which was a decline for the third year in a row.

The data does not specify who the amounts belong to and whether the funds were laundered from Bangladesh.

This comes amid an announcement by Finance Minister AHM Mustafá Kamal in the proposed budget about the amnesty to undisclosed assets or cash stashed in foreign shores. Economists termed it "ethically unacceptable" as it would encourage more money laundering.

The minister proposed that money laundered out of the country can be legalised in exchange of seven to 15 percent tax from next year to boost revenue as well as mobilise foreign currency.

Not only Bangladesh, deposits from India and Pakistan with Swiss banks also surged last year.

Deposits from India increased by over 50 percent to CHF 3.83 billion in 2021, up from CHF 2.55 billion the previous year.

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Jahidul, a 13-year-old boy, working at an aluminium factory, for which he earns Tk 1,800 a week. A boy of his age should be in school instead of endangering himself operating heavy machinery without safety gear. Although child labour laws forbid this practice, scenes like this are common in the country's industries. The photo was taken in Khulna's Zero Point area recently. PHOTO: HABIBUR RAHMAN

BUSINESS

BUDGET GIVES NO COMFORT TO THE INSOLVENT

The proposed budget has failed to give comfort to the financially insolvent, jobless and lower-middle income groups, said speakers yesterday.

Moreover, it took measures that will encourage capital flight, they said at a discussion organised by the Centre for Policy Dialogue.

They called for raising the tax-free income threshold and focusing on the health sector to provide adequate services to the people.

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STORY ON BI