Russia putting world at famine risk

EU warns

AFP, *Brussels*

Russia is putting the world at risk of famine through its blockade of Ukraine's shipments of grains and restrictions on its own exports, EU foreign policy chief Josep Borrell said Saturday.

The threat to food security and a "battle of narrative" with Russia on Western-imposed sanctions on Moscow over Ukraine will dominate European Union foreign ministers' talks in Luxembourg on Monday.

"We are ready to work with the UN and our partners to prevent any unwanted impact on global food security," Borrell said in an article published on his official blog.

"Russia's conscious political choice is to 'weaponise'" grain exports and "use them as a tool for blackmail against anyone that opposes its aggression"

"Russia's conscious political choice is to 'weaponise'" grain exports and "use them as a tool for blackmail against anyone that opposes its aggression" in Ukraine, Borrell said.

"Russia turned the Black Sea into a war zone, blocking shipments of grain and fertiliser from Ukraine but also affecting Russian merchant shipping. Russia is also applying quotas and taxes on its grain exports," he added.

The sanctions imposed by the EU "do not prohibit Russia to export any agricultural goods, payment for such Russian exports or the provision of seeds, provided that sanctioned individuals or entities are not involved".

"We are fully aware that there is a 'battle of narratives' around this issue" of sanctions, Borrell continued. He added that it was imperative that Ukrainian exports be allowed to resume by ship.

"We are working closely with the UN on this issue and the EU and its member states are ready to do their part of the necessary actions to achieve this.

"We hope that a solution can be found in the coming days. Not doing this threatens to cause a global food catastrophe," he warned.

A view of a rice bran oil processing factory in Mymensingh. There are 17 processors in Bangladesh that collectively produce 2 lakh to 2.4 lakh tonnes of crude edible oil from rice bran every year. They exported $200-300 million worth of oil per year before a shipment ban was imposed last month. PHOTO: COLLECTED

Rice bran oil makers cut production for export ban

MOSTAFA SHABUJ, *Bogura*

Most rice bran oil industries in Bangladesh have either cut or stopped production since the government slapped an export ban a month ago as the edible oil variety does not have a large consumer base locally.

Owing to the price hike of edible oil in the international market for supply disruptions, pent-up demand and the Ukraine war, the government prohibited the foreign sales of rice bran oil on May 24 to cool the domestic market.

Operators claim the sudden export embargo without any discussion with the industry people came as a blow and would hamper foreign currency earnings and the growth of the budding industry.

In fact, the ban is costing exporters nearly Tk 150 crore per month, they said.

Rice bran is the light red covering on the upper part of the rice under the husk of paddy and is a by-product of rice processing.

There are 17 rice bran oil industries in Bangladesh and most started their journey 10 years ago.

Together, they produce around 2 lakh tonnes to 2.4 lakh tonnes of crude rice bran oil annually. They exported $200-300 million worth of oil, mostly to India, per year before the ban was slapped.

Because of the export restriction, most of the factories have either cut their production or stopped production.

Chitta Majumder, managing director of Majumder Group of Industries, which exported rice bran oil to India, says the company had tried a lot to develop a market for the oil in Bangladesh.

"We could not develop the market. This has forced us to start exporting."

Majumder says the refining sections of all mills have remained idle since the item is shipped in crude form.

"As a result, the refining and bottling sections of mills are yet to become functional. It may take more than a month to make the refining and bottling portions ready to market the oil among the consumers in Bangladesh."

"The whole sector will be destroyed unless the export is allowed," he added.

Tamim Agro Industries Ltd in Bogura used to produce more than 60 tonnes of crude bran oil a day.

"I have more than 150 staff members and workers. I have to make instalments regularly against bank loans. Due to the sudden bar on exports, we are on the verge of collapse," said Shahjahan Ali, managing director of the company.

Tamim Agro produces crude bran oil that is not edible readily, so it doesn't have a local market to sell the item.

Its refinery machines have been inactive for years. As a result, stock of thousands of tonnes of crude oil has piled up because of the export ban, Ali said.

Since making its foray into the segment in 2015, Tamim Agro has been trying to create a local market but it has failed since people mostly consume soybean and palm oil.

"Where will we sell the oil?" Ali said, adding that the production cost of rice bran oil is high.

Abdul Aziz, president of the Bangladesh Rice Bran Oil Mills Association (BRBOMA) and managing director of Western Agro Products Ltd in Bogura, says the country needs about 30 lakh tonnes of edible oil each year whereas rice bran oil industries produce 2 lakh tonnes to 2.4 lakh tonnes of crude bran oil.

"So, our production capacity does not affect the domestic edible oil market. I don't understand why the government has stopped the exports."

According to Aziz, rice bran oil industries earn $250-300 million yearly by exporting the item.

Besides, they help the country save more than $300-400 million by producing de-oiled rice bran as a byproduct of extraction of oil from bran. The byproduct is used in fish and animal feed.

Aziz added the refinery facilities have been inactive for years.

"If we want to resume refining, we need skilled workers and need time. We need government help. If the export ban persists, the industries will lose millions of dollars."

Prokash Dutta, managing director of Agrotech International Ltd in Mymensingh, said the government has decided to introduce rice bran oil to the local market as a commodity oil like soybean and palm.

"But it is a special oil, costs more to produce and sells at higher prices in other countries."

The BRBOMA urged the government to reconsider the export ban and defer it by a year so that industries can create the local market.

Midland Bank strengthening digital banking

MD says as the lender celebrates 9th anniversary

AKM ZAMIR UDDIN

Midland Bank has focused on further strengthening its digital banking means instead of expanding its network of branches aggressively so as to attract more tech-savvy clients, said Managing Director Md Ahsan-uz Zaman.

Since starting out on its journey in 2013, the bank has been laying emphasis on digital banking given the potentialities of the mode.

The lender, as a part of its 9th anniversary celebrations today, now plans on bringing the unbanked population under the formal channel, Zaman said in an interview with The Daily Star last week.

"There are many banks in the country but the number of lenders is still not enough if we consider some zones where the commoners are still in an unbanked condition," he said.

The bank adopted its banking operations in a conservative manner since the inception with a view to ensuring sustainable business growth.

The number of branches of the lender now stands at 35, one of the lowest among the fourth-generation banks, as it is always focusing on digital banking instead of the physical one.

The number of branches in rural areas is higher than in the urban zones in order to materialise the bank's slogan, which is "Bank for Inclusive Growth".

However, there are around 150 distribution points, including the branches of the bank. The distribution points are largely agent outlets.

"We are trying to go to the arenas where banking activities are not adequate to serve the people," said Zaman, who joined the bank as the managing director in 2014. He was previously working for Mutual Trust Bank as additional managing director.

"There are many banks in the country but the number of lenders is still not enough if we consider some zones where the commoners are still in an unbanked condition."

Midland Bank rolled out a product named "Digital Savings Account" four years ago. The product is run digitally and no cheque book is issued to clients. They are allowed to open the account through the bank's website.

If an accountholder of the product stays within 25 kilometres of one of the bank's branches, representative contact him/her to fill up its "know your customer" form.

"We are trying to capture clients through the digital means as the bank's physical existence is not too large," said Zaman who obtained an MBA degree from the Institute of Business Administration of the University of Dhaka.

If clients go to the bank's website, they will find an icon named "Jhotpot" that helps clients open accounts through the digital means in the easiest of manners.

The bank is one of the first issuers of prepaid cards in the country. The dual currency card, which is accepted at home and abroad, has gained popularity by a huge extent.

The bank is a type of a digital bank as it is running its operations giving more importance on digital modes than physical ones.

Midland Bank joined the operations of the

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LAYOFFS AND EXITS

Firms in China teeter under zero-Covid pressure

AFP, *Beijing*

Fiona Shi lost her job twice during the pandemic -- first, in 2020 when Covid ravaged the travel industry, and then this year as China's strict virus controls hammered businesses in the world's number two economy.

China is the last major economy welded to a zero-Covid strategy -- putting firms and workers at risk of snap lockdowns, freezing activity in the services sector and tangling supply chains crucial for factories to sell their goods.

As the country battles its worst outbreak since 2020, its urban jobless rate has surged to the highest level in two years and the pain is being felt by both blue- and white-collar workers.

"Many places say they are not recruiting people aged above 35," said Shi, 38, who pointed to the difficulty of returning to entry-level positions after managerial roles.

She worked in a management role in the hospitality industry in 2020 when the coronavirus brought nearly all travel to a halt as governments imposed social distancing and movement restrictions.

Two years later, the Beijinger found herself in the same position after losing her job at a multinational firm.

"The pandemic has also made it harder... many places have frozen headcounts," she told AFP. "I'm really anxious."

Months of unpredictable Covid restrictions -- including snap lockdowns and severe travel curbs -- have

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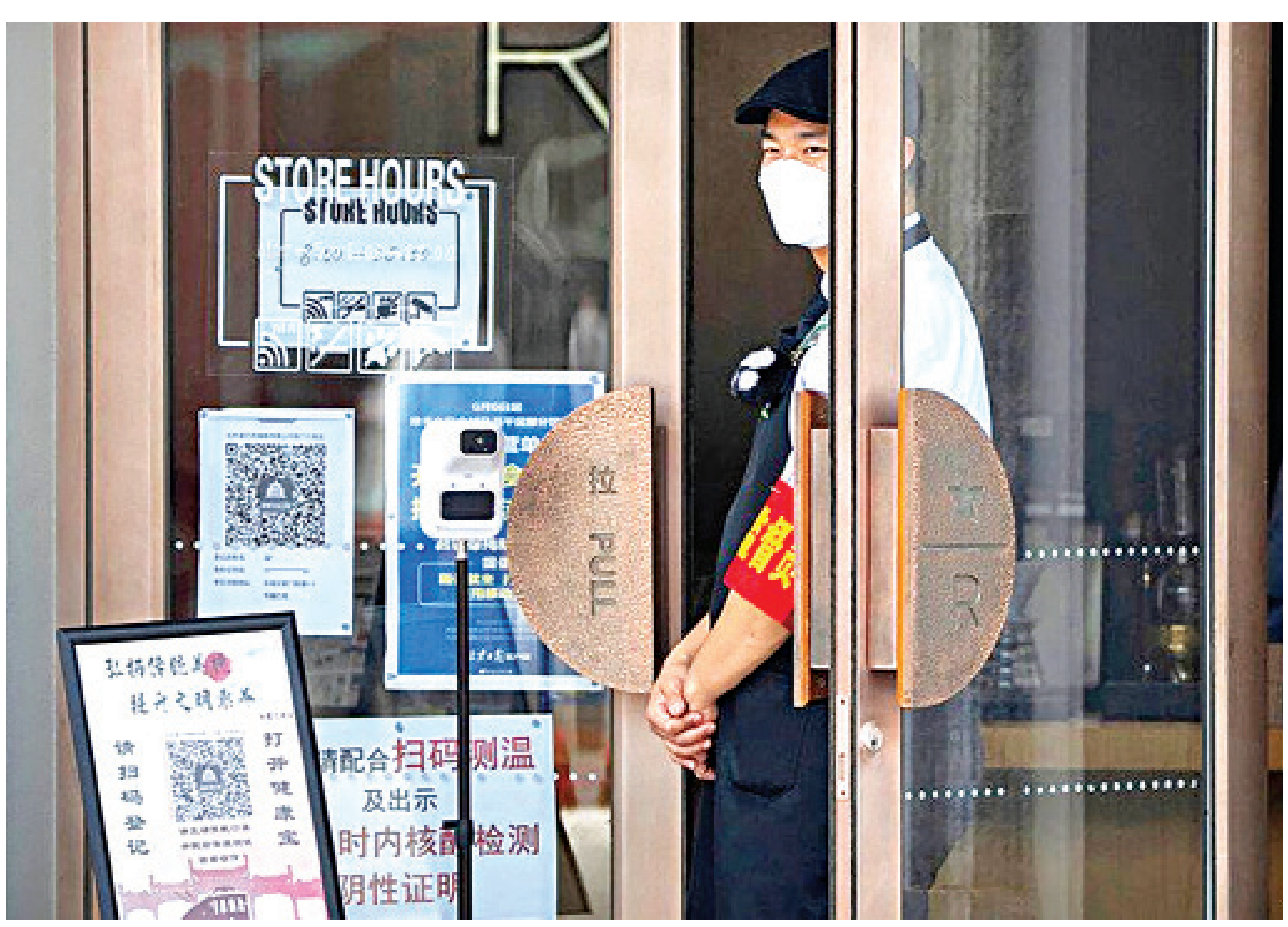

An employee in a face mask waits for customers at a cafe along a shopping street in Beijing. As China battles its worst Covid-19 outbreak since 2020, its urban jobless rate has surged to the highest level in two years. PHOTO: AFP/FILE

ENERGY NEEDS

Germany to take emergency measures

AFP, *Berlin*

Germany will take emergency measures to ensure it meets its energy needs after the drop in supply of Russian gas, including increased use of coal, the government said Sunday.

"To reduce gas consumption, less gas must be used to generate electricity. Coal-fired power plants will have to be used more instead," the economy ministry said in a statement.

The move follows a warning by Russian energy giant Gazprom last week that it would sharply cut deliveries to Europe.

Gazprom said the supply reductions via the Nord Stream pipeline are the result of repair work, but EU officials believe Moscow is punishing allies of Ukraine, where

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