

Chinese company to double Russian oil purchase

REUTERS, Singapore

China's state-controlled Shaanxi Yanchang Petroleum Group is expected to double its purchases of Russian ESPO blend this year to about one million metric tons, according to two sources familiar with the plant's operations.

The company is due to start up a 50,000 barrels per day crude processing unit at its refinery in landlocked Shaanxi province in the north later this month, after retooling work that allows the plant to process more crude, the sources said.

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Russian oil's prices to multi-month highs.

An official with Yanchang's refining division said the plant will likely process more imported crude oil this year, but did not comment specifically on Russian crude.

The Yanchang plant has bought three ESPO cargoes for August and September deliveries into Qingdao port, according to trading sources who closely follow ESPO transactions.

That will bring Yanchang's total purchases so far this year to 600,000-700,000 tonnes, about 4.4 million to 5.1 million barrels, one of the sources added.

Apart from the revamped crude processing unit, Yanchang also has remaining crude quotas to use up by the end of the year, a second trader said.

From Qingdao port, Yanchang transports the crude oil by rail, taking about a day to reach Shaanxi's Yulin city, where the plant is based.



Guava orchards in southern districts of Bangladesh are busy harvesting and selling the fruit amid the ongoing season. As much of the fruit is moved via inland waterways, floating guava markets can be found across greater Barishal this time each year. The picture was taken recently.

PHOTO: TITU DAS

Guava season aiding economic growth in south

SUSHANTA GHOSH and MD HABIBUR RAHAMAN

With the guava season now in full swing, farmers and traders in southern Bangladesh are busy harvesting and selling the fruit from various orchards in the region.

After visiting Banaripara upazila of Barishal, Jhalakathi sadar upazila, and Nesarabad upazila of Pirojpur, it was seen that local markets are packed to the rafters with fresh green guava.

Besides, as much of the fruit is moved via inland waterways, floating guava markets can be found across each of the three districts.

These markets have become a tourist attraction over time, drawing in large crowds of foreign and domestic travellers this time each year.

Guava is being cultivated on 24,588 hectares of land across Barishal division to produce 25,000 tonnes of the fruit worth more than Tk 25 crore, according to the Department of Agricultural Extension (DAE).

And thanks to improved road connectivity due to the opening of Padma Bridge, guava produced in the region can now quickly reach different parts of the country, including Dhaka.

As such, at least 100 to 150 tonnes of guava worth Tk 10-15 lakh are transported to different markets by trucks and trawlers



every day.

Additionally, the arrival of nearly 5,000 tourists every week is helping develop the local economy.

For example, several guava parks and hospitality services, such as restaurants, have been established to cater to travellers, local farmers said.

According to DAE officials, Nesarabad upazila contributed a majority of the guava grown in the three southern districts.

Some 835 hectares were cultivated in Nesarabad upazila to produce 7,656 tonnes of guava this year.

Meanwhile, the guava acreage in Jhalakathi sadar upazila and Banaripara was 591 hectares and 210 hectares respectively.

Apart from commercial purposes, almost every house in the region has some form of guava cultivation for personal consumption.

Mizanur Rahman, a guava wholesaler in Kirtipasha union of Jhalakathi, has been shipping at least 200 tonnes of guava to markets in Shariatpur every day since the harvesting period began.

"I have been buying guava for about Tk 350 per maund [37 kilogrammes]. Farmers are getting good prices this year due to the improved communication system," he said.

Rahman had purchased the fruit from farmers for Tk 300 per maund last year.

Chapal Krishna Nath,

agriculture officer of Nesarabad upazila, said the amount of guava being sent to Dhaka has increased this year thanks to the improved communication system.

Ali Ahmed, agriculture officer of Jhalakathi sadar upazila, said there are around 2,000 guava farmers in Jhalakathi while the three districts combined house some 10,000 people involved with the business.

Minati Samaddar, a guava farmer of Bhimruli village in Jhalakathi, said he leased 62 decimals of guava farms for Tk 22,000.

Having collected about 50 maunds of guava so far, he is now selling the fruit at local markets.

And although guava yields were slightly less this year due to drought, farmers are pleased with the current market price.

Shekhar Sikder, another local guava farmer, said although cooperative societies give them loans, farmers still lack access to bank finance.

"Farmers would be benefited if banks gave loans immediately at low interest rates," he added.

Saidur Rahman Rintu, president of the Barishal Chamber of Commerce and Industry, said the local economy would improve significantly if agro-processing industries were set up in the area.

"I call upon the traders to come forward in this regard," he added.

How senior management build ethical organisations

KAMRAN BAKR

In my last article, I highlighted how boards set the "tone at the top" towards building an ethical organisation. Taking this cue, senior management, which includes the CEO, must find ways to shape ethical organisations where everyone is encouraged to do the right thing (even when no one is watching).

In this article, I will share with young leaders issues they should be aware of and touch upon how to forge ethical organisations. Once again, this article should be viewed from the perspective of "voluntary" unethical behaviour, rather than having to deal with "involuntary" unethical behaviour.

No company is perfect. As such, leaders often avoid discussing integrity and ethics due to the fear of imperfection and potential vulnerability. But secrets don't remain hidden in today's turbocharged world with everybody always watching you aided by advanced digital forensics and investigative journalism.

As such, integrity is not about being flawless, but recognising the importance of doing the right thing and navigating intricate ethical dilemmas, failing which we will increasingly find ourselves in ethical quagmires. It requires self-awareness and courage to acknowledge errors and correct course when mistakes are made as well as embracing transparency, rather than burying mistakes. Recent headlines show how ethical misconduct can rapidly ruin reputations built over the years.



Senior management must make values, purpose, integrity, and ethics a priority, inculcating pride in pursuing "Performance (Profit) with Integrity."

I have seen organisations often proudly claim "Performance with Integrity". Interestingly, they

invest much effort in foolproof strategies, reviews and training to

ensure performance. However, when it comes to ethics, they usually do the minimum to appear ethical without taking sufficient concrete actions to translate their claims into reality.

When ethics is seen as a problematic accessory or an obstacle to achieving goals, codes and policies will not be enough for a lasting impact. There will be ethical misconduct.

Senior management must elevate ethical commitment beyond mere lip service and "check the box" compliance. They must purify the beliefs and systems and integrate explicit conversations on ethics and values into strategic decision-making.

They should also make unethical behaviour increasingly unattractive and difficult by creating the right context, culture, strategies, systems, processes, resources and skills shaping an environment that distinguishes right from wrong and creates a self-reinforcing culture of integrity and values based choices driven by pride. This may seem to be over the top but is crucial.

In terms of specifics, ethics requires an intentional and integrated set of actions by senior management. These are defining values, embedding ethical culture with a code of ethics tailored to the organisation, establishing clear and easy reporting of misconduct, putting in place and enforcing consequences and rewards, providing ongoing training, bringing alive ethics via communication and activation, and finally monitoring the culture for signs of trouble and mitigating ethical vulnerabilities.

But before you begin this journey, ensure the board is genuinely committed to building an ethical organisation, not just impressing stakeholders with empty slogans. Many senior managers have faced consequences e.g. sacking, criminal charges and even imprisonment for ethical misconduct triggered by the board. You do not want to be a scapegoat. So, urge the board to prioritise ethics to safeguard your reputation and avoid potential legal consequences.

The author is former chairman and managing director of Unilever Bangladesh Ltd.

Will AI be an economic blessing or curse?

REUTERS

If medieval advances in the plough didn't lift Europe's peasants out of poverty, it was largely because their rulers took the wealth generated by the new gains in output and used it to build cathedrals instead.

Economists say something similar could happen with artificial intelligence (AI) if it enters our lives in such a way that the touted benefits are enjoyed by the few rather than the many.

"AI has got a lot of potential - but potential to go either way," argues Simon Johnson, professor of global economics and management at MIT Sloan School of Management.

"We are at a fork in the road."

Backers of AI predict a productivity leap that will generate wealth and improve living standards. Consultancy McKinsey in June estimated it could add between \$14 trillion and \$22 trillion of value annually - that upper figure being roughly the current size of the US economy.

Some techno-optimists go further, suggesting that, along with robots, AI is the technology that will finally free humanity from humdrum tasks and launch us into lives of more creativity and leisure.

Yet worries abound about its impact on livelihoods, including its potential to destroy jobs in all kinds of sectors - witness the strike in July by Hollywood actors who fear being made redundant by their AI-generated doubles.

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A worker bundles bicycle wheels at a factory producing bicycle parts for export in Hangzhou, in China's eastern Zhejiang province. China's exports might have contracted further in July, as the country's manufacturers struggled for buyers in export destinations with high inflation and rising interest rates.

PHOTO: AFP

China's exports likely contracted further

REUTERS, Beijing

China's exports likely contracted further in July, as manufacturers in the world's second-largest economy struggled for buyers in markets grappling with high inflation and rising interest rates, a Reuters poll showed on Monday.

Data for July are expected to show a 12.5 percent fall in outbound shipments from a year earlier, following a drop of 12.4 percent in June, according to the median forecast of 28 economists in the poll.

That would be the worst reading since the early days of the pandemic in February 2020, when exports fell an annual 17.2 percent, as strict Covid curbs and lockdowns across the country resulted in workers laying down their tools.

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