

Oil price falls over 1%

REUTERS, London

Oil slipped more than 1 percent on Monday as concern eased about the Israel-Hamas war affecting supply from the region and as investors adopted caution ahead of this week's U.S. Federal Reserve meeting and other indications of global economic health.

Crude had jumped 3 percent on Friday after Israel stepped up ground incursions into Gaza, stoking worries the conflict could expand in a region that accounts for a third of global oil output. However, that concern was fading on Monday, analysts said.

"There is a propensity for market users in all their guises to have at least some oil length going into the weekends and when the fear of conflict spread shows no validation come the early hours of Monday mornings' openings, that fear hedge is ordinarily unwound," said John Evans of oil broker PVM.

Brent crude futures

Crude had jumped 3 percent on Friday after Israel stepped up ground incursions into Gaza

dropped 95 cents, or 1.1 percent, to \$89.53 a barrel by 1217 GMT, while U.S. West Texas Intermediate crude was down \$1.12, or 1.3 percent, at \$84.42.

"Despite an escalation in the Hamas-Israel war, the ground invasion was widely expected," said CMC Markets analyst Tina Teng. "The weekend payout signals no further expansion into a wider regional war, which caused a retreat in oil prices."

On Monday, Palestinians in northern Gaza reported fierce air and artillery strikes as Israeli troops backed by tanks pressed into the enclave with a ground assault.

As well as the Middle East, investors are focused on the outcome of Wednesday's Federal Reserve meeting.



PHOTO: HABIBUR RAHMAN

A worker in the Chulkathi Bazar of the Bagerhat district of Khulna loads coconuts into a basket. The region is famous for its coconuts and a number of wholesalers visit the market daily to buy the product. Each pair of coconuts sells for between Tk 120 and Tk 150.

Ensure green growth for sustainable development

Says World Bank country director

STAR BUSINESS REPORT

Green growth would help Bangladesh build long-term resilience against climate risks and potentially achieve its vision of becoming an upper-middle-income country, according to Abdoulaye Seck, World Bank country director for Bangladesh and Bhutan.

Green growth means fostering economic growth and development while also ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies.

"Bangladesh is among the countries most vulnerable to climate change. And as the intensity and frequency of natural disasters increase, Bangladesh must do more to tackle environmental and climate risks, and sustain its strong growth performance," he said.

Seck yesterday made these remarks at the inaugural ceremony of a two-day conference at the Renaissance hotel in Dhaka.

The World Bank and Brac Institute of Governance and Development (BIGD) organised the conference, styled "The 12th South Asia Economic Policy Network Conference".



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MA Mannan
Planning Minister

Seck also said technology adoption is one of the main ways to expedite green growth.

"It is important to take a short time for recovery and ensure long-term resilience," he added.

"Bangladesh has made some impressive progress in green development. For example, our garments sector ranks among the world's best on the number of green factories," said Planning Minister MA Mannan.

"We must stay on the path outlined

in Bangladesh's Energy Efficiency and Conservation Master Plan, which includes a series of programmes to help industrial energy consumers, residential consumers, and government agencies move toward energy efficiency," he added.

Mannan also said Bangladesh is moving towards renewable energy from fossil fuels. For example, the government has been extending support for solar power projects in the country.

"We won't knowingly take up any project that will harm diversity. New projects are coming up that will be woman-friendly and nature-friendly," Mannan added.

Speaking at the conference, BIGD Executive Director Imran Matin said they would emphasise on the agenda of green growth throughout the two-day event.

"We will delve deeply into the choices we can make for delivering this agenda," he added.

At the opening of the conference, a number of academics, experts, and researchers discussed the opportunities and challenges of pursuing green growth in South Asia.

Focus on AI to bridge digital divide: experts

STAR BUSINESS REPORT

The best use of digital public infrastructure (DPI) and artificial intelligence (AI) will eliminate the digital divide in the country with the help of Smart Bangladesh initiative, experts said yesterday.

"Digital transformation in many countries is creating a new class of marginalised people. And using the DPI approach, we will eliminate the digital divide and reach zero digital divide — a promise from Bangladesh," said Anir Chowdhury, policy advisor.

He was speaking at an international conference titled "DPI and AI for #ZeroDigitalDivide" at Intercontinental Dhaka. The two-day conference, which started yesterday, is being organised by the government's Aspire to Innovate (a2i) in collaboration with the ICT Division.

It focused on the feasibility of realising an inclusive and digitally-empowered world through optimal use of DPI and AI.

DPI comprises digital resources and services for the public, including internet access, open data, cybersecurity, digital identity, e-government services and open source software while ensuring accessibility, affordability and security to promote digital inclusion and societal advancement.

NCC Bank re-elects chairmen for 3 committees



Abu Mohsin



Nurun Newaz



Al Masud

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In the 506th meeting of its board of directors, NCC Bank re-elected three chairmen for three committees. They are SM Abu Mohsin for the executive committee, Md Nurun Newaz for the risk management committee and Md Obayed Ullah Al Masud for the audit committee of the board.

Mohsin, hailing from Chattogram, is a prominent businessman and industrialist who is associated with various social and education organisations. He is the chairman of Alliance Deep Sea Fishing Ltd, JM Shipping Lines, Food & Accommodation Co. Ltd and managing director of Brothers Oxygen Ltd.

Newaz, a well-known entrepreneur, was recognised as commercially important person (CIP) in 2021. He is the chairman of Electro Mart Ltd and Trade International Industries Ltd and director of the Federation of Bangladesh Chambers of Commerce & Industries (FBCCI).

Masud, who completed his MBA from the University of Dhaka, was the former managing director and CEO of various state-owned banks, namely Rupali Bank Limited, Sonali Bank Limited and Karmasangsthan Bank.

Govt to allow potato import

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in consultation with the agriculture ministry, had fixed the retail price of potato at Tk 35 per kg and directed traders to comply.

However, the directive fell flat as potato, one of the most popular vegetables, is selling at much higher prices even though government agencies conducted drives in cold storages to prevent hoarding.

Traders blame lower production for the spiralling prices of the tuber.

But government agencies do not accept this claim as the Bangladesh Bureau of Statistics (BBS) estimates that 1.04 crore tonnes of potato were produced in the last harvesting season of fiscal 2022-23.

The amount produced was nearly 3 percent higher year-on-year, BBS data shows. The Bangladesh Cold Storage Association (BCSA), members of which store potatoes for sale in the lean season, said the production estimate was incorrect.

"Prices shouldn't rise to such a high level if there was plenty of production. We could not increase the price last year as there was ample production," said BCSA President Mostafa Azad Chowdhury Babu.

He said a maximum 30 lakh tonnes of potato, including seed potato, were kept in cold storages this year.

"So, where has the rest gone? Did people consume the rest 80 lakh tonnes in January-May?" he asked while welcoming the decision to allow imports of the root vegetable.

"Imports will increase supply and thereby benefit people by reigning in the exorbitant prices for the crop," he



PHOTO: MOSTAFA SHABUJ

Bangladesh Bureau of Statistics estimates that 1.04 crore tonnes of potato were produced in the country in the last harvesting season of fiscal 2022-23.

added.

Yesterday, the retail price of potato was Tk 55-60 at markets in Dhaka, which was 32 percent higher from a month ago. Besides, the current rate is double that on the same day of the previous year, according to market price data of the Trading Corporation of Bangladesh.

The root vegetable, depending on variety, was selling for as much as Tk 70 per kg outside Dhaka.

Mohammad Masum, chairman of Supreme Seed Company Ltd, a leading seed company, said the decision to allow potato imports is already late.

"Potato prices will begin declining

after early varieties come to the market within a month," he added.

In its statement, the commerce ministry said vested quarters are trying to make the potato market unstable.

Under this circumstance, it decided to allow imports and is calling upon interested businesses to apply for permission in this regard.

Md Rezaul Karim, director of the Plant Quarantine Wing of the Department of Agricultural Extension, said seed potatoes are mainly imported for cultivation.

"So, to my knowledge, no potato was ever imported for consumption in the past, he added.

Green Delta to buy 43% shares

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Its founder chairman, A Maleque, is the minister's father. At present, his sister, Prof Rubina Hamid, is the chairperson.

The minister's wife, Shabana Maleque, and son, Rahat Maleque, are also directors, according to the company's website.

The Sunlife's claim settlement ratio stood at 55.05 percent at the end of 2022, according to the Insurance Development and Regulatory Authority (IDRA).

That year, clients had made claims worth a total of Tk 101.6 crore, of which Tk 55.9 crore was settled by the insurer. Moreover, the company failed

to provide any dividend to its shareholders that year.

The claim settlement ratio was 75.4 percent in 2021 and 58.03 percent in 2020, the IDRA data showed.

This year, policyholders submitted the highest number of allegations against the company up until October.

Blockade could dent supply chain

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He said the ongoing labour unrest and the political unrest will erode buyers' confidence.

Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association, said political unrest is always a matter of concern for the apparel industry.

Many local garment makers will face challenges while negotiating orders with international buyers during the blockade, he said.

"There is a possibility that orders might shift from Bangladesh to other countries because of political unrest."

Hatem urged political parties to ensure that the garment sector does not fall victim to any political agitation and requested them to keep the export sector out of the purview of blockades like they did in the past.

Khairul Alam Suzan, vice-president of the Bangladesh Freight Forwarders Association, said the blockade has created fears and uncertainty among businesses.

"I have received calls from several businesses about whether they will send cargo or take delivery from the port tomorrow. They are concerned about whether vehicles will reach their destinations safely and timely.

But we can't give any assurance to any."

Suzan said the blockade may affect the smooth movement of vehicles with exported and imported goods.

"And this will disrupt the supply chain and industries will be unable to get the imported raw materials to make finished goods while exporters will not be able to send their export consignments on time to maintain lead times."

If goods are left in the port undelivered, the cost of businesses will increase since they will have to count detention charges and demurrages

Besides, he said, if the political situation turns volatile, the supply of essential commodities, including imported ones, is likely to be disrupted, leading to price spiral.

If goods are left in the port undelivered, the cost of businesses will increase since they will have to count detention charges and demurrages.

"A supply chain disruption will affect us in various ways," Suzan said.

Shams Mahmud, managing director of Shasha Denims Ltd

and Shasha Textiles Ltd, leading exporters, said: "This is indeed a worrying time for everyone involved in the RMG industry. The flare-up of political and industrial unrest will not be beneficial to anyone."

He said they have forecasted the situation and taken measures to have adequate stocks on hand to supply fabrics to the factories they work with.

"However, because of the worsening situation, the delivery by these factories has, in some cases, been deferred. This will create late delivery issues for them."

"Personal safety is the top priority for every garment and textile mill owner."

Mahmud, also a former president of Dhaka Chamber of Commerce and Industry, said if any further deterioration of law and order takes place, it will have a negative domino effect on the industry.

"We hope the main foreign exchange earning sector will be kept out of all these problems."

According to Mahmud, any disruption in the supply chain of garments will result in air shipment, which is expensive.

FBCCI's Alam said, "We will take some initiatives so that we can make political parties understand the importance of saving the economy."

ICAB honours 59 firms

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Among the public sector firms, Infrastructure Development Company Limited collected gold, Investment Corporation of Bangladesh received silver, and Bangladesh Infrastructure Finance Fund won bronze.

Unique Hotel & Resorts and Bank Asia became the joint gold winners in the service sector. Shahjalal Islami Bank received silver and British American Tobacco Bangladesh attained bronze.

In the integrated reporting category, Brac Bank took home the gold award, IDLC Finance acquired silver and Shahjalal Islami Bank obtained silver.

A 13-member jury board headed by Atiur Rahman, a former governor of the central bank, reviewed the recommended list of the winners, said the press release. The institute received annual reports from 86 entities for 2022.

Speaking at the event, Md

Moniruzzaman, president of the ICAB, said the Institute was proud to organise a distinctly glorious event to promote transparency and accountability through financial and non-financial disclosures in the published annual reports.

He said the awards are the outcome of the evaluation of the publicly disclosed audited financials and other unaudited information.

ICAB Vice-president MBM Lutful Hadee gave the closing remark.