

## AI threatens wages, not jobs: ECB

REUTERS, Frankfurt

The rapid adoption of artificial intelligence could reduce wages, but so far is creating, not destroying jobs, especially for the young and highly skilled, research published by the European Central Bank showed on Tuesday.

Firms have invested heavily in artificial intelligence, or AI, leaving economists striving to understand the impact on the labour market and driving fears among the wider public for the future of their jobs.

At the same time, employers are struggling to find qualified workers, despite a recession that would normally ease labour market pressures.

In a sample of 16 European countries, the employment share of sectors exposed to AI increased, with low and medium-skill jobs largely unaffected and highly-skilled positions getting the biggest boost, a Research Bulletin published by the ECB said.



A worker at a wholesale kitchen market in Khulna city is seen sorting tomatoes into crates after collecting them from farmers in nearby areas, such as the Dumuria and Batiaghata upazilas. Tomatoes are currently selling for between Tk 70 and Tk 80 per kg at wholesale. The photo was taken recently.

PHOTO: HABIBUR RAHMAN

## Sri Lanka okays \$4.5b refinery proposal

REUTERS, Colombo

Sri Lanka on Monday approved a proposal by China's Sinopec to build a \$4.5 billion refinery, its energy minister said, making it the largest single investment in the island nation since a crippling economic crisis last year.

The cabinet approval cleared the state-owned refiner to finalise project details and sign an agreement with the government before it starts building the export-oriented refinery at Hambantota in the south of the country.

"Cabinet approval was granted today to award the contract to China Petroleum & Chemical Corporation (SINOPEC) of China," Minister Kanchana Wijesekera wrote on social media platform X.

China is Sri Lanka's biggest bilateral lender and its companies have built highways, sea and air ports and other infrastructure projects on the island off India's southern coast.

For Sinopec, the world's top refiner by capacity and one of the largest petrochemicals producers, the investment would mark a breakthrough in a long effort to expand beyond China's borders. The company also owns refinery assets in Saudi Arabia and petrochemicals production in Russia.

# Manufacturers rev up production of higher-cc bikes

JAGARAN CHAKMA

Almost all motorcycle manufacturers are set to bring luxury motorcycles of high engine capacity to the local market within six months after the government decided to allow up to 350cc bikes to ply the streets of Bangladesh in September this year.

Previously, bikes with over 165cc (cubic centimetre) engines could not be manufactured or imported for the local market.

Cc is a measure of the power output of an engine. Higher cc motorcycles generate more power and more torque at lower engine speeds.

In the Import Policy Order 2021-24, published in April 2022, the government said manufacturers would be able to import machinery and spare parts required to manufacture up to 500cc bikes. However, the caveat was that bikes over 165cc could only be exported, not sold on the local market.

This prompted the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) to send a letter to the ministry of commerce in January this year, stating that motorcycle manufacturers had already invested huge sums in the research, planning, and setting up of factories for the production of motorcycles up to 500cc.

As such, the FBCCI said, it would not be possible for manufacturers to cover their investments solely through exports.

Finally, in September this year, the government approved motorbikes with up to 350cc engines for the streets of Bangladesh. However, the ban on imports of completely-built bikes over 165cc remained in place, meaning only locally-manufactured bikes which crossed the 165cc threshold can ply the streets.

As a result, ACI Motors Limited, Royal Enfield, TVS Auto Bangladesh, Hero Honda, and Bangladesh Honda Pvt Ltd are preparing

to locally manufacture higher cc motorcycles to meet bike lovers' demands.

Uttara Motors, the manufacturer and distributor of Bajaj motorcycles in Bangladesh, recently launched the first higher-end bike in the country, unveiling the Pulsar N250, which features a 250cc engine.

Uttara Motors is manufacturing Bajaj Motorcycles in its factory in Savar, which can produce 300,000 units annually.



**In the Import Policy Order 2021-24, published in April 2022, the government said manufacturers would be able to import machinery and spare parts required to manufacture up to 500cc bikes.**

Ifad Group, which struck a deal to manufacture Royal Enfield motorcycles, has so far invested Tk 150 crore and that number is slated to go up to Tk 250 crore.

They expect to go into commercial operation in July, 2024 and will launch four models of Royal Enfield motorcycles: Bullet, Meteor, Hunter, and Classic.

HMCL Niloy Bangladesh Ltd (HNBL), a joint venture between Niloy Motors Ltd and Hero MotoCorp Ltd (HMCL) of India, has already started manufacturing and plans to bring 221cc motorcycles to the market within the next three months.

Abdul Matlub Ahmed, chairman of Niloy Niloy Group, said manufacturers would produce high-end motorcycles but added that he did not expect this market to boom in Bangladesh.

He opined that, at best, 2 percent of the market would be occupied by higher cc motorcycles because buyers will purchase them more for their hobbies than regular use.

Despite all the manufacturers being aware of the future of the market of luxury bikes in Bangladesh, this segment will increase the beauty of the industry, he noted.

Shah Muhammad Ashequr Rahman, chief financial officer at Bangladesh Honda Pvt Ltd, said there was a petition in the Supreme Court of Bangladesh regarding higher cc motorcycles. If the verdict comes in their favour, they will bring higher cc motorcycles.

"We plan to bring higher cc bikes after the court order," he noted.

Similarly, TVS is ready to manufacture higher cc motorcycles.

Biplob Kumar Roy, chief executive officer of TVS Auto Bangladesh, said they are waiting for an import permission order from the government to bring the higher cc motorcycle.

Subrata Ranjan Das, executive director of ACI Motors Limited, the sole distributor of Yamaha motorcycles, said they would begin manufacturing higher cc luxury motorcycles within the next six months.

He also opined that this segment would not grow like the general motorcycle market.

As per market data, a total of 587,689 motorcycles were sold in 2022 while 587,925 units were sold in 2021.

## Embracing ownership in workplace

MD TOUHIDUL ALAM KHAN

In the dynamic landscape of today's professional world, the concept of taking ownership has become more than just a buzzword; it is a fundamental principle that can shape both individual careers and organisational success.

As employees, we are not merely cogs in a machine but integral contributors to a collective vision. To navigate this terrain effectively, one must engage not only the mind but also the heart and hands, creating a holistic approach to ownership.

The first cornerstone of ownership lies in the realm of the mind. A proactive and engaged mindset is the bedrock of any successful professional journey. Employees should cultivate a sense of responsibility for their work, viewing challenges not as hurdles but as opportunities for growth.

Moreover, taking ownership in the workplace involves a genuine passion for one's role and the organisation's mission. This brings us to the second facet – the heart. When individuals connect emotionally with their work, they become more than just employees; they become invested stewards of the company's success. This emotional investment is the driving force behind innovation and resilience.

Organisations can cultivate this emotional connection by fostering a positive and inclusive work environment.

Recognising and celebrating achievements, big and small, creates a sense of belonging and pride. When employees feel valued, they are more likely to take ownership of their roles, contributing not just with their skills but with genuine enthusiasm.

Now, let's turn our attention to the hands – the tangible actions that manifest ownership. Taking ownership is not a passive endeavour; it requires decisive and purposeful action. Employees must be willing to go the extra mile, taking initiative and demonstrating a hands-on approach to problem-solving. This involves not only meeting expectations but surpassing them, consistently delivering results that exceed the status quo.

Effective communication is a key element of this hands-on approach. Clear and transparent communication ensures that everyone is on the same page, fostering collaboration and preventing misunderstandings. It also allows for constructive feedback, a crucial tool for individual and collective growth. By actively participating in open and honest communication, employees contribute to a culture of accountability and shared responsibility.

Taking ownership in the workplace is a multifaceted endeavour that engages the mind, heart, and hands. It begins with a proactive mindset, where challenges are seen as opportunities for growth. Emotional investment, the beating heart of ownership, transforms individuals into passionate contributors to their organisation's success. Finally, tangible actions – the hands on approach – solidify ownership, turning intentions into results.

As employees, we must recognise that ownership is not bestowed but embraced. It is a continuous journey of growth and commitment, where individuals contribute their best selves to a collective vision. In doing so, we not only elevate our own professional journeys, but also contribute to the prosperity and longevity of the organisations we serve.

As we navigate the intricate tapestry of professional life, let us heed the wisdom of Indra Nooyi: "Whatever you do, throw yourself into it. Throw your head, heart, and hands into it." These words encapsulate the essence of ownership – a holistic commitment that engages the mind with purpose, the heart with passion, and the hands with decisive action.

By embracing this wholehearted approach, we not only elevate our individual contributions but collectively propel our organisations toward success. So, let us embark on our professional journeys with unwavering dedication, knowing that true ownership is not just a task but a profound investment of our entire selves.

The writer is the additional managing director and chief credit officer of Premier Bank PLC.



## Climate change already reducing global GDP: report

AFP, Paris

Climate change is already shaving billions off the world's economy, with developing countries hardest hit, according to a new report published Tuesday ahead of COP28 climate negotiations.

The report by the University of Delaware estimated that impacts from human-caused climate change cut 6.3 percent from global economic output last year, when weighted across populations.

The figures reflect both direct consequences of climate change – such as disruptions to agriculture and manufacturing, and reduced productivity from high heat – as well as spill-over impacts on global trade and investments.

"The world is trillions of dollars poorer because of climate change and most of that burden has fallen on poor countries," said lead author James Rising of the University of Delaware.

"I hope that this information can clarify the challenges that many countries already face today and the support they urgently need to address them," he added.

When calculated without taking into account impacts borne by the average person, the global GDP loss was 1.8 percent of GDP – or about \$1.5 trillion dollars – in 2022.

"The difference between those two numbers reflects the uneven distribution of impacts, which concentrate in low-income countries and tropical regions that typically have more population and less GDP," the authors said in a statement.

READ MORE ON B2

## Sluggish China still leads the race for commodities

REUTERS, Singapore

President Xi Jinping is trying to wean China off its property-based, debt-fuelled economic model. The transformation will cool growth in the world's second-largest economy after years of rapid development. Investors are worried but risk ignoring the structural changes underpinning the country's continuing voracious appetite for raw materials.

Take the \$300 billion copper market. China imports over 60 percent of the metal's globally traded volume. "When it comes to copper, the thinking usually goes that copper equals property, property equals China," said one commodities trader. "And because China property is down, copper must be down too."

True, the country's vast real estate sector, which powers a quarter of GDP and some 40 other sectors from construction to home appliances, is still finding a bottom. New construction starts by area have shrunk by another 23 percent in the year to October from an already battered 2022. Coupled with Beijing's geopolitical fissures with the West, ranging from a technology race with Washington to its cosiness with Moscow and its position on Taiwan, investors are having cold feet



A man rides a scooter past a housing complex by Chinese property developer Evergrande in Wuhan, in China's central Hubei province. The country's vast real estate sector powers a quarter of its GDP and ordinary Chinese store 70 percent of their wealth in property.

PHOTO: AFP/FILE

about a broad set of Chinese assets. China recorded its first-ever quarterly deficit in foreign direct investment – \$11.8 billion between July and September.

But two nuanced trends complicate the picture. First, as much as Xi frets about housing bubbles, he is still keen to prevent social unrest, given that

ordinary Chinese store 70 percent of their wealth in property. That's why he wants to ensure distressed developers like China Evergrande finish building the apartments that they have pre-sold to mortgage payers. By October, China still had about 8.2 billion square metres under construction – roughly 80 million typical three-bedroom homes. Copper tends to be used in a building's late stages, so the potential demand loss arising from the property crisis is likely to be less severe than for iron ore, which is used more prominently at the start of construction.

Second, Xi's mission to shift the country's economic drivers from real estate to green and high-tech industries is accelerating. When China's top leaders set priorities at the Communist Party's twice-a-decade finance conference on Oct. 31, they explicitly asked that more financial resources go into these investments. That means state-owned banks will probably be guided to lend more to electric cars, wind and solar energy, artificial intelligence and advanced chips. Those industries need copper and other metals.

Thus, while the share of China's "new economy" remains small versus the old growth engines, its rise is also creating

READ MORE ON B2