

Jet fuel price hiked 11 times in 15 months

A Monitor Report

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Dhaka : The country's aviation industry is on its way to another turmoil as jet fuel price has been hiked again by the Padma Oil Company Ltd, a subsidiary of Bangladesh Petro-leum Corporation (BPC).

On February 8, BPC increased BDT 7 for each litre of jet fuel, said Padma Oil Company. This is the 11th time Padma Oil Company Limited increased the jet fuel price in the last 15 months since December 2020.

Experts claimed the constant price hikes of jet fuel are resulting in severe continuous blows to the country's aviation industry as airlines lose their competitiveness globally.

Besides, due to this, passengers will have to pay additional money as well, said reports.

In January, the price of per litre jet fuel was BDT 73. In December 2020, the price of per litre jet fuel was BDT 48.

This shows the price of jet fuel has been increased by 66 per cent in the last 15 months, reports added.

However, BPC claimed to decrease jet fuel price on three occasions in the span of the last 15 months.

Reports cited the Secretary General of Aviation Operators Association of Bangladesh (AOAB) and Managing Director of NOVOAIR Mofizur Rahman saying, BPC has no logical basis behind the jet fuel price hike.

He added, the airline industry is already suffering from the third coronavirus wave, and the latest move to increase jet fuel's price will harm the sector hugely.

"Due to fuel price hike, we will have no alternative but to increase the airfare to keep ourselves afloat. Hence, ultimately, passengers will be the ones to pay the price and suffer."

The AOAB Secretary General further mentioned, jet fuel occupies 40 to 46 per cent operation cost of an airline.

"We will become a bankrupt airline unless we do not adjust airfare in line with the price hike of jet fuel," the Secretary General of AOAB sighed.