Bangladesh, India should address non-tariff barriers

Says FBCCI chief

STAR BUSINESS REPORT

Bangladesh and India should address the non-tariff barriers to facilitate and boost bilateral trade, said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

He also urged the Indian government for removal of anti-dumping duties on jute and floating glass.

He made the call in a meeting on "New horizons in India-Bangladesh economic relations" jointly organised by the FBCCI and the Federation of Indian Chambers of Commerce and Industry (FICCI) in New Delhi on Tuesday.

Jashim Uddin also urged the leaders of the two countries to improve trade facilities in ports, cut procedural bottlenecks, upgrade testing facilities in port areas and remove logistics disruptions in export-oriented value chain.

Jashim Uddin urged the leaders of the two countries to improve trade facilities in ports, cut procedural bottlenecks, and upgrade testing facilities in port areas

These steps would help the two countries to take full advantage of the South Asia Free Trade Area (Safta), he said.

The FBCCI president, in another meeting yesterday, urged the Indian investors to utilise Bangladesh's liberal investment ecosystem, growing domestic market, international market access facilities and one-stop services offered by the Bangladesh Investment Development Authority.

A high-level Bangladeshi business delegation led by the FBCCI president is visiting India as an entourage of Prime Minister Sheikh Hasina. The delegation reached India on Monday.

The geo-political location of Bangladesh offers huge trade opportunities for various sectors and products, including ceramic and glass items, said Tipu Munshi, commerce minister, who is also now in India with the premier.

"Bangladesh has very progressive and industry-friendly policies. Business

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Quality of service is the key differentiator in the intensively competitive telecom market right now

SHAHED ALAM
Chief corporate and regulatory officer of Robi Axiata

NUMBER OF CUSTOMERS
(As of July 2022)

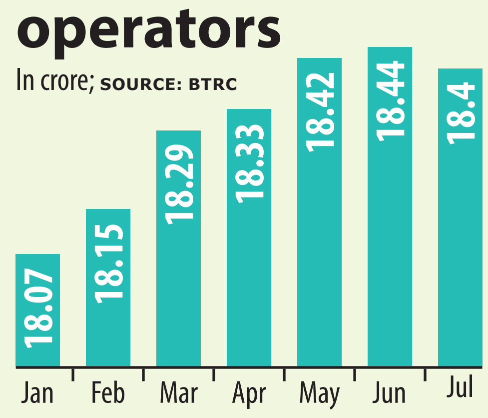
GP:	Robi:	Banglalink:	Teletalk:
8.40cr	5.47cr	3.84cr	67 lakh

KEY POINTS (As of July)

- GP lost **8** lakh customers
- GP users dropped for a ban on its SIM sales from June 30
- Total mobile subscribers fell by **4** lakh
- Robi and Banglalink added **2.5** lakh and **1** lakh customers respectively
- Teletalk figures remain unchanged

Active SIMs of all operators

In crore; SOURCE: BTRC



Ban on new SIM sales erodes GP subscriber base

The operator sheds 8 lakh users in July, while Robi, Banglalink gain

MAHMUDUL HASAN

Grameenphone lost 8 lakh customers in July as the country's top mobile network provider is starting to feel the pinch of a ban on new SIM sales imposed by the Bangladesh Telecommunication Regulatory Commission (BTRC).

The number of Grameenphone customers stood at 8.40 crore by the end of July, down from 8.48 crore a month earlier, as per the latest BTRC data.

The telecom watchdog banned Grameenphone from selling new SIM cards from June 30 for what it said was the operator's failure to provide quality service.

Despite the fall, Grameenphone still holds the industry's top spot by a big margin as it now has 45.68 per cent of the market share based on subscribers. The operator saw its profits rise 8 per cent to Tk 920 crore in the April-June period of 2022 riding on higher revenue earnings.

Although the BTRC banned Grameenphone from selling new SIMs on the grounds of call drops and low service quality, the network provider had earlier passed the regulator's test in this regard.

According to the results of a nationwide drive-test published in March, Grameenphone's average call drop rate in December was at 0.29 per cent in Dhaka division, with exception to city corporation areas.

According to the BTRC's policy, the call drop rate should be less than 2 per cent.

Following the ban, Grameenphone recently submitted a compliance report, carried out by the operator itself on the period between December 2021 and July 2022. Results of the drive-test show that the company's average call drop rate stands at only 0.21 per cent while its internet speed stands at 10.13Mbps -- both of which pass the BTRC's benchmarks by a big margin.

However, the BTRC said it will verify the authenticity of Grameenphone's compliance report.

"A student cannot be an examiner. Our technical team will verify the compliance report," Subrata Roy Maitra, vice-chairman of the BTRC, told The Daily Star.

According to the BTRC, Grameenphone will be allowed to sell new SIMs once it improves its quality of services and reduces its call drop rate.

The telecom watchdog banned Grameenphone from selling new SIM cards from June 30 for what it said was the operator's failure to provide quality service

Grameenphone declined to comment on this issue.

On a year-on-year basis, Grameenphone customers rose by 1.93 per cent in July.

Meanwhile, Robi Axiata and Banglalink gained clients that same month.

Robi and Banglalink added about 2.5 lakh and 1 lakh customers respectively in July compared to a month earlier, while state-run operator Teletalk's figures remained almost unchanged that month.

On a year-on-year basis, the number of customers of Robi, which operates under brand names Robi and Airtel, increased 5.5 per cent to 5.47 crore in July.

"Quality of service [QoS] is the key differentiator in the intensively competitive telecom market right now," said Shahed Alam, chief corporate and regulatory officer of Robi Axiata.

"With this backdrop, we are absolutely delighted with the acquisition figures published by the BTRC. It just shows that our relentless drive for improving QoS is being recognised by our valued customers," he added.

Robi recorded Tk 2,018.8 crore in revenue for the first quarter of this year, up 2 per cent year-on-year.

At the same time, the company's net profit grew 16 per cent to Tk 34.29 crore in the January-March period.

Axiata Group Berhad of Malaysia holds a controlling stake of 61.82 per cent in Robi Axiata while Bharti Airtel of India holds 28.18 per cent and the general public holds the remaining 10 per cent.

The subscribers of Banglalink, a subsidiary of Amsterdam-based connectivity provider Veon, rose by about 5.20 per cent year-on-year in June to about 3.85 lakh.

"We have added hundreds of new base transceiver stations to our network, expanding our coverage significantly," Taimur Rahman, chief corporate and regulatory affairs officer of Banglalink.

"Besides our quality of services also improved, so we have been witnessing steady growth," he added.

The operator added about 3,300 cell sites to its tower network in the last one year to take the total number to around 13,000.

Despite the gains of Robi and Banglalink, the country's total mobile subscriber base dropped by 4 lakh month-on-month in July.

This means that the customer loss of Grameenphone could not be made up by the gains of the two other private operators.

Teletalk's subscriber base rose by 10 per cent year-on-year to 67 lakh in July but it still holds only 3. 65 per cent of the market in terms of subscribers.

On a year-on-year basis, the total number of mobile customers grew by 4 per cent to 18.40 crore in July.

Some entities impede Bida's OSS

Says former executive chairman

AHSAN HABIB

The One Stop Service (OSS) of Bangladesh Investment Development Authority (Bida) is yet to meet expectations due to non-cooperation of some entities, said Md Sirazul Islam, whose tenure as its executive chairman ended last week.

The entities include the Registrar of Joint Stock Companies and Firms, north and south Dhaka city corporations, Chattogram Development Authority, Department of Environment and six electricity distribution companies.

"Bureaucracy became a swear word due to their slow services but their objective is to ensure rules and regulations in all the sectors," he said.

Bida had sat with the service providers several times but the situation has not improved, he said, adding that the business situation would not improve until they become cooperative.

However, the business climate should be helpful and favourable for the private sector as they account for around 80 per cent of economic development, he said.

About the OSS, Islam said Bida facilitates 58 services for the private sector, out of which 18 were in the hands of the investment development authority.

"All of the services are provided online at astonishing speeds," he said.

The other 40 services are in the hands of 15 authorities and that is where the problem lies, he said.

Islam took over the helm of Bida -- Bangladesh's principal agency for investment promotion and facilitation -- on September 4 of 2019 for three years.

Bida introduced the OSS in 2018 in order to provide essential services for investment facilitation

Foreign direct investment (FDI) dropped 39 per cent worldwide in FY 2020 due to the pandemic while Bangladesh saw a decline of 11 per cent to $2.5 billion.

In FY 2022, the FDI bounced back and it may reach to $2.6 billion as of March.

If the trend continues, it will reach $3.2 billion at the end of the fiscal year which would be the second highest FDI in the history of Bangladesh.

"I took the responsibility of Bida at an unusual time as most of it was gloomy for the Covid-19 pandemic," he said, reasoning how his performance should not be based on investments made at that time from home and abroad.

"In my tenure, I tried to improve the investment ecosystem," he said.

Islam's career in public service began in 1983 and he spent several years working at the Election Commission Secretariat.

"Once Bangladesh's ranking in the World Bank's ease of doing business index was very poor so we focused on improving the situation and worked extensively," he said.

Some visible improvements came in the country's port management, tax payment, land transfer system, electricity connection etc. "Now, the business climate has been improved," he said.

However, some challenges still prevail and where Bida should put focus on a priority basis. Before his leave, he had selected 10 main challenges to work on.

The government should amend some rules and regulations which are old such as a bankruptcy act,

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China's trade falters as demand wanes

REUTERS, *Beijing*

China's exports and imports lost momentum in August with growth significantly missing forecasts as surging inflation crippled overseas demand and fresh Covid curbs and heatwaves disrupted output, reviving downside risks for the shaky economy.

Exports rose 7.1 per cent in August from a year earlier, slowing from an 18.0 per cent gain in July and marking the first slowdown since April, official data showed on Wednesday, well below analysts' expectations for a 12.8 per cent increase.

Outbound shipments have outperformed other economic drivers this year but now face growing challenges as rising interest rates, inflation and geopolitical tensions pummel external demand.

The disappointing August trade figures rattled global financial markets, which have already been buckling under a surging dollar and the prospect of much higher US interest rates.

"It seems the export softness arrived in earlier than expected, as recent shipping data suggests that demand from the US and EU has already slowed as shipping prices have been falling significantly," said Zhou Hao, chief economist at Guotai Junan International.

He expects pricing effects will continue to disrupt trade and said import growth in real terms had already turned negative since the late first quarter, suggesting more headwinds for demand.

Responding to the disappointing data, China's yuan extended losses, losing 0.36 per cent to 6.98 per dollar and approaching the psychologically crucial 7 mark.

Despite languishing around two-year lows, the

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Workers stand near a crane unloading sacks of imported soybeans from Russia at Heihe port in Heilongjiang province, China.

PHOTO: REUTERS/FILE

China's trade with Russia picks up speed in August

REUTERS, *Beijing*

Chinese shipments to and from Russia accelerated in August compared with a month earlier, contrasting with slower flows elsewhere amid weak global demand.

Chinese shipments to Russia, which has been hit by Western sanctions over its invasion of Ukraine, rose 26.5 per cent from a year earlier in dollar terms, up from a 22.2 per cent gain in July, Reuters calculations based on Chinese customs data on Wednesday showed.

Imports from Russia jumped 59.3 per cent versus a 49.3 per cent increase in July.

Russia is a major source of oil, gas, coal and agricultural products for China.

Russia was China's top oil supplier for a third month in July, data from Chinese customs showed on August 20.

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