



Makeshift butcher's blocks made from tree stems are seen being sold at a cattle market in Khulna city. Retailing for between Tk 100 to Tk 300 depending on size, these blocks are used by households to butcher the meat of their sacrificial animals on the occasion of Eid-ul-Azha. The photo was taken on Sunday. PHOTO: HABIBUR RAHMAN

## Importers given more time for clearing payments

STAR BUSINESS REPORT

Bangladesh Bank yesterday extended the timeframe to repay import payments for industrial raw materials, including back-to-back imports, agricultural implements and chemical fertilizers.

The imports, which were made under the supplier's and buyer's credit, will be allowed to enjoy the support, according to a central bank notice.

The importers will be able to enjoy the benefit until December 31 this year.

Under the suppliers' and buyers' credit, importers usually have to settle such import payments within 180 days, but the central bank has been allowing importers to do so within 360 days ever since the coronavirus pandemic.

Buyers' credit finance means finance for payment of imports arranged by the importer (buyer) from a bank or financial institution outside Bangladesh. The suppliers' credit means credits extended for imports directly by the overseas supplier instead of a bank or financial institution.

## GP propels growth in country's mobile subscriber base

MAHMUDUL HASAN

Mobile subscriber numbers witnessed growth in May thanks to a strong performance by the top operator, Grameenphone.

The three private mobile network operators — Grameenphone, Robi and Banglalink — collectively added over 9 lakh customers, taking the total to 18.51 crore.

This is the fifth consecutive month that mobile subscriber numbers have grown in Bangladesh.

This was also the fifth consecutive month of growth witnessed by Grameenphone after months of downturn from July to December last year due to a ban on its SIM sales.

On June 29 last year, the telecom regulator banned Grameenphone's SIM sales until it "improves its quality of service, including bringing down the call drop rate". The ban was eventually lifted on January 2 this year.

Grameenphone added 6.5 lakh subscribers in May to take its total to 8.12 crore. This was the highest gain registered by the telecom operator in the last five months.

But still, the figures could not touch Grameenphone's all-time high customer number, which was about 8.50 crore in May last year.

During the six-month ban, it lost almost

5 million customers, taking a toll on the country's total mobile subscriber base.

And despite a strong performance by the third-placed Banglalink, the country's overall subscriber base had declined by over 35 lakh.

Here, a subscriber refers to each biometric verified customer or subscription that was active (voice, data, SMS etc) at least once in the preceding 90 days.

**Three private mobile operators — Grameenphone, Robi and Banglalink — collectively added over 9 lakh customers in May.**

Of the more than 18 crore SIMs now in circulation, 12 crore are of unique users, Telecom Minister Mustafa Jabbar told The Daily Star recently. Each person can use as many as 15 SIMs.

The second-largest operator, Robi Axiata, added 2 lakh customers month-on-month in May to 5.59 crore.

"We are delighted to see positive growth in customer acquisition, reflecting our continuous effort to improve the quality of

services," said Shahed Alam, chief corporate and regulatory officer at Robi Axiata.

"We will continue our efforts for maintaining the best quality of service parameters," he added.

In a recent conversation with The Daily Star, Alam noted that the market has now turned into a highly competitive one as everyone is vying for customers.

Banglalink added about one lakh customers in May, taking its total customers base to 4.14 crore.

But on a year-on basis, it witnessed the highest growth among operators in May, with 8.30 per cent.

"We have been focusing on providing best network experience towards our customers for the last one-and-a-half years after having invested heavily on spectrum and through network expansion," said Taimur Rahman, chief corporate and regulatory affairs officer at Banglalink.

"Our primary goal is to ensure a good experience for our customers through providing quality traditional telecom and digital services," he added.

State-owned Teletalk lost about 30,000 customers that month, taking its total to 65.4 lakh. The operator has been losing customers every month since September last year despite deploying 4G networks through government-funded projects.

## BGMEA again seeks extension of EU GSP

STAR BUSINESS REPORT

Local garment makers have once again urged the European Union (EU) to extend the transition period of the generalised system of preferences (GSP) to Bangladesh from three years to six years for a sustainable graduation from the least developed country (LDC) category in 2026.

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) made the call yesterday at a meeting with EU Ambassador Charles Whiteley at the BGMEA Complex in Dhaka.

With the LDC graduation, Bangladesh will lose its preferential trade facilities from different countries and trade blocs, but the EU will continue the same LDC trade benefit for a graduating country for three more years up to 2029 as a grace period.

However, the BGMEA and other trade organisations have been demanding for further extension of the grace period after being severely affected by the Covid-19 pandemic and the Russia-Ukraine war.

The extension would help Bangladesh to cope better with the emerging challenges in the post-LDC era and sustain its development strides, BGMEA President Faruque Hassan said in a statement after the meeting with Charles Whiteley.

## Walton opens branches in Kishoreganj, Narayanganj

STAR BUSINESS DESK

Electronics sales and service provider Walton Plaza recently opened two branches — one in Kuliarchar of Kishoreganj and another at Dohargaon of Rupganj in Narayanganj.

Frost and non-frost refrigerators, freezers, LED and smart televisions, air conditioners, washing machines, generators, smartphones, laptops, computers, fans and other electronics are available at the outlets, says a press release.

Customers can make purchases paying six monthly instalments at zero interest and also avail a "Hire purchase buyer & family protection policy". Under this policy, Walton Plaza provides financial assistance ranging from Tk 25,000 to Tk 3 lakh based on the product price on the death of the customer or his/her family member.

The policy also enables availing discounts at hospitals, diagnostic centres, life insurers and restaurants.

Humayun Kabir, deputy managing director, Amin Khan, senior executive director and film actor, and Abu Hena Roni, comedian, inaugurated the Kuliarchar branch.

Mostafizur Rahman, in-charge of Bhulta Police Outpost, Kamrul Hasan Bhuiyan, Golakandail union chairman, were present at the inauguration of the Dohargaon branch.

## Germany faces uphill battle to shake off recession

REUTERS, Berlin

German business morale worsened for the second consecutive month in June, a survey showed on Monday, indicating that Europe's largest economy faces an uphill battle to shake off recession.

The Ifo institute said its business climate index fell to 88.5 this month from 91.5 in May. A Reuters poll of analysts had predicted a smaller drop to 90.7 in June.

"Sentiment in the German economy has clouded over noticeably," Ifo's president Clemens Fuest said.

Expectations were much more

pessimistic, with the related index falling to 83.6 from May's 88.3. Companies also assessed their current situation more poorly, with that index falling to 93.7 from 94.8.

The economy faces the prospect of a longer recession as domestic demand and the expectations of exporters have both weakened, Klaus Wohlrabe, head of Ifo surveys, told Reuters in an interview on Monday.

"The probability has increased that gross domestic product will also shrink in the second quarter," he said.

China's weaker than hoped for economic performance since its reopening from tight COVID-19

lockdowns, a looming US recession and ongoing monetary policy tightening seem to be weighing on German company sentiment, said Carsten Brzeski, global head of macro at ING.

"What is clear is that the optimism at the start of the year seems to have given way to more of a sense of reality," Brzeski said.

The decline in Ifo is in line with the drop in the flash purchasing managers index, published on Friday. There was a combination of a slower rise in service sector business activity and a deepening downturn in manufacturing output, that report showed.

## Indonesia's textile industry to lay off more workers

Faces export slowdown

ANN/THE JAKARTA POST

More workers are expected to head to the chopping block in the Indonesian textile industry later this year, as companies face a prolonged slowdown in the export market.

Indonesian Textile Association (API) executive director Danang Girindrawardana said on Wednesday, approximately 12,000 workers from five textile companies would be impacted by the cost-cutting measures, which he expected would take place in the third quarter this year.

The measures will come in three possible forms, namely layoff, contract termination or shorter working hours, the latter resulting in lower monthly wages.

"This is our last resort, which we will do by rationalizing our workers," Danang said, as quoted from Katadata.

Firms in the textile industry have made attempts to prevent a larger round of layoffs by reducing production costs, lobbying for the improvement of policies or laws and spreading information related to the anti-illegal import movement, he said.

The International Monetary Fund (IMF) has projected world economic growth to decline to 2.8 percent this year from 3.4 percent last year.

The drop is projected to be contributed by advanced economies, primarily the United States and European countries. This group is projected to see economic growth fall to 1.3 percent this year from 2.7 percent last year.

Jemmy Kartiwa Sastraatmaja, who chairs the API, told lawmakers on Wednesday that exports of Indonesian

textiles had continued to decline over the past few months. Jemmy explained that exporting countries faced difficulties finding new markets.

To make matters worse, many exporting countries ended up targeting Indonesia as an alternative market amid the slowdown that has struck the majority of Western markets like the US and Europe, he said.

Now, many textile firms in the upstream segment have seen their utilization rate drop below 50 percent with several having to shut down their operations.

"The textile industry requires regulatory protection. We can learn from other nations such as China, Bangladesh, Turkey and India, where the textile industry is highly controlled due to employing workers from upstream to downstream," he said, as quoted by Kompas.

Jemmy also proposed that Indonesia's People's Representative Council and the government establish a dedicated agency that protected Indonesia's textile sector and textile products.

Indonesian Employers Association (Apindo) chairwoman Shinta Widjaja Kamdani told reporters on June 15 that it was hard to see when the wave of layoffs would end. She expected it to continue until the end of this year with the global economy expected to remain weak.

"We hope next year there will be recovery in the industry," Shinta said.

This March, the government granted businesses a rule that allows them to slash payments by 25 percent, but only applicable to those in the textile, footwear, leather goods, furniture or children's toys industries and which rely heavily on foreign demand.

## Forex reserve

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The reserves declined to \$29.77 billion on May 7 when the central bank cleared import bills to the tune of \$1.18 billion with Asian Clearing Union (ACU).

The ACU is an arrangement to settle payments for intra-regional transactions among member countries, including Bangladesh.

India, Bhutan, Iran, the Maldives, Myanmar, Nepal, Pakistan, and Sri Lanka are other members of the Tehran-headquartered ACU.

The member countries of the ACU clear their payments once every two months.

Two days later, however, the reserve increased to \$30.36 billion after loans provided by the World Bank reached the reserves.

The multilateral lender released \$507 million to the government, giving a little bit of breathing space to the economy from the ongoing stress in the different zones of the macroeconomy.

But the reserves slipped below the \$30-billion mark again on May 25.

## Govt scraps

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"Our cost has increased too for the US dollar price hike. So, we will have to hike prices," he added.

Ballpoint pens are mainly used for writing nowadays and Tk 500 crore worth of pens are sold annually in Bangladesh, Paul said, adding that RFL's share in the market is one-fifth.



People are seen at a shopping mall illuminated with Christmas decorations in Berlin on December 6 last year. PHOTO: AFP/FILE