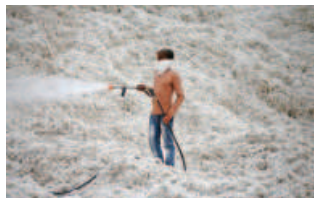


Star BUSINESS

Bangladesh's cotton consumption is expected to rise marginally to 78 lakh bales in marketing year 2024-25



Story on B4

Economic output may expand 29% if more women employed: WB

REJAUL KARIM BYRON and AHSAN HABIB

Bangladesh could increase its output in the manufacturing, service and farming sectors by up to 29 percent simply by bringing more women into the workforce, according to the World Bank.

The increase would be the highest among South Asian countries due to Bangladesh's relatively higher initial labour productivity.

If more women were to access manufacturing jobs alone, output in Bangladesh could rise by as much as 21 percent, the Washington-based lender said in its South Asia Development update published last week.

Despite progress in the local garment industry, the report shows a sizable gender gap in employment across the broader manufacturing sector.

The report said the female labour participation rate in Bangladesh remained static at 37 percent in 2022 and 2023.

It identified supply-side constraints, restrictive laws and conservative social norms as factors deterring more women from joining the labour force.

If more women were to access manufacturing jobs alone, output in Bangladesh could rise by as much as 21 percent, World Bank says

Economists agreed with the World Bank's projection, citing the country's apparel might with female labour force at its core. However, they also listed demand-side factors that discourage more women from participating in the workforce.

"Employers are often hesitant to hire women," said Professor Selim Raihan, executive director of the South Asian Network on Economic Modeling (Sanem). "Many firms still do not have women-friendly production processes or workplace arrangements."

According to the report, if more women joined farming in Bangladesh, only modest gains of 0.63 percent could be expected due to low labour productivity and a smaller gender gap in employment.

However, closing the gender gap could lead to a gain of 8.12 percent in the service sector.

The Sanem executive director said the task of caring for children and elderly persons falls disproportionately on women, acting as a supply-side factor that limits employment opportunities.

READ MORE ON B3

STOCKS		WEEK-ON-WEEK
DSEX	CASPI	
0.74%	0.89%	
5,422.65	15,135.34	

COMMODITIES		AS OF FRIDAY
Gold	Oil	
\$2,656.78	\$75.5	
(per ounce)	(per barrel)	

Inward remittance through MFS hits 5-year high in August



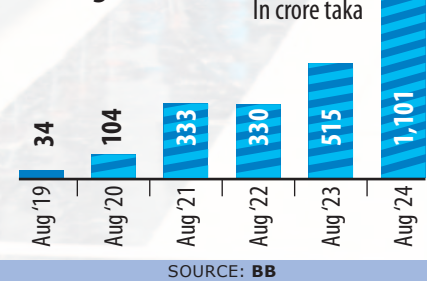
AUGUST'S REMITTANCE THRU MFS

- » Highest monthly receipts in the past 5 years
- » 113% year-on-year increase
- » 54.21% higher than that in July this year

REASONS BEHIND INCREASE

- » Higher MFS use amid banking disruptions
- » 2.5% incentive -- similar to that offered by banks
- » Various cash benefits offered by MFS providers
- » Central bank's policy support like doubling transaction limit to Tk 2.5 lakh

Remittance received through MFS



SOURCE: BB

AM JAHID

Bangladesh's migrant workers sent home Tk 1,101.8 crore in remittances through mobile financial service (MFS) providers in August, marking the highest monthly receipts through digital channels in the past five years.

This figure represents a remarkable 113 percent year-on-year increase from the Tk 515.4 crore that was sent home through MFS providers in August 2023, offering a glimmer of hope for bolstering the country's dwindling foreign exchange reserves.

Bangladesh currently has around \$20 billion in its foreign exchange reserves, far lower than the record \$40.7 billion it boasted in August 2021.

Industry people said remittance transactions through MFS were higher in August as there were banking disruptions and limited cash supplies to ATMs following the political changeover in that month.

Besides, they credited the increasing use of technology, a 2.5 percent government incentive on remittance through formal channels, as well as various cash benefits offered by the MFS providers for the remittance surge.

Currently, at least 13 MFS platforms, including bKash, Nagad and Rocket, operate in Bangladesh.

MFS providers facilitated 54.21 percent more remittances in August compared to the month prior, according to data from the Bangladesh Bank.

Industry people said remittance transactions through MFS were higher in August as there were banking disruptions and limited cash supplies to ATMs following the political changeover in that month

In July, expatriate workers had sent home Tk 7,144 crore through MFS channels.

An analysis of central bank data reveals that August's remittance inflow through MFS channels was the highest since December 2018.

The increase follows the recent political changeover on August 5, when former prime minister Sheikh Hasina resigned and fled the country amid a mass uprising.

With MFS channels contributing

significantly, total remittances surged nearly 39 percent to \$2.2 billion year-on-year in August.

According to the latest data from the Bangladesh Bank, overall remittance receipts continued to rise in September, jumping 80.28 percent year-on-year to \$2.40 billion.

Moreover, September's receipts were 8.12 percent higher than the previous month's.

Apart from ease of access and cash benefits, various policies from the central bank and continuous efforts of MFS providers encouraged migrant workers to use the formal channel, industry insiders said.

At the end of last year, the Bangladesh Bank doubled the maximum single-transaction limit for sending remittances to individual MFS accounts from Tk 1.25 lakh to Tk 2.5 lakh.

Ali Ahmed, chief commercial officer of bKash, said the central bank had recognised the critical role of remittance inflows in bolstering the country's economy.

Through concerted efforts and technological and distributional support of MFS providers, they have successfully channelled remittances through digital channels, he said.

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Grameen Bank's tax waiver reinstated

No income tax for donors of As-Sunnah Foundation

STAR BUSINESS REPORT

The interim government has reinstated a tax exemption for Grameen Bank and offered it for the next five years, meaning until December 2029.

The microfinance specialised community development bank was founded by Nobel laureate Prof Muhammad Yunus, who is now the chief adviser to the interim government of Bangladesh.

The National Board of Revenue (NBR) issued a gazette in this regard on Thursday.

"This facility came into effect the day the order was issued," said the notification signed by NBR Chairman Md Abdur Rahman Khan.

However, Grameen Bank will still be required to submit annual income tax returns, as per the gazette.

Grameen Bank has enjoyed tax exemption since its inception in 1983 as its activities are primarily focused on poverty alleviation. The benefit is typically renewed every five years and was last extended until December 2020.

READ MORE ON B3

Puja brings little cheer to sweet shops

SUKANTA HALDER and SUSHANTA GHOSH

Sweets makers in Dhaka have found little reason to cheer during the ongoing Durga Puja festivities as chain stores reported that sales have not grown due to security concerns weighing on the minds of devotees.

However, traders in two other districts reported higher sales.

Durga Puja is the largest annual festival for Hindu people, who make up roughly 8 percent of the country's population.

Sweetmeat sales typically spike from on the onset of the five-day event, which began on October 9 this year, with producers making new items and other preparations well in advance.

Mahbubur Rahman Bokul, head of the Bangladesh operations at Ontario-based Premium Sweets, said this year's sales centring Durga Puja have dropped significantly compared to last year.

"The timing of this year's Durga Puja is unfortunate as there is a sense of economic uncertainty stemming from the recent political changeover," he added.

Also, several violent incidents involving minorities during and ahead of the festival in Dhaka and other parts of the country have heightened security concerns.

As such, people are prioritising safety over celebrations, Bokul said.

Aslam Hossain, senior executive for online



An assortment of sweets are on display in this picture taken at a Premium Sweets outlet on Panthapath, Dhaka yesterday.

PHOTO: RASHED SHUMON

marketing at leading sweets brand Rosh, said they make different preparations for Durga Puja every year and this year too was no exception.

"But sales have not met our expectations amid

the current situation as there is a sense of fear among those observing Durga Puja," he added while informing that their sales have dropped by about 30 percent compared to that last year.

Uzzal Barman, head of corporate at Boss Sweets and Food, said their sales have reduced by 40 percent compared the same time last year.

He believes that sales have decreased mainly due to the political crisis and high inflation.

Swapan Gosh, president of the Tangail District Sweet Traders Owners Association, echoed those sentiments, saying sales declined as people are not in a festive mood given the current situation.

On the other hand, GM Sabbir Shabuddin, head of sales and marketing at Well Food, said their sales have increased by between 15 and 20 percent compared to what it was during the festival last year.

"The demand is so high that, in fact, it is exceeding our supply," he added.

Nirmalendu Gosh, owner of Kalachand Mistanna Bhandar at Sarishabari in Jamalpur district, said their daily sales are currently almost double of what they got during Durga Puja last year.

Kabir Hossain, owner of Haq Sweets, one of the largest sweetmeat sellers and producers in Barisal city, said sweetmeat sales were dwindling a few days ago, but now they have started to see profits.

"Sales have increased by at least 40 percent over the past five days," he said, adding that they have been unable to cope with the demand for sweets and yoghurt.

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