

NEW SUBSCRIPTION LAW

Cellphone connection sales drop 30pc

MONJUR MAHMUD

The country's booming mobile phone industry may see four million less customers at the end of 2006 than the projected figure of 10 million as the new subscription regulation casts a shadow on the growth.

Operators said as the mobile phone companies started following the regulation in selling fresh connections from February 27, they have witnessed up to 30 percent dip in sales.

The new telecoms regulation has made it mandatory for all prospective customers to offer their personal details including photographs, fingerprints, and attested photo identifications.

Total mobile phone subscribers were around 10 million at the end of 2005 and it was expected that the base would reach 20 million by 2006.

"It will be difficult to add another 10 million subscribers by the end of

this year as the newly introduced regulation has slowed down our sales by 30 percent," Lars P Reichelt, chief executive officer of Banglalink, told reporters yesterday at a function in Dhaka.

There may be another six million subscribers instead of the projected 10 million at the end of 2006 due to the complicated procedure, he felt.

Getting all relevant documents prepared to fill in a subscription form is a lengthy process. "It's a problem and it might dampen the growth," Reichelt told the function organised to announce Banglalink's promotional offer-- 'give and receive'.

Bangladesh Telecommunication Regulatory Commission (BTRC) has made it mandatory for new subscribers to submit a 'certificate' issued by an elected public representative or a first class government officer. Those who have passports, driving or gun licences or other forms of photo identity will not

require the certificate.

If any subscriber provides false information in personal details, the official or the public representative attesting the documents will be taken to task.

"Cellphone subscription reached around 12 million at the end of February but sales have slowed down substantially after we have started the new process," said a top official of another operator.

The mandatory certificate for fresh subscription will deal a severe blow to the growth of the mobile phone market in Bangladesh, the official feared.

The BTRC held a series of meetings with the top officials of cellphone companies since January 19, asking the operators to start the new process by February 27 and complete the registration process of their 11 million previous subscribers. Registration is the first step of the 'controversial' tele-tapping

ordinance.

The government on December 11, 2005 amended the Bangladesh Telecommunications Act 2001 and promulgated an ordinance with immediate effect, allowing intelligence and law enforcement personnel to tap the telephonic conversations of any individual.

The government amended it again on January 30 and added provision for punishment to the operators who will not comply with the directives.

The bill allowing intelligence and law enforcement agencies to tap telephone conversations was passed in the parliament on February 12 amid strong protests from the opposition lawmakers.

LC OPENING

Dollar hits Tk 72.25

STAR BUSINESS REPORT

Dollar prices reached highest Tk 72.25 yesterday in case of opening Letter of Credit (LC) for import, up by Tk 0.35 from the previous day.

The dollar price on Sunday was highest Tk 71.90 in case of opening LCs.

Dollar also rose in the inter-bank foreign exchange market yesterday and was selling at Tk 68.10, which was Tk 68.5 on the previous day.

Banglalink introduces 'give and receive' offer

STAR BUSINESS REPORT

Mobile phone operator Banglalink yesterday launched a new promotional offer for its existing customers giving them as high as Tk 500 free talk time when they recommend new clients to the company. The new recommended subscribers will also get highest 68 percent discount on regular price.

"An existing subscriber will need to make a recommendation by simply giving his or her active Banglalink number to someone who wants to buy a new connection," said Lars P Reichelt, chief executive officer of the company, while announcing the offer styled 'give and receive' formally at a press briefing in Dhaka.

After buying a connection, the new customer will need to mention the Banglalink number of the client who recommended him or her, Reichelt said.

The existing customer who makes the recommendation will receive free talk time worth Tk 50 for every new subscription taken out this way. Mehboob Chowdhury, chief commercial officer of the company, also explained other features of the new offer.

Reichelt said the new customer who buys 'be linked' or 'ladies, first!' connection with recommendation will enjoy a twofold benefit.

Firstly, one will get 'm2m' connection for Tk 350, a 68 percent discount on regular price of Tk 1,100, 'm2m plus' for Tk 550, a 61 percent discount on regular price of Tk 1,400 and 'standard' for Tk 750, a 64 percent discount on normal price of Tk 2,099.

Secondly, each new connection will come with Tk 100 free talk time that will be valid for 30 days.

Reichelt mentioned that an existing client can make up to 5 recommendations with a total free talk time of Tk 250 if he or she is a 'ladies, first!' or 'be linked' or 'call and control' subscriber.

In case of an 'upper class' customer, the maximum number of recommendations is 10 with Tk 500 free talk time, he went on.

Once activated, the new customer has to send the number of the recommender to 646 through SMS (short message service) and within 24 hours the recommender will receive Tk 50 talk time, Reichelt said. A new customer who gets a connection through recommendation now becomes an existing customer and can start the recommendation process, he added.



Prime Minister Khaleda Zia along with others offers *munajat* after inaugurating Adamjee Export Processing Zone in Narayanganj yesterday.

Khaleda calls for shunning hartal to woo investment

Adamjee EPZ inaugurated

UNB, Narayanganj

Prime Minister Khaleda Zia has called for maintaining congenial atmosphere at any cost to ensure industrial production by shunning frequent hartal and work stoppage.

"We'll have to be united on politics of development and production to make independence meaningful and safeguard democracy for gaining prosperity... None should have differences on this to fulfil national aspirations," she said inaugurating Adamjee Export Processing Zone yesterday.

Termining social peace and stability the sine qua non for economic uplift and investment, she said frequent hartal and work stoppages damage the investment climate.

An investment-friendly atmosphere will have to be ensured through cooperation of all, shunning party politics, she said.

The prime minister said the government in the last four and a half years approved 180 new industrial units in the EPZs from where goods worth US\$ 10.87 billion were exported until last December.

On the contrary, she said, the volume of exports from the EPZs until 2001 was worth US\$ 4.82 billion. The investment in the EPZs until 2001 was US\$ 475.20 million that rose to US\$ 928.48 million in

December 2005, she added.

The prime minister said some 55,000 new jobs were created in the last four and a half years.

In the first quarter of the current fiscal year, exports from EPZs stood at US\$ 870.31 million, investment increased by US\$ 61.47 million and more than 10,000 new jobs were created.

She urged local and foreign entrepreneurs to come up with bigger investments and technology for the Adamjee EPZ that she hoped would infuse a new dynamism to industrialisation in the region.

The prime minister said the government has received encouraged response from investors who showed interest in setting up industrial projects in Adamjee EPZ.

She expected some US\$ 400 million investment in 50 industrial units on the 200 plots and factory buildings at Adamjee, creating employment for nearly 100,000 people.

Describing the present era an era of competition, Khaleda said none will be able to survive for long by depending on others. "Today's slogan is 'not aid but trade,'" she said, adding: "We have taken steps to restructure our economy to cope with the changed world order."

The prime minister said speedy

industrialisation is essential for raising production and generating new employment.

Khaleda said her government has formulated liberal policies and is offering institutional support and infrastructure facilities to attract foreign investment.

Among others, Industries Minister Matur Rahman Nizami, Commerce Minister Altaf Hossain Chowdhury, Foreign Minister M Morshed Khan, State Minister for Liberation Affairs Rezaul Karim, Giasuddin Ahmed MP and Executive Chairman of Beppa Zakir Hossain inaugurated the function.

Khaleda also formally inaugurated 'E-Governance Project' of Beppa (Bangladesh Export Processing Zones Authority) through a video-conference. She talked to general managers of Dhaka and Chittagong EPZs and two foreign investors of Chittagong EPZ through the conference.

In another function, the prime minister inaugurated the factory of M/S Hy Lan Sweater Industries Ltd and Kwun Tong Apparel Ltd at the EPZ. She also laid the foundation stone of Fashion City Industry.

The prime minister said speedy

GM to sell almost entire stake in Suzuki

AFP, Tokyo

Suzuki Motor said Monday that ailing US auto giant General Motors had decided to slash its stake in the Japanese affiliate from 20 percent to three percent but continue with a strategic alliance.

Suzuki plans to spend about 230 billion yen (1.97 billion dollars) to buy back on the market as much as possible of the 17 percent stake being offloaded by GM, the Japanese group said in a statement.

GM said in a news release on its website that it expected to raise cash of about two billion dollars from the share sale and record a pre-tax gain of 550-750 million dollars.

Bangladesh struggling to build responsible market economy

Saifur tells Asia 2015 confce in London

UNB, Dhaka

Finance and Planning Minister M Saifur Rahman yesterday said Bangladesh is struggling to consolidate a democratic polity and build a competitive and responsible market economy alongside its fight against poverty.

"The push and pull of each of these struggles render the overall task a highly challenging one," he told the inaugural session of a conference titled 'Asia 2015: Promoting Growth and Ending Poverty in Asia' in London, according to a message received here.

Britain's Department for International Development (DFID) in collaboration with World Bank and Asian Development Bank organised the two-day conference.

British Prime Minister Tony Blair, ministers from Asian countries and experts from development banks also spoke while British parliamentary under secretary of state for international development Gareth Thomas gave the address of welcome.

"No aspiration in today's world is more urgent and more compelling than our fight against poverty," Saifur told the conference.

The finance minister said

Bangladesh has made significant progress over the past two decades, but that such achievements are not well known outside the country.

He welcomed the organisers of the conference for providing an opportunity to highlight some of the achievements and ongoing challenges encountering Bangladesh in its development endeavours.

He gave credit to farmers, who have more than doubled food production in the last 30 years, as it also goes to the efforts of successive governments to devise some of the most successful safety net programmes around the world.

"Cumulatively, Bangladesh graduated in 2003 to the medium development group of countries by UNDP's ranking," he said, listing the achievements of Bangladesh especially on the socioeconomic front.

Later at a press conference, Saifur said the objective of this Asia 2015 conference is essentially to bring back international attention to Asia since the focus had shifted to Africa because of various circumstances.

In this context, he congratulated the government of the United Kingdom for taking the initiative to hold this conference.

The press conference was also addressed by UK International Development Minister Hilary Benn, Indonesian Finance Minister Mulyani Indrawati, Pakistan Economic Minister Hina Khar, Japanese Vice Minister for Foreign Affairs K Toyama and ADB President H Kuroda.

In the afternoon session of the conference, Saifur was a panelist in a discussion on fostering private sector development.

Dhaka Bank to offer banking service thru' GP SMS

Subscribers of mobile phone operator GrameenPhone Ltd having account with Dhaka Bank Ltd will soon be able to pay any bill, for which the bank is authorised for collection, through SMS (short message service).

GP subscribers will also be able to check their account details and also request for chequebooks through SMS.

A memorandum of understanding (MoU) to this effect was signed recently between the two companies, says a press release.

Rubaba Dowla Matin, acting head of Marketing Division of GP, and Muhammad H Kafi, senior vice president and head of IT of the bank, signed the MoU on behalf of their respective sides.

Britons unaware of hidden Asian poverty

STAR BUSINESS REPORT

Despite the fact that two out of three of the world's poorest people live in Asia, only one in five of the UK population thinks Asia has the most people living in poverty, said a survey.

The survey published yesterday, commissioned on behalf of Asia 2015, reveals, "The UK public does not have a good understanding of the nature of poverty in Asia. Three out of four people stated they do not feel well informed about the scale and causes of poverty in Asia in comparison with nearly half thinking they are informed about poverty in Africa."

The findings came ahead of a two-day international conference titled "Asia 2015: Promoting Growth, Ending Poverty" being held in London from yesterday. The conference has brought together key decision-makers from Asia and across the world to learn from Asia's success in alleviating poverty, to identify future challenges and solutions, and to build new alliances to fight poverty.

The release quoted Hilary Benn, international development secretary, as saying, "Asia is a continent

of extremes; home to the greatest number of the world's poor and yet with some of the fastest growing and most dynamic economies in the world. However, with an increasing level of international support and emphasis on the formation of partnerships, there is real potential to eradicate poverty within a generation in Asia. The Asia 2015 conference will give us the ideal opportunity to understand better Asian successes and the challenges ahead."

The survey found that nearly four out of five people thought that poor governance is an obstruction to the economic and social development of Asia. Besides, one in three think Asia is now wealthy enough to manage its own future, stemming from the fact that Asian success stories are well publicised, but that development hurdles are often neglected.

Citing an example, the survey said China has sustained the highest rate of income growth in the world and has become an engine for growth in Asia and the world economy, and has lifted 350 million people out of extreme poverty.



Lars P Reichelt (L), chief executive officer of Banglalink, speaks at a press briefing in Dhaka yesterday as Mehboob Chowdhury, chief commercial officer, looks on.

PHOTO: STAR