

StanChart celebrates success stories of women

STAR BUSINESS DESK

Standard Chartered Bangladesh recently organised a read-aloud for its employees and their children in a bid to celebrate the incredible stories of some Bangladeshi women who left their marks in their respective fields.

During the story-telling event, HerStory Foundation fellows spelled out the contributions of Khana, a Bengali poet and astrologer of olden

times, and Rokia Afzal Rahman, a modern-day woman entrepreneur.

Khana authored rhymes on agricultural practices which are still popular in rural Bangladesh, while Rokia is a trailblazer for women empowerment, a former adviser of the caretaker government and the founding president of the Bangladesh Federation of Women Entrepreneurs.

The story-telling session was followed by a

panel discussion led by Bitopi Das Chowdhury, the country head of corporate affairs, brand and marketing of the bank.

The audience also heard the success stories of four women: Aasha Mehreen Amin, deputy editor of The Daily Star; Shumana Sharmin, feature editor of the Prothom Alo; Nishat Mazumder, the first Bangladeshi woman to conquer the Everest, and Zareen Mahmud Hosen, founder of HerStory.



Bitopi Das Chowdhury, country head of corporate affairs, brand and marketing at Standard Chartered Bangladesh, poses at a read-aloud programme at its head office in Dhaka recently.

Multi-brand store concept lifting up female entrepreneurs

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Irin Hoque Ivy, chief executive of a multi-brand store Kayara, said it requires Tk 15-20 lakh to open a shop in relatively popular shopping areas in Dhaka and it is not possible for young entrepreneurs to arrange the capital.

Through her five outposts of Kayara, nearly 100 women entrepreneurs are displaying their products, mostly clothing, jewellery, cosmetics and bags, on payment of rent, service charge for the space and other costs.

Sales persons sell items of all entrepreneurs, marking brands in sales receipts to keep records, and proceeds from sales are credited to the accounts of entrepreneurs at the end of the month, she said. Ivy signed up for this type of store in 2016 at the capital's upmarket Banani neighbourhood with the capital she got from her family.

Some 22 women fashion designers, including Ivy, put up their products for display in the store under their respective brand names.

Today, Kayara has five showrooms: four in Dhaka and one in Chattogram.

"This is a win-win for both of us," said Ivy, who offers space to small entrepreneurs. She said several women entrepreneurs who started with Kayara have gone on to open their own stores later. Anyone with the ability to make 40-50 clothing items can start join a multi-brand store.

"The more multi-brand stores there are, the more the women entrepreneurs will be benefited," she said, while calling for easier bank loans for female entrepreneurs.

Many women entrepreneurs are becoming loan defaulters for the high cost of doing business, said Fahmida Khatun, executive director of Centre for Policy Dialogue.

Multi-brand stores can reduce the cost of business and enable many women entrepreneurs to succeed as such store will help them compete and market their products better in a competitive environment.

"This is good for customers too as they

get a number of brands in a single store."

The government has a lot of land and it can offer space to women entrepreneurs in groups at nominal rates, Khatun said.

Hasina Newaaz, vice-president of the Federation of Bangladesh Chambers of Commerce and Industry, demanded the government establish a market in each district so that women entrepreneurs can showcase their products.

Both Evana and Rose said Mokam has so far been good for their business.

"The responses that we have seen have been beyond our expectations. We did not need to inject funds to bear the expenses of our store since the day we opened," Evana said. Rose said she is reinvesting the proceeds of sales to expanding her business. She said they also market their products online.

"But physical presence of a store is important for growth as only a certain community can be reached through online marketing," Rose said.

Evana, who has also put her brand in another multi-brand store at Rifles Square in Dhaka under the same concept, said she plans to open more branches of Mokam as space-sharing with other reduces her cost while enabling her to expand her business.

Sanitary napkins still unaffordable for a large majority

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And to remove social taboo and create awareness, Square has trained and briefed at least 50 lakh school-going girls in the last ten years about the management of menstrual issues, she said, adding they also operate a toll-free teleservice where any female can get free advice from professionals.

Other big companies like ACI, Bashundhara, Social Marketing Company (SMC) are running awareness programmes, too. Apart from the business perspective a number of non-governmental organisations are composing low-cost pads to sell to the marginal people.

US trade deficit shrinks on falling China imports

AFP, Washington

The US trade gap narrowed sharply in January largely due to a big drop in imports from China, and also helped by falling auto imports from Canada, the Commerce Department reported Friday.

The deficit between imports and exports of goods and services dropped 6.7 per cent compared to December to \$45.3 billion, with two-thirds of the decline accounted for by China, according to the report.

President Donald Trump's trade confrontation with China escalated in 2019, leading to tariffs on nearly all products traded with the country.

A truce declared in January left many of those punitive duties in place, and agreements to ramp up US exports are not yet reflected in the data -- and likely will be delayed by the coronavirus epidemic that has clamped down on transport and production.

The US deficit with China shrunk by \$2.1 billion, as imports from the world's second largest economy fell \$1.8 billion compared to the prior month, the report said.

The total trade gap is nearly 16 per cent lower than it was in January 2019, before the bulk of the tariffs hit.

Shares in India's Yes Bank crash on withdrawal limits

AFP, Mumbai

Shares in India's Yes Bank plunged as much as 85 per cent on Friday after the central bank seized control and imposed withdrawal limits to prevent the collapse of the country's fourth-largest lender.

The move by the Reserve Bank of India (RBI) sparked a sell-off across the troubled banking sector and sent the rupee falling to its weakest level since 2018.

People queued outside Yes Bank branches after the announcement late Thursday that customers can only withdraw 50,000 rupees (\$678) over the next 30 days while the RBI tries to put together a rescue. The news added to liquidity concerns about India's financial system more than a year after the near-collapse of IL&FS, one of the nation's biggest "shadow

banks" -- finance houses responsible for significant consumer lending.

A resulting reluctance of banks to lend money has exacerbated the woes of Asia's third-biggest economy, with growth slowing for seven consecutive quarters before picking up with a meagre 4.7-per cent expansion in the final three months of 2019.

Yes Bank's exposure to the shadow banking sector is particularly large and it has been struggling for some time to raise fresh capital to free itself of a mountain of bad loans in order to quell worries about its viability.

"Investors have turned risk averse and the contagion is likely to hit smaller bank and non-bank finance companies," said Abhimanyu Sofat at IIFL Securities.

"How soon the RBI finalises the rescue plan is key as persistent operational curbs increase

uncertainty," Sofat told Bloomberg News. The RBI put the blame on "serious governance issues and practices in recent years" but said there was "no need to panic". However, customers waiting to get their money were far from reassured.

"It's not clear at the moment, and that is making some people panic a bit. Even I am at the moment," Devika, a student and Yes Bank account holder, told AFP as she queued to withdraw money in New Delhi.

"I had purchased 15 shares of Yes Bank at 150 rupees per share and now they are at 15 rupees. It's a huge dent on my investments and even my deposits are locked in," Varsha Gandhi, a Mumbai-based lawyer told AFP.

"I am just waiting to see if RBI's moves will have any positive impact. But it's a huge loss as the stocks have tanked," 27-year-old Gandhi added.



Emranur Huq, CEO of Dhaka Bank, launches 'Sobar Jonno Bari Offer' under the bank's home loan product, in Dhaka recently. Customers will get primary decision of home loan eligibility through online application instantly. The offer also includes zero loan processing fee, low-interest loans and insurance coverage and complementary credit card facilities.

Govt learns its lesson on price controls

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"The absence of a data floor price is distorting market competition to a great extent and hence causing disparity," said Shahed Alam, chief corporate and regulatory officer of Robi. Continuation of this regime will increasingly make business unsustainable for smaller operators, the evidence of which is quite visible in Robi's financial reports published regularly, he said.

"Eventually, this situation will lead to a reduction in investment, which will have direct negative implications on data services that we are already witnessing."

The regulator was on the track when it identified Grameenphone as an operator with a Significant Market Player (SMP).

"The regulator rightly recognised the imbalanced market competition that prevails in the telecom industry today and it is very clear that market power is being abused to provide cross-subsidy on data services. Operators are being allowed to continue with predatory pricing -- killing off competition," Alam added.

Banglalink, the country's third largest mobile operator, is against that move.

"Given the current state of digitalisation in Bangladesh, we believe that this is too early to impose data floor pricing in the country," the operator said in a statement to The Daily Star. The use of internet is increasing and people are gradually adopting the digital mode of life.

If data floor pricing is implemented now for all the operators, it will impede the fair competition among them and ultimately result in higher prices of internet at the customers' end.

"This will discourage a large portion of the population which is yet to embrace digitisation. Nevertheless, we believe that for ensuring competition, the dominant player should not be allowed to subsidise data as it is creating an imbalance in the market," it added.

Bangladesh: a fertile plain for Japanese investment

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Currently, the airport can handle eight million passengers a year but that number is expected to reach 14 million by 2025 and 24.8 million by 2035.

Besides, 42 per cent of Bangladesh's LNG supply will come through the Matarbari channel by 2041 while power plants in the area will account for 40 per cent of the country's energy production.

Therefore, both projects play vital roles in the implementation of the BIG-B concept, which was announced during Japanese Prime Minister Shinzo Abe's visit to Bangladesh in 2014.

"Since the plan was declared, our lending commitment to Bangladesh sped up and reached over \$2.5 billion per year while it was only \$1 billion in 2014," he added.

The Bay of Bengal Industrial Growth Belt initiative, simply known as BIG-B, aims to accelerate industrial agglomeration along the Dhaka-Chattogram-Cox's Bazar belt and beyond, encompassing developing economic infrastructure, improving investment environment and fostering connectivity.

Currently, there are more than 40 projects in implementation, of which 31 are being developed to improve infrastructure. This includes a few large-scale schemes for both hard and soft infrastructure.

Over the past five years, Japan has more than doubled its support for infrastructure development in Bangladesh and will continue to do so due to good bilateral relations, said Hirata.

Bangladesh has improved immensely in

areas such as power generation, transport and port facilities in the last 10 years and this led to greater foreign investment in the country.

"Therefore, both Bangladesh and Japan will benefit from the projects currently in implementation as it will attract more foreign investors, including Japanese ones, for various sectors," the Jica chief representative to Bangladesh said.

Movement from Dhaka to Chattogram has now become far smoother thanks to the JICA's support in the construction of three bridges: Kanchpur, Meghna and Goumiti.

"We tried to improve the infrastructure level between Dhaka, Chattogram and Cox's Bazar under the Big-B initiative to help attract foreign direct investment, not only from Japan but from other countries also," he said. Bangladesh is very promising for Japanese investors due to the rapid economic growth shown by the country for the past few years. Besides, there is also a massive consumer market.

The purchasing capacity of Bangladesh's middle class is on the rise and the people are very comfortable with Japanese products, according to Hirata.

"If you consider the history of Japanese investment abroad, you will notice that the island nation first invested in ASEAN countries such as Thailand, Indonesia and Malaysia before going on to Singapore."

"Now the next destination is definitely Bangladesh as infrastructure improvement is going on," Hirata said.

The number of Japanese firms operating in the country will also increase after the completion of the Japanese special economic zone in 2021.

After that, automobile, food processing, and leading manufacturing companies will come to Bangladesh and help diversify the economy, he said.

However, the ease of doing business in the country needs to be improved if Bangladesh hopes to compete with neighbouring countries like Myanmar, Thailand and Indonesia, he added.

Bangladesh's taxation system, customs duty, enforceable policies and value added tax system are some of the major challenges faced by Japanese firms looking to invest in the economy.

Investors make their decisions based on government policies. Therefore, if any government frequently changes policies on an ad-hoc basis, investor confidence is lost.

"Investors need policy support, and incentives to invest in any economy," said Hirata, adding that countries like Myanmar and India constantly improve their policies and incentive plans to attract FDI.

Hirata also lauded the government's long-term plans while insisting that Bangladesh can become a developed country by 2041 if the economy continues to grow. The government will need to provide quality education at primary and secondary schools since highly skilled individuals are required to achieve the

country's goals, he added.

Bangladesh will be a top choice for Japanese companies seeking to expand their businesses in Asia and the Oceania in the next two years due to its high potential and profitability, according to a survey of the Japan External Trade Organisation (JETRO).

About 70.3 per cent of all Japanese firms in Bangladesh are mulling over an expansion while 23.4 per cent would like to remain the same and 1.6 per cent are considering a reduction.

As of December 2019, around 300 Japanese companies were conducting business in Bangladesh with investments reaching \$386 million. Just a decade ago, there were merely 82 firms from Japan operating in the country.

In another project, the Jica will assist in the construction of a new dedicated railway bridge over the Jamuna river to improve the capacity and safety of rail transportation, said Hirata.

The agency also encourages the development of prototype motorcycle parts through technical support to local metal and plastic part manufacturers.

Besides, the Jica helped draw up the revised strategic transport plan, which outlined short-term (2025), and mid to long-term (2035) transport plans for Dhaka. The plans were approved in 2016.

The ongoing construction of metro rail and bus rapid transport projects will help solve the city's traffic congestion and could save over 35 million man-hours per day, according to Hirata.

Emirates waives travel date change fees for coronavirus

STAR BUSINESS DESK

Emirates has lifted change and reinsurance fees on alterations to travel dates in a bid to quell travellers' worries over the evolving situation centring the coronavirus outbreak.

Customers who booked their tickets issued on or from yesterday until March 31 can avail the offer under the airline's new waiver policy.

"Customers can change their booking to any date for travel within an 11-month date range in the same booking class without change penalties. Difference in fare, if applicable, applies," the airline said in a statement yesterday.

Skywards, Emirates' loyalty programme, will also be providing more flexibility to members who have been impacted by the outbreak of the coronavirus through imposed travel restrictions and flight reductions.