

Multi-brand store concept lifting up female entrepreneurs

SOHEL PARVEZ

It has been more than two months since Evana Nasrin has opened an outlet named Mokam in a shopping centre in Dhanmondi.

The 150-square-foot shop houses women's clothes, sarees, kurtas, jewellery, cosmetics and some food products. The items are showcased in a way that apparently gives an idea to a shopper that all the products are owned by the shop operator.

A curious look inside the store however tells a different story. The shop, Mokam, has three brands owned by three women entrepreneurs.

They are selling their products in a common space disregarding competition for customers' attention -- a relatively new phenomenon in the capital where commercial space is too expensive to bear for many small businesses and start-ups.

"This is beneficial for small entrepreneurs like us. By sharing space, we can display our products and brands without the high investment needed to open a store," said Nasrin, owner of Evana's Crafts, one of the three brands at Mokam at Anam Rangs Plaza at Dhanmondi, Dhaka.

It all started several months ago, when Nasrin found a suitable space to showcase her products for further her business.

But the monthly rent of Tk 50,000 was beyond her means. She approached two other women entrepreneurs to share the space and the expenses and they jumped in.

Today, the three share costs for the store based on the ratio of space they use.

"We, the small entrepreneurs, do not have huge capital and opening a store requires a lot of investment that most of us cannot afford," said



Evana Nasrin, proprietor of Mokam, arranges clothes at her outlet at Anam Rangs Plaza in the capital's Dhanmondi yesterday.

Shabnam Rose, owner of Shokher Gudam, another brand that has displayed sarees and hand-made jewellery in the space.

The prices of each square foot of commercial spaces are almost double that of residential spaces in many areas in the densely populated Dhaka, said a Farhaduzzaman, marketing in-charge of

Eastern Housing.

A senior official of another realtor said the prices of commercial space start from Tk 10,000 and go up to Tk 100,000 each square foot depending on location.

"When we share space, it reduces our cost and risks. It all becomes affordable for us," Rose said.

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Fabric scraps can fetch \$4b a year: BGMEA

STAR BUSINESS REPORT

Bangladesh has the potential to earn \$4 billion a year from fabric scraps, locally known as jhut, if those are recycled properly, said the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday.

The total volume of these leftovers discarded by the apparel industry is about 400,000 tonnes each year, according to a BGMEA report.

In many areas dense with garment factories, the discarded fabrics are collected by local miscreants and exported in bulk to countries like India and China.

The buyers then recycle the materials to make yarn, particularly for denim products.

Similarly, the global economy misses out on an estimated \$80-120 billion per year by discarding plastic wastes.

Polyester Staple Fibre (PSF), made from recycled plastics, is rapidly becoming the world's first choice in manufactured fibres, the BGMEA added.

PSF is a synthetic fibre comprising solely polyester and can be made from both virgin and recycled polyethylene terephthalate chips.

PSF is widely used in the textile, automation and furniture industries for products such as rugs, fibrefill, and non-woven fabrics.

The global market size for PSF was \$23.16 billion in 2016 and the market is expected to reach \$34.54 billion by 2025, the study said.

PSF imports by Bangladesh increased 13 per cent during 2014 to 2018.

The global market size was valued at \$20 billion in 2018 and could expand by a further 15.2 per cent to \$53.6 billion between 2019 and 2025.

The production of wigs and hair extensions is expected to increase at highest by 15.5 per cent with the Asia Pacific, European and Middle Eastern countries making up a bulk of the demand for hair accessories, the BGMEA report added.

Bangladesh's textile chemicals market is forecasted to grow to \$1.38 billion by 2024 with an average growth rate at 8 per cent in a year. The sector accounted for \$864 million in 2019.

The global luggage market was valued at \$16.01 billion in 2017 and is now projected to grow at 16.5 per cent per year till 2025. The travel luggage market is expected to reach more than \$23 billion by the end of 2025, the BGMEA study said.

Coronavirus won't disrupt Japanese investment: envoy

STAR BUSINESS REPORT

The coronavirus outbreak will leave no scar on the flow of Japanese investment into Bangladesh and trade between the two countries will remain unscathed in the mid- and long-term, said Japanese Ambassador Naoki Ito yesterday.

However, trade activities between the nations may bear the brunt to some extent in the short-term, the envoy said at a networking event of Japan-Bangladesh Chamber of Commerce and Industry at the Lakeshore Hotel in Dhaka.

Japanese investment in Bangladesh will grow further after the completion of a dedicated special economic zone for the country in Arahazar of Narayanganj, he said.

Apart from bilateral trade and investment, both the countries will put the Rohingya issue on their agenda during the visit, Ito said, adding that mid- and long-term solutions to the crisis could be found.

On the possibility of a free trade agreement (FTA) between Bangladesh and Japan, Ito said he was not aware of any development in this regard. Bangladesh and Japan have not even started any consultation meeting for signing the FTA, he added.

Bangladesh and Japan are currently working on the Bay of Bengal Industrial Growth-Belt (BIG-B) Initiative under which Japan International Cooperation Agency is developing the Matarbari power plant.

Once the project is completed within the next five years, it will give a boost to the economy of Bangladesh, Ito said, adding that the country will soon witness 9 per

cent or double-digit growth.

"This is why Japanese investors are showing increasing interest in Bangladesh."

The number of Japanese companies operating in Bangladesh is now 310 and is growing at 3.5 per cent in the last 10 years. "The number will rise further once all the basic infrastructure is developed."

Japanese investment in Bangladesh soared 160 per cent year-on-year to \$72.9 million in 2019.

A recent survey by the Japan External Trade Organisation (Jetro) found that 70 per cent of the existing Japanese companies in Bangladesh are keen on expanding their operations.

Bangladesh is diversifying products in sectors such as IT, pharmaceuticals and light engineering and Japan wants to invest in these areas, the envoy said, urging the government to enhance the country's position in the ease of doing business index.

Regarding the spread of coronavirus in Japan, Ito said some 156 cases were detected in Japan until February 25, and the number reached 284 on March 4.

The number is increasing but at a slower pace, which indicates that Japan is being able to contain the outbreak.

Yuji Ando, president of the chamber, said some Japanese companies plan to shift production from China to other countries, including Bangladesh.

"We can understand that transportation and logistics are the key factors for increasing international business," Ando said, adding that Bangladesh face huge challenges in logistics, especially customs and port operations.

Bangladesh: a fertile plain for Japanese investment

Says Jica country chief Hitoshi Hirata

JAGARAN CHAKMA

Bangladesh's per capita income will cross \$4,000 within next decade and this will act as a springboard for the country looking to become a high-income economy, according to Hitoshi Hirata, chief representative of the Japan International Cooperation Agency (Jica).

In 2019, Bangladesh recorded an 8.15 per cent growth in GDP while per capita income reached \$1,906 as per data from the International Monetary Fund.

"This is a very rapid growth. If a country achieves an average of more than 7 per cent growth per year, per capita income can be doubled within 10 years. So, it should be very easy for Bangladesh to double its per capita income within 10 years," said Hirata during an interview with The Daily Star on Thursday.

Since 2018, Japanese firms began to show interest to invest in Bangladesh and Hirata hopes this trend will continue through the country's partnership with the Jica.

"We are very pleased to be a partner that provides support for the development of infrastructure in Bangladesh as it will directly help the country attract more Japanese investors," he said.

The Matarbari deep seaport in Cox's Bazar, which is being built with financial backing from the Jica, is a good example of how the agency assists in developing the country.

The proposed deep seaport will be accessible for container ships that require more than 18 metres of depth and considering that Chattogram Port, the premier port of Bangladesh, is only



Hitoshi Hirata

accessible by vessels requiring less than 9 metres of depth. Logistic costs should diminish greatly once the project is complete in 2024.

The Jica is also involved in the construction of the third terminal at the Hazrat Shahjalal International Airport (HSIA) in Dhaka, which is expected to be complete within 2023.

"These two infrastructure projects will become logistic hubs in the country by 2041 and about

40 per cent of all container ships anchored in the country will be handled at the Matarbari Port," Hirata said.

The HSIA will have the capacity to accommodate an additional two crore passengers following the construction of the terminal, for which the Jica is providing 70 per cent of the funding.

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Govt learns its lesson on price controls

Decides not to fix mobile data price; acknowledges price bound on voice calls hiked users' costs

MUHAMMAD ZAHIDUL ISLAM

The government has decided against setting floor or ceiling prices for mobile internet, much to the dismay of a couple of mobile carriers who were pushing for a price bound to make it a level playing field.

"Our current position is against fixing the data price considering the customers' pain even though we could have earned more from the telecom operators as tax and revenue sharing," Telecom Minister Mustafa Jabbar told The Daily Star.

The government's resistance comes after its earlier move to fix a price band for voice calls ended up hiking the cost for end users.

In August last year the government fixed the floor price of Tk 0.45 per minute for all mobile calls. Previously, the minimum charge was Tk Tk 0.25 per minute for calls on the same network and Tk 0.60 per minute for calls to a different network.

Before the price bound came, the average charge for calls to another

mobile number for Grameenphone subscribers was Tk 0.64 per minute. This went up to Tk 0.73 per minute from the fourth quarter of 2019.

It is the same scenario for other networks' users.

Jabbar was initially in favour of enacting a price bound for data too and even got a group of experts from the International Telecommunication Union to run cost modelling.

The cost modelling showed the move would increase the end users' costs.

"We cannot accept that," Jabbar added.

Subsequently, in a meeting with the Prime Minister's ICT Affairs Adviser Sajeeb Wazed Joy at the telecom division's headquarters recently, it was decided that the data prices would not be fixed for the next few years at least, said an official who was present.

However, this was not mentioned in the meeting minutes.

The reason being, the government has decided to ignore the requests of the operators but will never officially

say so, said another official who attended the meeting.

Currently, there are about 9.40 crore active mobile internet connections in the country and more than half of them are using regular packages and offers.

About 35-40 per cent of the internet users are using promotional packages, which are cheaper than the regular packages, according to a report presented at the meeting.

The move would have also hampered internet penetration and hence the government's Digital Bangladesh agenda, said a senior official of the Bangladesh Telecommunication Regulatory Commission (BTRC).

It will be state-run Teletalk that will be most hit by the price bound on data price and Grameenphone the most benefitted, as per the presentation made in the meeting.

The Daily Star have learnt that the country's second largest carrier Robi has been pushing for the price bound on data for years.

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BTRC responds to customer complaints after 9 months

Less than 2pc queries were answered; next hearing Mar 30

MUHAMMAD ZAHIDUL ISLAM

Nearly nine months after raising questions and complaints about telecom services ahead of a public hearing, users have finally received responses from the Bangladesh Telecommunication Regulatory Commission (BTRC).

However, the responses account for less than 2 per cent of the 1,319 issues flagged by more than 200 users for the hearing on July 12 last year.

Some 165 citizens got the scope to attend the hearing, the second such event organised by the telecom regulator, following online registration.

Of the complaints, only 25 received responses, which were posted on the BTRC website last Thursday, the first such initiative for official reactions to end-level users' complaints and recommendations about telecom services.

One of the responses stated that the commission would not be implementing the recommendations coming last year from a cost model analysis on data pricing carried out by an International Telecommunication Union consultant.

The consultant had suggested

raising internet prices, which would have turned it inconsistent with Bangladesh's socioeconomic realities. The BTRC has decided to instead start holding discussions with stakeholders to identify ways to reduce costs.

The executive committee of a Digital Bangladesh Taskforce in 2017 asked the telecom regulator to run the analysis to formulate a data pricing guideline, as done earlier for cost modelling benchmarks for voice and short message services.

The Digital Bangladesh Taskforce, which consists of senior ministers and top experts from the sector, is the highest policymaking body on digitalisation headed by the prime minister.

In another reaction, the BTRC said to have reduced the number of data and voice packages offered by four mobile operators altogether to 235, which was 359 in 2017, for customers' convenience.

The second-largest mobile carrier, Robi, has 150 active packages, down from 258 in 2017. Market leader Grameenphone has active 28 packages, Banglalink 31 and Teletalk 26.

Responding to why 4G handsets were priced at around \$20 in India

and about \$90 in Bangladesh, the commission said assembling mobile devices for a long time had developed the neighbouring country's ecosystem, which included the presence of almost all of the global brands.

This industry has just been launched in Bangladesh and prices would hopefully go down in the near future, it said.

That the BTRC took up too much time to come up with the responses was acknowledged by Md Jahurul Haque, chairman of the telecom watchdog.

However, he thanked his staff for whittling them down to 25 after sifting through hundreds of questions and complaints.

He said public hearings help improve quality of operators' services on the basis of customers' feedback.

"Public hearing is always a very helpful way to address complaints of customers and so we are going to organise another hearing at the end of this month," said Haque.

The public hearing on March 30 is scheduled to be held at the Institution of Engineers, Bangladesh auditorium at Ramna in Dhaka. As in the past, interested participants will have to register online.