

BTRC wants to pull the plug on 2G handsets

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Bangladesh Telecommunication Regulatory Commission (BTRC) is apparently discouraging use and trade of second generation (2G) mobile phones, popularly known as basic or feature phones, as per letters it recently sent to listed handset importers, producers and vendors.

Mobile operators welcomed the move but the letter recipients say it would not be a workable approach to popularising smartphones.

About 70 per cent of the mobile phone users are still using 2G devices as most have no demand for higher technology and the telecom regulator should not deprive them, they said.

In the letter, the BTRC is said to be witnessing 2G devices dominating the market.

"The 3G mobile network has flourished in the market and 4G services is also being offered and the government also has a promise to enrol 5G services by 2023, for which basic phones need to be discouraged," it read.

The vendors are seeking clarity on the term "discourage".

Currently the letter bears no meaning, said Rezwanul Haque, chief executive officer of Transsion Bangladesh, which assembles 2G handsets of iTel brand and

4G ones of Techno brand.

"We have a huge number of mobile phones users in the country who do not need smartphones at all as they are using mobile phones only for talking. They even cannot text or save phone numbers in their

of Bangladesh Mobile Phone Importers Association.

There are also challenges regarding network quality across a huge part of the country. "This is why the youths who need or even want to use smartphones are not

network currently covers 75 per cent of the country's population, whereas 4G handset penetration had stalled at less than 30 per cent of mobile subscribers.

"This clearly shows that a significant portion of our network capacity is remaining underutilised."

Moreover, although Robi has become the country's first mobile carrier to introduce voice over long term evolution (VoLTE) technology, it does not have that much customers with VoLTE-enabled handsets, he said.

The VoLTE service will only benefit a small portion of the population, said the country's second largest carrier.

"In the interest of implementing the vision of Digital Bangladesh, we need to make an all-out effort to create the ecosystem for a full-fledged digital society by increasing the use of smartphones in the market," Alam added.

Some 3.28 crore handsets were sold in the country in 2019, about 2.51 crore of which were basic phones, according to local manufacturers and importers.

About 54 lakh smart devices were locally manufactured last year, while another 24 lakh were imported via the legal and grey channels, according to industry insiders.

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Now Square gets approval to ship medicines to Congo

STAR BUSINESS DESK

Square Pharmaceuticals has received the good manufacturing practices certificate from Congo, joining a growing list of medicine exporters from Bangladesh looking to make inroads into the African continent.

Last month, Apex Pharma received the same certification, which came from the Directorate of Pharmacy & Medicine under the public health ministry of Congo.

Although Bangladesh has long been exporting pharmaceutical products to many countries of the world, the African continent eluded the local drug makers.

This certificate will open the door for the local medicine-maker to export pharmaceutical products to 11 central African countries as well.

Ziauddin Adil and Nazir Alam, designated honorary consuls of the Bangladesh Consulate of the Democratic Republic of Congo, handed over the certificate to Tapan Chowdhury, managing director of Square Pharmaceuticals, in Dhaka recently.

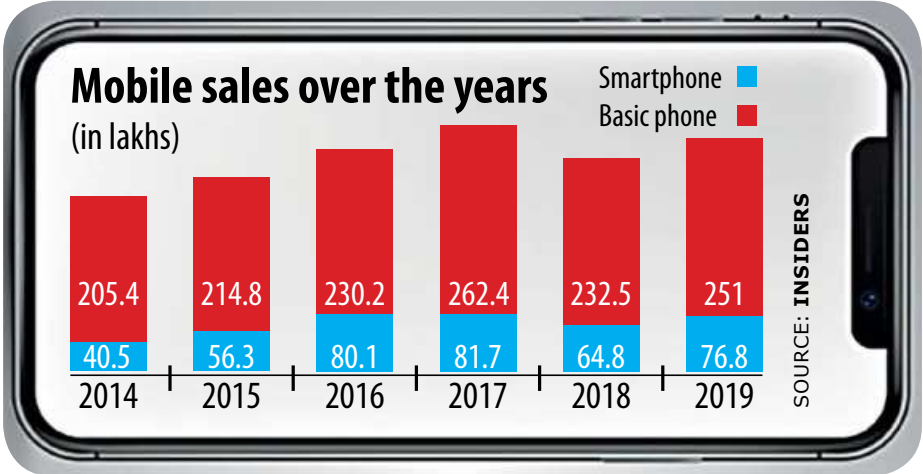
Set up in 1958, Square Pharmaceuticals is the largest pharmaceutical company in Bangladesh, a position it has held among all national and multinational companies since 1985.

The turnover of Square Pharma was Tk 5,087 crore with about 16.95 per cent market share and a growth rate of about 10.85 per cent in the last fiscal year.

It pioneered exports of medicines from Bangladesh in 1987 and has been selling antibiotics and other pharmaceutical products in 42 countries, according to the company's website.



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handsets so why will the regulator make them use smartphones?"

A basic phone costs only Tk 750 but for smartphones at least Tk 3,000 is required and this extra spending will either be meaningless or unbearable for them, said Haque, a former general secretary

doing so," Haque added.

Dismissing the analysis, mobile phone operators said it was a much-needed direction and true advancement towards the vision of a Digital Bangladesh.

Shahed Alam, chief corporate and regulatory officer at Robi, said their 4G

Uncertainty over fair prices stymies agri-financing

Bankers, insurers tell roundtable at The Daily Star

STAR BUSINESS REPORT

Uncertainty over fair prices of agricultural produce is a major challenge in ensuring increased financing from banks and insurance for the farming sector, said bankers and insurers yesterday.

Farmers' capacity to repay loans depends largely on prices of their produce and growers fall in trouble to pay back loans when they do not get fair prices of their crop.

Similarly, uncertainty over prices also discourages farmers from insuring crops and livestock, increasing risks of losses of their investments in the event of weather shocks.

The views were shared at a roundtable on "Making finance resilient to smallholder farmers" organised jointly by CARE Bangladesh and The Daily Star at The Daily Star Centre.

The discussion comes at a time when farmers, particularly those running operations on a small scale, are facing various obstacles including weather calamities, shortages of capital and limited access to credit from the formal financial sector.

As a result, they often have to depend on informal lenders.

Formal financial institutions show little interest in financing small farmers because of higher operational costs in rural areas compared to urban areas and the risks regarding timely repayment of loans by producers.

Md Ahsan Ul Alam, senior vice president and head of agent banking division of Bank Asia, shared his experience of meeting an elderly farmer in Jessore several years ago.

The man wanted just Tk 50 for a sack full of okra, a price at which



Experts take part in a roundtable on "Making finance resilient to smallholder farmers" organised jointly by CARE Bangladesh and The Daily Star at The Daily Star Centre in Dhaka yesterday.

residents in Dhaka get roughly one kilogramme of the same vegetable.

Alam said farmers do not get good prices for a lack in their capacity to retain or store the produce, pressure of informal lenders to repay loans and presence of middlemen in the supply chain.

The risk of banks reduces when farmers get fair prices, he said.

"When farmers do not get fair

prices, they suffer from losses and cannot repay loans. It creates uncertainty for us," said Shahnaz Akter Shahin, assistant vice president of Bank Asia.

Banks will lend when they find financing profitable, she said, while stressing the need for adopting digitalisation for granting loans to farmers at a faster pace.

Maruf Azam, general manager

of CARE Bangladesh, said 1.7 crore farmers in Bangladesh were small growers.

Their production and income are low and they do not have capital while funds do not come in the right manner and whatever comes bears a hefty price tag, he said.

Azam said weather shocks, limited access to financial services and a lack of information regarding available

financial services were major problems for them.

To ensure that farmers get access to financial services, CARE piloted a project called Krishi Utsho in 2019 by incorporating loans and insurance facilities against weather shocks on crops.

Under the scheme, piloted in the northwest district of Bogura and southwest district of Jashore, 206

farmers were provided financing of a maximum of Tk 20,000, to be repaid after six months.

Of them, 50 farmers availed insurance, said Azam, also project coordinator of Krishi Utsho. "It would be good for growers if insurance and loan can be bundled," he said.

Prabodh Devkota, assistant country director of CARE Bangladesh, said agriculture finance and agricultural insurance were strategically important in addressing extreme poverty.

"Majority of smallholder farmers face challenges in accessing financial services. There are various systematic and practice level challenges. For formal financial institutions, there are high transaction costs. There are issues of collateral, paper works and payment schemes," he said.

Financing for small farmers did not receive due impetus in spite of various initiatives at the policymaking level, said Shah Md Ahsan Habib, a professor of the Bangladesh Institute of Bank Management.

Small farmers need specially designed products but there has been little effort in this regard.

Farmers are provided crop production credit and they have to sell their produce after harvest to repay loans, he said.

"Commodity exchange is vital for Bangladesh to ensure just prices for growers," Habib said, adding that farmers' cooperatives should be promoted so those could act as guarantors of loans and work for ensuring fair prices for growers.

Ali Tareque Parvez, senior vice president of Green Delta Insurance Company, said farmers cannot repay loans in many cases in absence of fair prices.

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SBAC Bank's MD resigns before tenure ends

STAR BUSINESS REPORT

Md Golam Faruque, managing director of South Bangla Agriculture and Commerce Bank, has stepped down unexpectedly six months before his term expires.

Faruque, who was appointed for a three-year tenure, has tendered his resignation on health grounds, said SM Amzad Hossain, chairman of the bank.

"Faruque suddenly informed us on Sunday that he was unable to continue his job because of illness," Hossain said, adding that he sent the resignation letter both to the central bank and the board of directors of the bank.

The board is yet to take any decision in this regard, Hossain said.

Faruque has been suffering from acute shoulder and back pain for the last six months and has been under treatment at home and abroad, according to his resignation letter. He did not respond to

phone calls from The Daily Star.

The board has assigned Mostafa Jalal Uddin Ahmed, additional managing director of the private bank, as the acting managing director.

Faruque has taken a month's leave, after which his resignation will come into force.

Faruque joined SBAC in August 2017 as the managing director and his tenure was scheduled to end in August this year.

He also worked for Rajshahi Krishi Unnayan Bank as its managing director and Janata Bank and Bangladesh Krishi Bank as deputy managing director.

He started his career

as a senior officer at Janata Bank in 1984.

SBAC is a fourth-generation bank, which got licence from the central bank in 2012

and started operations in April 2013. The bank's classified loans stood at Tk 140 crore, or 2.63 per cent of its total outstanding loans, as of September last year, according to Bangladesh Bank data.



Md Golam Faruque

Indo-Bangla river-borne trade to get a shot in the arm

Number of ports of call to increase

STAR BUSINESS REPORT

The cabinet yesterday approved the draft of the amendment to an existing agreement between Bangladesh and India on raising the number of ports of call between the two countries with a view to deepening river-borne trade.

The approval to the draft of the second revision of the Protocol on Inland Water, Transit and Trade (PIWT&T) came at a weekly cabinet meeting at the secretariat with Prime Minister Sheikh Hasina in the chair.

Port of call means an intermediate stop for a ship on its scheduled journey for unloading and loading of cargo or taking on supplies or fuel.

According to the draft, two new river routes will be included in the current PIWT&T signed in June 2015. The routes will be used to trade goods. Besides, India would use the routes to move goods from its one territory to another using the territory of Bangladesh.

"This amendment will boost bilateral trade and ease the river transport between the two countries," Cabinet Secretary Khandker Anwarul Islam told reporters after the meeting.

"Bangladesh would also be benefited because of the new ports of call as the carrying cost of

BANGLADESH		INDIA	
New ports of call	Extended ports of call	New ports of call	Extended ports of call
Rajshahi	Ghorasal	Dhulian	Tribeni (Bandel)
Sultanganj	Mukhtarapur	Maia	Badarpur
Chilmari		Kolaghat	
Daudkandi		Sonamura	
Bahadurabad		Jogigopha	
NEW RIVER ROUTE			
Indian side: Badarpur, Sonamura, Kolaghat, Maia and Jogigopha			
Bangladesh side: Ghorasal, Daudkandi, Sultanganj, Aricha, Bahadurabad			

goods will reduce significantly."

Currently, Narayanganj, Khulna, Mongla, Sirajganj, Ashuganj and Pangoan are the ports of call on the Bangladesh side and Kolkata, Haldia, Karimganj, Pandu, Silghat and Dhubri are ports of call on the Indian side.

Under the draft, Rajshahi, Sultanganj, Chilmari, Daudkandi and Bahadurabad will be declared as the new ports of call on the Bangladesh side. Besides, Ghorasal and Mukhtarapur will be considered as the extended ports of call.

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