

To tighten purse strings, software maker moves office to rural backwater

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Most companies have been put in harm's way because of the ongoing pandemic, but a local software and mobile application developer stands to benefit from the new normal.

Advanced Apps Bangladesh Ltd (AAPBD) had a plan to relocate their back office to a remote haor area in distant future but due to the Covid-19 they are fast-tracking the project.

"We had a plan to shift the office to our village in Sunamganj, which is 185 kilometres northeast of Dhaka, and the pandemic has compelled us to move fast," said Md Shafiqul Alam Biplob, chief executive officer of AAPBD.

The company mostly makes mobile applications for four countries -- the USA, the UK, Bahrain and Saudi Arabia -- and so far



Md Shafiqul Alam Biplob

developed about 400 applications.

"All the industry leaders and policymakers speak about decentralisation but none moves out from the city," he said.

The software company has been operating in Mirpur DOHS in the capital for the last few years. However, it bought a one-acre land in a village named Ahmedpur of Dharmapasha



In a bid to bring down costs amid the pandemic fallout, Advanced Apps Bangladesh Ltd is shifting its office to this village named Ahmedpur in the haor areas of Sunamganj district, about 185 kilometres northeast of Dhaka.

in Sunamganj district to take its whole back office there.

Though the village is situated in Sunamganj district, all of their regular communication is done through Netrokona.

Biplob has a family-run agro business—

Advanced Agro Farm Bangladesh—in the village and in a sudden decision he is relocating his office there.

"Our workload has increased in the Covid-19 time. But it was very tough for us to work together as our developers live in different

places," he added. "Cost is also a factor."

Biplob faced several gigantic challenges in making the plan work: he had to convince his colleagues and lay a long fibre cable for internet.

To get internet connection, Biplob

contacted Telecom Minister Mustafa Jabbar, who also hails from the same region.

The minister asked state-owned Bangladesh Telecommunication Company Ltd to help Biplob. However, the entrepreneur had to buy a huge three-and-a-half-kilometre-long fibre cable and take the responsibility to maintain it.

Staving off all the headwinds, the AAPBD started functioning from the backwater office recently after the telecom minister inaugurated a 50 Mbps-strong internet connection in Dharmapasha.

Securing a stable electricity connection was also a challenge for the company as four to five hours of load-shedding is a commonplace in the area.

So, the company arranged solar power and generators also, Biplob said, pointing to the intention of developing their office as a private hi-tech park.

"I thought it would be tough to convince our developers but surprisingly almost all of them were willing to go there to live in a remote place," said Biplob, who won the BASIS Outsourcing Award in 2013 and Startup Award in 2015.

AAPBD also manages rented houses for their developers in their village and is now planning to build their own dormitory.

The AAPBD has already shifted half of its 50 employees there and hopes it will complete relocating the entire office by December. Only the marketing team will remain in Dhaka.

Biplob said they are now working with banking software and developing wallets for two state-owned banks and toll collection software for bridges.

For the last few years, the AAPBD team has been faring well although the company's performance was not up to the mark last year when it was able to generate \$300,000 in overseas earnings.

Recently, the AAPBD got some new work orders from its US buyers, he added.

The company was incepted in Mymensingh in 2009 but due to poor internet quality in the district town, its office was later moved to Dhaka.

COLLECTED

LDC graduation assessment could be delayed

Bangladesh may continue to enjoy duty-free benefits longer than expected, says an expert

STAR BUSINESS REPORT

Bangladesh may continue to receive duty-free benefits on exports to developed and developing countries for longer than expected as the United Nations Centre for Development Policy (UN CDP) could delay the country's assessment for graduation from a least developed country (LDC) by three to five years.

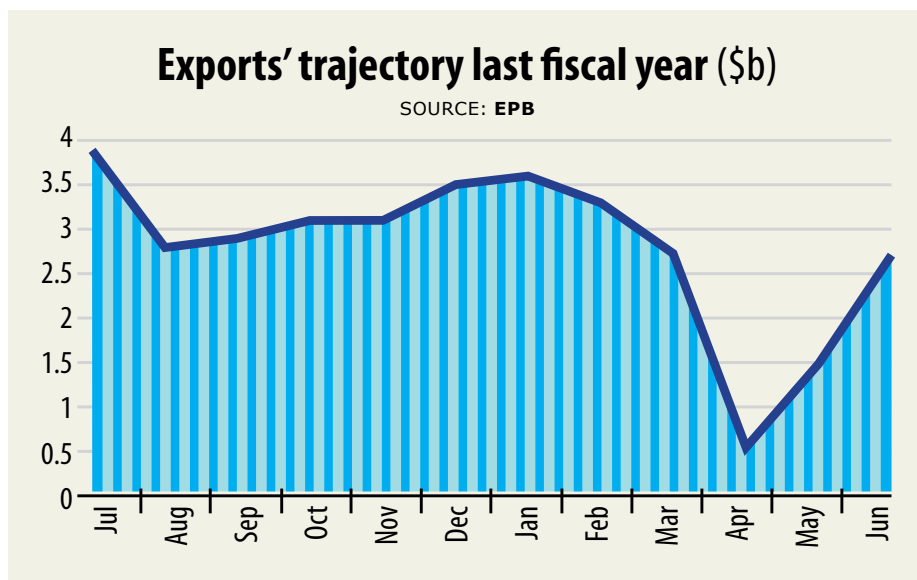
The UN CDP was scheduled to evaluate certain LCDs, including Bangladesh, for promotion to the developing country category in 2021.

"However, the assessment could now be delayed by three to five years in consideration of the global economic losses caused by the ongoing coronavirus fallout," Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue (CPD), said yesterday.

The assessment could now be carried out in 2024, however, if this is not feasible for any reason, then the UN CDP may consider alternative measures, some of which have already been proposed by LDCs in light of Covid-19, he added.

One such alternative is that the UN CDP will conduct assessments in 2021 as initially planned and allow qualifying countries to complete their graduation as scheduled.

The key difference though is that



developing and developed countries will be asked to continue to provide zero-duty benefits for the newly graduated countries for an additional five years, Rahman said.

"The UN CDP is considering both options," he added.

On the other hand, Rahman urged local suppliers to brace for the 12 per cent export duty they will face when shipping goods

to the EU once the country completes its graduation.

Already, Vietnam has signed a free trade agreement (FTA) with the EU, Bangladesh's main export destination.

If Vietnam enjoys such benefits while Bangladesh pays a 12 per cent duty for goods bound for the EU, then the country's competitiveness will fall significantly, said Rahman.

Therefore, Bangladesh needs to sign a number of Comprehensive Economic Partnership Agreements (CEPA) with certain countries and regions for preferential trade benefits since FTAs alone do not cover all incentives.

For example, FTAs only cover tax privileges while the CEPA covers all duty, investment and domestic market-related benefits.

The CPD economist also suggested that Bangladesh further penetrate the Association of South East Asian Nations (Asean) markets in a bid to boost the country's exports, adding that exporters should search for new business opportunities in India, China, Japan and other major Asian economies.

Reducing lead time is also a very important task for businesses in Bangladesh as export earnings have been on the decline since even before the Covid-19 outbreak, Rahman said.

This is a concerning fact and it needs to be known why exports witnessed a downward trend between the July-March period of the previous fiscal year.

Besides, certain products like jute goods, footwear and pharmaceuticals performed well in fiscal 2019-20.

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MTB digital fair brings all under one roof

STAR BUSINESS REPORT

As businesses increasingly go online to meet customers' demand for home deliveries of all types of products due to the coronavirus outbreak, a recent five-day digital fair said to have brought them all together.

Concluding on July 20, MTB Digital Lifestyle Fair 2020 is said to have offered the best combinations of products and services from home loans, appliances, furniture and automobiles to cattle and real estate.



"As people still have a huge demand for buying things, the fair aimed to promote e-commerce which is safe during this pandemic," said Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank (MTB).

"Such fairs help make a habit of cashless transaction, which would eventually build a cashless society," he said.

Customers also benefitted from the fair getting discounts from the bank and its partner companies on availing products, Rahman said.

From among the partners, ABC Real Estate offered flats with a 10 per cent down payment.

MTB customers who bought flats from building technology & ideas (bti) got complimentary furnished kitchens.

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A 'youth cell' under PMO is in order

Minister says as experts discuss measures for youth development

STAR BUSINESS REPORT

A youth cell should be formed under the Prime Minister's Office to effectively implement the action plan for youth development and reap the benefits of demographic dividends, Planning Minister MA Mannan said yesterday.

The youth development programme will bring better outcome through coordination and cooperation among different ministries and divisions, he said while addressing a virtual discussion on "Youth budget framework: an appraisal".

The discussion was jointly organised by the South Asian Network on Economic Modeling (SANEM) and ActionAid Bangladesh.

Some officials are preparing faulty development project proposals (DPPs), which get detected later, the minister said. So, a cell should be established to strongly monitor the preparation of the DPPs.

Mannan said the country has improved significantly since 1990 to 2020.

"Now we are giving efforts on becoming a developed nation," he added.

Nahim Razaqa, a lawmaker and convener of



RECOMMENDATIONS

- » Form a youth cell under the Prime Minister's Office
- » Invest in youths to cash in on demographic dividend
- » Address the wide array of challenges thwarting youth development
- » Build up institutional efficiency for utilisation of youth budget and planning
- » Integrate youth budget framework in national budget

Young Bangla of the National Youth Platform, suggested forming a youth development cell for effective implementation of action plans for youth development.

He urged the organisers of the discussion to spread the outcome of the event to create awareness among all stakeholders.

Sometimes the budgetary allocation cannot be used properly due to a lack of efficiency.

"There is a scope to work jointly with the private sector under public private partnership," he said.

Education should be driven by technology and based on the market, said Fahmida Khatun, executive director of the Centre for Policy Dialogue.

"It would not be possible to provide jobs to all. So, ensuring effective training for the youth along with providing necessary funds for start-ups are a must."

Since 2010, the ministry has been receiving Tk 30,000 crore on average every year, which are used for youth development, said Md Belayet Hossain Talukdar, additional secretary of the secondary and higher education division.

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