

# DHL stays open throughout pandemic keeping Bangladesh connected

Says DHL Express Bangladesh's Managing Director Miarul Haque

MD FAZLUR RAHMAN

Bangladesh was virtually cut off from the rest of the world when it suspended all commercial flights in late March in the face of the raging coronavirus. But a few companies were there to help the country bring in and send abroad shipments vital for cross-border trade and DHL Express Bangladesh is one of them.

The local subsidiary of Bonn, Germany-based Deutsche Post DHL Group, the world's leading logistics company, has not shut its door for a single day although its own business took a massive hit in the early days of the pandemic along with the rest of the country.

"We consider that this is an emergency service, so we did not cancel our service for a single day during the pandemic," said Miarul Haque, managing director of DHL Express Bangladesh.

The company decided to keep the

It did not stop there.

In the last four decades of operation in Bangladesh, no chartered flights from DHL came to Bangladesh. But during the pandemic, one of the company's flights flew in to serve customers.

"We decided that we will have to support our customers even that means managing aviation capacity at higher costs," Haque said.

"I always say to my employees: you are not just picking up or delivering a shipment; maybe you are saving someone's life or maybe you are bringing luck to someone or allowing an opportunity for someone to grow," he told The Daily Star during a virtual interview recently.

Emergency medicines and items related to the coronavirus disease and used by law enforcing agencies came through the company during the pandemic.

DHL Express has been operating in Bangladesh since 1979. Initially, it



Miarul Haque

into the country and 40 per cent going out. Garment and leather manufacturers, ICT companies and banks are the major clients.

DHL Express Bangladesh delivers time-sensitive and high value but impactful small parcels and documents within a short time, which support trade facilitation and manufacturing. Currently, it employs more than 550 people.

Haque said the first quarter of 2020 for the company was good and shipments started to collapse in April and subsequent months. As a result, there had been 80 per cent dip in business because of a huge drop in garment exports.

"The good news is the worst for the company might have passed. We have started to go back to normal," Haque said.

A business graduate from the Institute of Business Administration under the Dhaka University, Haque began his career with British American Tobacco Bangladesh.

In 2001, he joined DHL Express Bangladesh's sales team. He is a seasoned corporate executive with almost 25 years of experience working at multinational companies.

Bangladesh does not have a deep seaport, whereas Vietnam has got multiple of them along with more than 2,000km coastal belt, said Haque, who has been serving as the managing director of DHL Express Bangladesh since July 2017.

Bangladesh also faces obstacles when it sends products to buyers.

Bangladesh's major apparel destination is Europe, accounting for about 57 per cent of garment items shipped.

If Vietnam exports any items to Europe using air express service, the buyers would get the delivery within two days. From Bangladesh, a certain percentage of shipment may reach the buyers within two days, but in many cases, it would take more than two days.

"Bangladesh just has to accept the reality, where things are uncontrollable like proximity," Haque said.

"Rather, Bangladesh should look at things that it can control, in terms of policies and regulatory infrastructure."

Haque talked about the challenges from the perspective of logistics, especially air express business.

In terms of goods being cleared and delivered, a lot of difference is made, he said.

When he was in Vietnam, a flight of DHL Express would touch down the airport of Ho Chi Minh City at 5:45 am.

Vietnam can recover the containers within 60 minutes to 90 minutes consistently. After the recovery of the containers at the air site operations at the airport, having them de-consolidated, scanned, customs released, bringing them to the service centre for sorting, vehicle loading all these activities used to be completed by 8:00 am in the morning.

By 8:00 am, local couriers would set off to deliver the products to the recipients.

"In Bangladesh, depending on flight arrival, the recovery process of containers is longer," said Haque.

The recovery of containers from the flight that arrives in the afternoon would take place the following day. Hazrat Shahjalal International Airport allows the recovery until 4:00 pm.

"We lose a day in case of many flights."

DHL Express Bangladesh can't bring its flight to the country because the airport does not offer air site operations and volume-wise also may not be feasible at the moment. In Bangladesh, DHL Express depends on completely commercial airlines.

In Vietnam, it launched the first flight in around 2011 in the Ho Chi Minh City International Airport. It added a flight from Hanoi in 2014.

Like many other countries, Vietnam has allowed major players in the air express business to operate at the airport site. Through air site operations, air express businesses run round the clock operation.

They will have all equipment such as scanners and space needed to carry out airport-related processes in their facilities. Within the facilities of air express businesses, customs also operate. Air express businesses have data integration with the customs system.

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operations up and running since it is an important part of the supply chain and connects the country with the rest of the world.

Much Before Bangladesh went for the lockdown on March 26, the company had raised awareness among the employees in line with World Health Organisation guidelines, prepared them mentally for the tough battle that ensued, cleaned the facilities, put in place hygiene practices and took preparation to work from home.

ran through agent operations before opening a full-fledged subsidiary in 2008, in an endorsement to the country's growing importance.

It handles around 70 per cent of all inbound shipments, thus becoming the largest international air courier in the country. The rest is handled by two other international companies represented by local agents and about 30 to 40 local companies.

Air express companies handle more than 3.5 million shipments every year, with 60 per cent coming

## Efficient human capital key to strong capital market: BSEC chief

STAR BUSINESS REPORT

Efficient human capital is necessary for a sustainable and strong capital market, said Prof Shibli Rubayat Ul Islam, chairman of Bangladesh Securities and Exchange Commission (BSEC).

"So, human capital development is one of the key priorities of the government," he said as the chief guest in a training session on CFA Level 1 curriculum for CFA (chartered financial analyst) candidates from Bangladesh Bank and BSEC.



Prof Shibli Rubayat Ul Islam

The inaugural ceremony of the training was organised by CFA Society Bangladesh, the local member society of CFA Institute, on Friday. The CFA Institute works for setting the highest standards of ethics, education, and professional excellence.

"We need proper human capital and the right person at the right place," said the BSEC chairman.

This is why professional education and professional excellence are required, he added.

The most relevant part of the curriculum for CFA candidates is ethics, said Faisal Ahmed, a member of the society and senior economist of the International Monetary Fund.

He urged the members and candidates not to compromise in ethical issues.

CFA is a way of life, not just a certification, said Prof Lutfey Siddiqi, adjunct professor at the National University of Singapore RMI.

It is a burden of responsibility of ethics, professional excellence, he said.

Financial education is a must for the ultimate benefit of the society, Siddiqi said.

Md Shaheen Iqbal, president of CFA Society Bangladesh, also spoke at the event while Shahidul Islam, director of the society, moderated the session.

## IPDC targets housing sector to broaden customer base

JAGARAN CHAKMA

IPDC Finance is eyeing up the premium customers of the real estate industry as the non-bank financial institution believes investment in the sector entails low risk now.

The company plans to lend up to 85 per cent of an apartment's value at 9 per cent interest for a maximum of 25 years.

IPDC will provide this finance scheme for the clients of Assure, BTI, Sheltech, UDDL, Concord, Assurance, Bay Developer, Shanta Holdings, Ranks Real estate, ABC Real Estate, Anwar Landmark, Finely Properties, ANZ Properties and Sunmar.

IPDC has achieved stellar success by rolling out a raft of successful business models when a majority of financial institutions have struggled with default loans and a lack of corporate

governance, said Savrina Afrin, head of retail at IPDC.

The company works with renowned developers and provides the best financial support so that customers can easily purchase their dream flats, Afrin added.

The real estate sector has a number of backward linkage industries, such as steel, cement, fixtures and fittings, labour and interior decoration.

"We plan to improve upon these sectors and help them rebound from the ongoing coronavirus pandemic through financial support," said Sirajus Salekin, head of mortgaging at IPDC Finance.

IPDC will provide loans to customers seeking to purchase a property based on recommendations from the respective developer to ensure that it is a secure investment with



hardly any chance of default, he said.

"Normally, the customers of renowned developers are decent. The developers select their clients through customer data, which is a good practice. For this reason, the customers feel secure to invest their earning to purchase an apartment," Salekin said, adding that as a financial institution, IPDC considers the recovery of their investments to be top priority.

Tanvir Haider, executive director of ABC Real Estate, said they currently have around 500 apartments available at different locations across Dhaka.

"IPDC came forward to finance our clients since it's a secure investment. If any client fails to make payments, IPDC can occupy the apartment as per the mortgage agreement," he added.

Meanwhile, the country's real estate sector is expected to survive the coronavirus fallout without

too much harm as instalment collection on previous sales started to pick back up after the economy reopened in June, according to various realtors and financiers.

Besides, the government has allowed the use of untaxed income for the purchase of land or apartments while a reduction in registration fees makes this the perfect time to invest in real estate at reasonable costs.

Under the current portfolio, IPDC will provide extra loans for apartment registration.

IPDC will also finance the developers as required to ensure that their ongoing projects are complete in the stipulated timeframe, Salekin said, adding that the company did not place a maximum ceiling on the loan whereas other banks have a max limit of Tk 2 crore.

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## Current crisis is an opportunity for apparel industry: experts

STAR BUSINESS REPORT

The current disruption in the global supply chain for garments caused by the ongoing coronavirus pandemic has created an opportunity for Bangladesh to reinforce its position as a leading exporter of apparel products, according to experts.

Bangladeshi manufacturers can embrace these chances and innovate new ways of production in order to expand their business and adapt to market shifts, they said.

They spoke at a virtual discussion on September 9 organised by HSBC, Bangladesh Garments Manufacturers and Exporters Association (BGMEA) and Serai, a new technology subsidiary of HSBC.

Various garment makers and exporters, HSBC customers, regulators, international buyers and officials took part in the event to discuss Bangladesh's apparel industry, global apparel demand landscape and technological penetration under the current context.

HSBC, Serai and the BGMEA brought



Garment manufacturers should innovate new ways of production in order to expand their business and adapt to market shifts, experts say.

together industry leaders from across the apparel ecosystem (manufacturing, advisory consulting, finance and technology) to discuss how demand is changing, why Bangladesh is such a unique destination and how the industry can thrive in this new environment.

The programme began with short speeches and a discussion between HSBC CEO Md Mahub ur Rahman, BGMEA President Rubana Huq and Serai CEO Vivek Ramchandran.

There were also presentations made by Kanaia Parekh, expert partner in retail, performance improvement, customer strategy & marketing and results delivery practices at Bain and Company, and Ramchandran, CEO of Serai.

"HSBC was founded with one key objective -- to facilitate trade and despite tech-driven improvements in most areas of business, international trade remains as complex today as it was more than 150 years ago," HSBC's Rahman said.

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