

Build skills of the youth for faster economic recovery: experts

STAR BUSINESS REPORT

Almost 80 per cent of all households are facing significantly reduced income amid the ongoing coronavirus pandemic, which subsequently affects education, particularly of young females, according to a recent study.

These findings were released during a webinar styled, 'Covid-19 and Bangladesh: A Youth Agenda for Recovery', organised by the Citizen's Platform for SDGs, Bangladesh yesterday.

Tamara-E-Tabassum, programme associate of the Centre for Policy Dialogue (CPD), presented the findings of the online survey at the event.

The survey was conducted from October 18, 2020 to October 27, 2020 with the participation of 1,163 youths.

According to the study, only 12 out of all the respondents reported that their income increased during the pandemic.

THE SURVEY FOUND...

- Income fell in **80%** households of the youths during pandemic
- Covid-19 affected their education, particularly of the female students
- Only **12** out of **1,163** respondents saw a hike in income amid pandemic
- **8%** of the female students dropped out for marriage
- **15%** said online education was not adequate
- **58.3%** not involved in any online education or training
- About **80%** did not get any govt support during pandemic
- Youths demanded Tk **5,000** per month as unemployment allowance

Around 8 per cent of the female respondents had abandoned their studies due to marriage while 15 per cent expressed that online education is not adequate for them.

Almost two-thirds of the respondents reported that they were disheartened about the future scope for earning.

Some 53 per cent of youths in urban cities are disheartened by their potential earnings while the figure is 67 per cent for youths in rural areas.

Meanwhile, only 10 per cent of the younger population are hopeful about their future and career.

Around 58.3 per cent of the respondents informed that they are not involved in any online education or training programmes.

Almost 21 per cent said they were looking for jobs and had re-engaged in online education or training.

Besides, about 50 per cent informed that they do not have the appropriate equipment, such as smartphones or computers, which is a major concern.

Regarding government support, the survey revealed that only 7.5 per cent received support while almost 80 per cent did not get any aid from the government amid the pandemic.

However, the youth demanded Tk 5,000 per month as unemployment benefit from the government.

At the programme, Shameem Haider Patwary, a lawmaker and member of the standing committee on the ministry of law, justice and parliamentary affairs, differed this demand.

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Garment jobless crisis deepens in Sep: study

STAR BUSINESS REPORT

Unemployment in the garment sector deepened in September after touching its lowest point in August, raising questions about job security in the industry amid the risk of a potential second wave of coronavirus infections.

About 8 per cent of garment workers reported that they were unemployed in September, up from 5 per cent the previous month, according to a study conducted by the South Asian Network on Economic Modeling (SANEM) in association with Microfinance Opportunities (MFO).

The results of the survey, carried out among 1,300 garment workers, were released at a webinar on Saturday.

The study found that the percentage of workers that were subject to factory closures, leave without pay, suspension, underemployment or layoffs was 21 per cent in May.

"Although the problems slowly declined over June, July, and August, we saw an uptick in September," said Guy Stuart, executive director of MFO, a global non-profit committed to understanding the economic realities of low-income and marginalised people.

Stuart raised questions over the



Due to the pandemic, there are reasons to be concerned about employment and food security in the garment sector, experts think.

PHOTO: STAR/FLE

state of job security in the apparel industry for the next few months and what policies or programmes would be needed to mitigate the potential loss of employment.

"Due to the pandemic, there are reasons to be concerned about

employment and food security in the garment sector," he said in a press release.

Researchers found that the median monthly working hours for women was around 43 hours. For men, it was 42 hours in April.

The scenario started to change from May, when working hours started to increase. During June, July, and September, the median monthly work hours started to resemble the typical work hours of 2019, which were 246 hours

per month, the press release said.

Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said the rise in exports—which eventually led to an increase in working hours—observed in June-July is solely due to shipments of un-exported orders from previous months.

However, she said there is uncertainty regarding the future in the context of a second wave coronavirus infections.

In other words, it is the situation in the future that will determine the employment situation in the garment sector, Huq said in the press release.

Kalpona Akter, executive director of the Bangladesh Centre for Workers' Solidarity, said many workers received delayed payments in March and April.

Besides, many factory owners did not provide full bonuses to their workers while many others faced layoffs.

And due to the layoffs, the workload on the remaining garment workers increased.

"Moreover, in case of a second wave of Covid-19 in the importing countries, the livelihood of the garment workers will be heavily impacted," Akter added.

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Banglalink's revenue returns to growth

MD FAZLUR RAHMAN

Banglalink's revenue returned to positive territory in the third quarter of 2020 after tumbling in the second quarter, riding on strong growth in data use, said its parent company Veon in a new report.

The third-largest carrier's revenue grew 0.8 per cent to Tk 1,150 crore in the July-September quarter from Tk 1,144 crore in the same period a year ago.

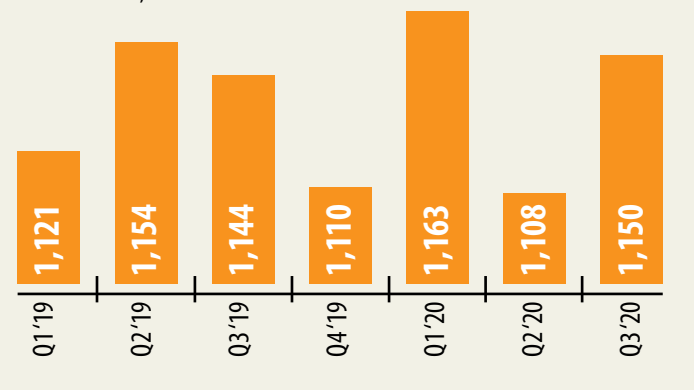
With this, the mobile operator recovered from a sharp fall a quarter ago. It had logged in Tk 1,108 crore in revenue in the April-June quarter, down 4.7 per cent from the previous quarter and 4 per cent from a year earlier.

Revenue totalled Tk 3,420 crore in the three quarters this year, an increase of 0.2 per cent year-on-year, the quarterly report of Veon showed.

Mobile data revenue rose 20.2 per cent year-on-year to Tk 280 crore in the third quarter as people use more internet than in

Banglalink's revenue

In crores of Tk; SOURCE: VEON



the past owing to the coronavirus pandemic.

As of September this year, the segment brought in Tk 840 crore for Banglalink, up 23 per cent during the nine-month period a year ago.

"Banglalink's performance in the third quarter is quite satisfactory given the operational

challenges we faced at that time due to the pandemic, floods, rough weather etc," said Erik Aas, chief executive officer of Banglalink.

"Despite the hurdles, we registered an impressive 20.2 per cent year-on-year data revenue growth in the quarter supported by the enhanced 4G network."

"With economic activities resuming across the country, we are gradually trying to recover from the pandemic effects."

Earnings before interest, taxes, depreciation, and amortisation (Ebitda) advanced 8.4 per cent to Tk 510 crore in the July-September quarter. The average revenue per user was Tk 116 crore, an increase of 2.7 per cent.

The number of mobile phone subscribers for the operator went up by 0.8 per cent year-on-year to 3.28 crore in the quarter. Of them, 2.05 crore are internet users, up 5 per cent thanks to the continued efforts to attract new customers, successful targeting of voice-only customers and network expansion, Veon said.

Average users consumed 2.33 gigabytes of data in July-September, an increase of 52.7 per cent from a year ago, the report showed.

As a part of its goal to make top-ups, account management and other services more convenient for customers, the carrier

BANGLALINK IN Q3

- 20.2pc** increase in data revenue
- 107.4pc** jump in 4G users
- 53pc** 4G population coverage
- 2.7pc** rise in ARPU

continuously promoted the use of various digital channels, Aas said.

"Our efforts in this regard resulted in a 33.4 per cent quarter-on-quarter growth in the user base of Banglalink's self-care app and the acquisition of 1.5 million customers of Banglalink's video-streaming app 'Toffee' in nine months."

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Daraz continues growth amid pandemic

MAHMUDUL HASAN

On November 11 last year, online shopping platform Daraz sold Tk 8.5 crore-worth products within the first 45 minutes of a 24-hour shopping event stemming from a marketing idea on encouraging people to spend money on themselves.

However, the sales figure was dwarfed by its parent company, Alibaba Group, which reached \$1 billion for gross merchandise in the first one minute and eight seconds on the unofficial Singles Day, presumed to have been founded by Chinese students.

The figure has then ballooned to \$12 billion after the first hour of the shopping blitz.

As a part of the company's policy, Daraz does not disclose its sales figures, Syed Mostahidul Hoq, managing director of Daraz Bangladesh, told The Daily Star.

But once Alibaba's instruction comes, it will disclose the sales figure, he said.

Alibaba's 11.11 sales figures, which is said to have totalled \$38 billion last year, includes the sales of its subsidiaries, including Daraz.

In the upcoming Eleven Eleven shopping spree, Daraz is set to make more than half a million deliveries, making it the biggest online single-day shopping festival in Bangladesh.

"The orders in the Singles Day sales increased 10 to 12 times that of normal day deliveries. It's a big event for a country where only less than one per cent retail sales comes from e-commerce," said Hoq.

Daraz says it now receives 50,000 orders per day.

Online shoppers in Bangladesh apparently wait eagerly for the event mainly for hefty discounts.

Daraz started the sales event in Bangladesh in 2018, when, in a surprise move, the China-based global e-commerce giant Alibaba, acquired Daraz Group's operations in Bangladesh, Pakistan, Nepal, Sri Lanka and Myanmar.

In Bangladesh, Daraz witnessed fourfold growth on 11.11 sales year-on-year in 2019. It anticipates similar trends in growth this year.



COLLECTED

An employee readies a product for delivery at the warehouse of Daraz Bangladesh, a subsidiary of e-commerce giant Alibaba, in the capital's Tejgaon recently.



- Alibaba acquired Daraz in 2018
- Daraz participated in **11.11** Singles' Day campaign of Chinese e-commerce giant that year
- Sales soared four times in the 2019 campaign
- Daraz's sales and delivery grow **100** per cent per year over the last four years
- It now delivers **50,000** orders to **64** districts per day, up from **25,000** last year
- Alibaba started **11.11** campaign in 2009
- It sold **\$38** billion worth of merchandise on the day in 2019
- In early June, Daraz announced to invest Tk **500** crore by 2021 in Bangladesh to set up logistics infrastructure and hubs

"As Bangladesh has over 10 crore internet users, we have so far explored only just over 10 per cent of the market. So, there is an enormous opportunity for the e-commerce

platform to grow and expand," said Hoq.

Daraz have grown 100 per cent annually in the last four years in terms of customer and order numbers as Alibaba counts these two

parameters while measuring growth.

The e-commerce platform was hit hard for a few weeks since late March, when the country went into lockdown. It lost around 5,000 of its import-dependent merchants soon after travel bans were issued around the world in order to curb the spread of coronavirus.

But then in May, the company added more than 10,000 local retailers to its platform.

"As coronavirus has brought a big socio-economic impact around the world, Bangladesh is no exception," said Hoq.

"For lockdowns in March, the number of products on Daraz witnessed a steep fall, coming down to only 3 lakh from 1 crore as most of sellers were unable to source, supply and manufacture products for movement restrictions and the general shutdown," he said.

To combat the changing situation and support buyers and sellers, Daraz increased the number of packaging stations, drop-off and collection points it had.

However, it prioritised home deliveries with the reasoning that customers were reluctant to come out of their homes.

It also stated to undertake some initiatives to benefit sellers. Since May, the number of sellers on the platform started to rebound. Now, it has 33,000 sellers, up from 20,000 in 2019.

Daraz says it regarded the last quarter of a year -- October to December -- as the campaign quarter, starting it off with a 10.10 sales campaign in October resembling the 11.11 on November 11, one marking Black Friday on November 25 and concluding with a year-end sale.

It prepared for Singles Day from early May to the end of August.

As a part of the groundwork for the campaign, Daraz have evaluated customer experience and changes in purchasing habits for the pandemic-induced economic hardship so that it could come up with products and offers that best suits the consumers.

"Since decreased imports of electronic devices created a huge demand for laptops and other gadgets, Daraz is bringing in adequate supply of those products thanks to Alibaba's strong supply chain and Daraz's presence in other South Asian countries," he added.

"Now, we are prepared for the biggest online sales event in the country."

It will launch some exciting products for Eleven Eleven, including two handset models of a new brand and some handsets from Realme and Samsung.

"The pricing would be low so that the pandemic-hit businesses can survive on a great sales volume, helping its sellers to recover from losses incurred in the last couple of months," he added.

During the daylong sale event on November 11, customers will be able to avail large discounts on some 10 million products on the platform.

There will be special attractions such as pre-sale discounts and a "Tk 11 Mystery Box", which is basically an undisclosed item one can purchase as a surprise for Tk 11.

Free delivery offers are also expected from sellers of specific brands and products.

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