Licences for telephone call centres soon

Billion dollar business beckons Bangladesh

STAR BUSINESS REPORT

Licences for the country's first-ever telephone call centres are soon to be issued, holding out the prospect that Bangladesh will soon join the billion dollar global business.

High officials at Bangladesh Telecommunication Regulatory Commission (BTRC) said they hoped to issue the first licences as early as this month, and were asking prospective licensees to contact them in order to finalise licensing policy.

The move to set up call centres in the country has been prompted by the regulator's belief that a "financial revolution' will be possible in Bangladesh if the country allows the speedy development of the Information Communications and Telecommunications sector.

Bangladesh is lagging behind in the lucrative call centre business, at a time when its neighbour India is earning billions of dollars from call centre business. India has been able to attract multinational companies who are keen to lower costs by outsourcing customer call centres in countries with low labour costs.

Banks, computer companies and telecom groups have taken advantage of the opportunity.

Bangladesh has the advantage of offering even lower labour costs, however the weakness of spoken English in comparison to India is a drawback.

As per the BTRC plan there is restriction on how many call centres would be established. The licence will be given to individuals or companies or joint venture companies, formed under Bangladesh law on nonexclusive basis.

But if any individual or company likely to setting up both domestic and overseas operation, separate licence would be required for international and domestic services, according to draft proposal of BTRC.

The BTRC posted the draft call centre policy in its website (www.btrc.gov.bd) so that prospective operators can share their views in policy making. Anybody can put his or her suggestions until February, 16 through e-mail.

The prospective operators can have multiple call centres under a single licence. But the location with number of agents and client details will have to be registered with BTRC before operation.

A call centre is a physical place where customer and other telephone calls are handled by an organisation, usually with some amount of computer automation.

Typically, a call centre has the ability to handle a considerable volume of calls at the same time, to screen calls and forward them to someone qualified to handle them, and to log calls.

Call centres are used by mail-order catalog organisations, telemarketing companies, computer product help desks, and any large organisation that uses the telephone to sell or service products and services.

In a recent interview with The Daily Star Major General Manzurul Alam (retd), chairman of BTRC, said the second submarine cable is a must for expanding call centres, IP (Internet Protocol) telephony and software business.

"If we had an alternative submarine cable, Bangladesh would be a hub for the ICT outsourcing business," he said, adding that some Indian companies had already visited the BTRC office to inquire about shifting their call center business to Bangladesh.

The India's turnover of the call centres was $ 65 million in 1999-00 which increased to more than $ 10 billion in 2006. IT-enabled services have grown at a rate of 65 percent in India. Foreign companies dominate India's call centre industry, with a 60 percent share of the annual Rs 71bn ($1.5bn) turnover market.

According to draft policy, BTRC will issue two types license--hosted call centre and hosted call centre services. The licence fee ranging between Tk15, 000 and Tk50, 000 based on number of agents the call centre will have.

The call centre or hosted call centre or hosted call centre service provider must not be used as a transit point of any sort.

The draft call centre policy said BTRC will issue call centre licence for 10 years on annual renewable basis.

Chinese edible oil consumption to hit 22.5m tons in 2008

XINHUA, *Beijing*

Chinese edible oil consumption is likely to reach 22.4 million tons in 2008, up 1.5 million tons from last year's 21 tons, a high-ranking official from the State Grain Administration (SGA) said Saturday.

According to SGA statistics, Chinese consumption of edible oil increased at a stable rate due to the improved life brought by the economic boom. The consumption per capita now reached 17 kilograms annually, almost double that of a decade ago.

A potential shortage in edible oil has been recognised, resulting from the enhanced consumption and increasing need for soybean meals.

Two-thirds of edible oil materials in China, the largest global consumer, relies on imports. According to General Administration of Customs statistics, imports of edible oil and soybean reached 8.38 million tons and 30.82 million tons, respectively, last year, up 1.69 million tons and 2.58 million tons year on year.

According to SGA sources, the price of edible oil is likely to jump this year due to a global shrinking of soybean planting areas since 2006. Increasing international shipment fees, as well as mounting domestics consumption, are other factors.

GMG Airlines to expand its fleet

Launches operations on Dhaka-Dubai route

GMG AIRLINES জিএমজি এয়ারলাইনস্

STAR BUSINESS REPORT

GMG Airlines is expanding its fleet by adding three more aircraft in order to compete with foreign airlines operating in Bangladesh, the company said yesterday.

"We are gong to strengthen our fleet soon. We will add another Boeing 747 in April and two more (aircraft), a Boeing 777 and a Boeing 787, to the fleet very soon," said Shahab Sattar, managing director of GMG Airlines, at the launch celebrations of the company's first flight on the Dhaka-Dubai-Dhaka route.

"We are trying hard to increase our flight numbers and improve services to compete with the foreign airlines operating here," the GMG MD said. "We have plans to increase our fleet to cover the Middle East route including Dubai, Kuwait City, Doha, Karachi and Muscat."

Industry experts said more than 20 international airlines are operating in Bangladesh, which control over 90 percent of the total volume of passengers on international routes while state-owned airline Biman Bangladesh Airlines and GMG Airlines make up the rest.

The Bangladeshi market is estimated to be growing at around eight percent a year.

GMG said it will operate seven flights a week on the Dhaka-Dubai route in line with operating on Kuala Lumpur, Bangkok, Kolkata, Delhi and Katmandu routes.

Mahbub Jamil, special assistant to the CA, in charge of civil aviation and tourism, and Sheikh Altaf Ali, secretary to civil aviation and tourism ministry, were also present at the function at the Zia International Airport.

GMG Airlines, which has seven aircrafts in its fleet including one 543-seater Boeing 747-300, is the first Bangladeshi private airline to fly to Dubai.

At present, UAE-based Emirates and Etihad Airways are operating direct flights on the Dhaka-Dubai route.

Both way fare on the Dhaka-Dubai-Dhaka route with GMG will be $720, the company said.

GMG Airlines started operation in 1998 and also operates 6 domestic flights.

IFC wants banks to lend to energy efficiency projects

STAR BUSINESS REPORT

The International Finance Corporation (IFC), the private sector lending arm of the World Bank, is discussing with major Bangladeshi banks the use of energy efficiency as one of the criteria for commercial lending.

Speaking at a meeting with journalists in Dhaka yesterday Rachel Kyte, director, environment and social development department of IFC, said the move would help the banks and its clients understand the financial advantages of energy efficiency

Kyte said such a technique was based on sound commercial logic, as there was clear evidence that companies that prioritised fuel efficiency were more sustainable and a better risk for lenders.

"We're talking to our local partner banks so that they lend to companies for energy efficiency projects," Kyte said.

"Today's banks need to understand energy efficiency and sustainable development for the sake of their businesses," Kyte said.

IFC has partnerships with 12 local banks and financial institutions, including Islami Bank Bangladesh Ltd, Dhaka Bank, BRAC Bank, Prime Bank and United Leasing Company Limited. These banks are likely to receive IFC loans aimed at developing energy efficiency financing for private sector.

"It is not that Bangladesh is apart from the global economy. You can be at the back of the bus or the front of the bus. I'm sure Bangladeshi bankers would want to be at the front," she said.

Kyte said the IFC is also talking to Bangladesh Bank, which can play an important role to sensitise the commercial banks on the issue.

Asked if such environmental concerns could be balanced with the industrialisation of the Bangladesh, she said the country could not avoid having to take environmental issues onboard.

She said Bangladesh had environmental regulations and the present government had made a number of commitments to enforcing them. Bangladesh Bank had also told commercial banks that they should not lend to companies that did not comply with environmental laws, she added.

She also pointed to the advances made in other developing countries such as China, Brazil and India.

She said: "Banks here do not need to be experts on the issue, just to understand it". The task of the IFC was to ensure that expertise was available in the market.

Rachel Kyte, director, environment and social development department of IFC

Asked about Bangladeshi's energy policy, she said it was important to find the right mix of sources. "Renewable energy is important for development," she said, adding that the country needed to look to distributed energy solutions and not just putting everything through a national power grid.

On the controversial Fulbari coal mine proposal, she said it was a matter for the government and that social and environmental issues had to be considered along with the energy needs of the country.

Kyte also said that Bangladesh would be part of a pilot project undertaken by the IFC to help companies adapt to the risks posed to their business and assets by climate change.

Toyota tops GM to become no 1 car producer

ANN/THE YOMIURI SHIMBUN

Toyota Motor Corp overtook General Motors Corp of the United States to become the world's biggest automaker in terms of units produced after GM announced its production figures for 2007 on Friday.

Toyota manufactured 9,497,754 units across the world in 2007--the figure includes vehicles made by subsidiaries such as Daihatsu Motor Co and Hino Motors Ltd--up 5.3 percent on the previous year.

In its announcement, which came early Saturday Japan time, GM said it produced 9,285,000 units last year--up 1.1 percent on 2006.

Toyota's rise to the top of the automobile industry puts an end to GM's 76-year reign as the world's leading producer of automobiles. GM replaced Ford Motor Co as the top automaker in 1931.

It has taken Toyota 70 years since its establishment in 1937 to climb to the top of the production tree. In 1997, Toyota's global production was 4,892,000 vehicles--more than 3 million units behind GM. However, in the years following, Toyota bought out Daihatsu and Hino, and strengthened its local production system by putting factories into operation in such places as France, Russia, Texas and Guangzhou, China.

Toyota expanded its overseas production and now has 53 bases in 27 countries and territories--almost doubling production in the past decade.

In terms of total units sold globally in 2007, GM has maintained a slender lead of just 3,106 vehicles over second-placed Toyota.

With Toyota vehicles selling well, the company has increased production to ensure the company has sufficient stock to meet demand.

Remittances could exceed $7b in 2008 in Bangladesh

Says Western Union senior official

REFAYET ULLAH MIRDHA

Remittances could exceed US$7.0 billion in 2008, according to Anil Kapur, Western Union (WU) Managing Director for South Asia, as the number of Bangladeshis working abroad increases.

Speaking to The Daily Star on a recent visit to Dhaka, Kapur said another reason for the increase was the move to send money through official channels rather than via 'hundi', unofficial networks for transferring cash.

According to official statistics, the country received nearly $6.0 billion as remittance from non-resident Bangladeshis (NRBs) last year and the contribution of such remittance to the gross domestic product (GDP) crossed 13 percent.

But, Anil declined to say the exact figure that his company transacted as remittance for Bangladesh last year. He only said that WU's share in the global money transfer business is over 17 percent.

Kapur was in Dhaka to sign an agreement with the Postal Department of Bangladesh enabling WU customers to receive money at local post offices.

He said the major competitors of WU in Bangladesh are private and public commercial banks. "I hope we will win in the competition when our postal services come into full operations," he said.

"As per the deal, we will launch our services through 450 post stations in Bangladesh in the first phase and the number of such postal WU money receiving points will be raised gradually," he said.

He said Bangladesh is among the top 15 countries in the world in receiving remittance and if the current trend continues the country could soon be among the top 10. China is the number one recipient.

WU has been working in Bangladesh since 1993 with only 100-point locations and at present the number of point location is more than 1400 across the country.

Anil Kapur, Western Union (WU) Managing Director for South Asia

WESTERN UNION

- In 1851 founded as the New York and Mississippi Valley Printing Telegraph Company and changed its name to Western Union in 1856
- Western Union has operations in more than 200 countries with 320,000 agent locations
- Started service in Asia in 1896 and arrived in Dhaka in 1993 with 100 agent locations
- Presently, Western Union has more than 1400 agent locations in Bangladesh
- Signed agreement with Postal Department of Bangladesh in 2007

Kapur said at present 30 percent of remittances come from Saudi Arabia, 15 percent from the USA and more than 10 percent from the UK.

About the agreement with the postal department Kapur said Bangladesh will receive 25 percent as royalty from the commission that is received by WU in Bangladesh.

He said train up the people of postal department is not difficult, as both WU and postal department have agreed to carry out the job in partnership basis.

He said WU maintains strong compliances and in the last year the company spent $ 35 million for compliance worldwide.

"So, there is no chance of losing of money from the post offices," he said.

He said if the WU starts functioning with full capacity the government will also be beneficiary as the people will send their hard earned foreign through a formal channel.

Now, some NRBs send their currency send money through informal channels like hundi, for which the government losses huge revenue.

Libya oil chief doubts OPEC will lower output at March meet

AFP, *Vienna*

Libya's oil chief Shukri Ghanem downplayed fears Saturday that oil cartel OPEC could decide to lower production at its March 5 meeting in Vienna.

"I don't think much will happen (at the meeting). I think prices will stay between 85 and 90 dollars," Ghanem told AFP after an extraordinary meeting of the Organisation of Petroleum Exporting Countries in the Austrian capital.

He added he was happy with a price range between 82 and 90 dollars per barrel. Light sweet crude for delivery in March closed Friday in New York at 88.96 dollars per barrel.

Industry analysts have said OPEC could decide to lower production at a regular session in March to prevent a drop in oil prices in the event of a recession in the United States.

But Ghanem, chairman of Libya's National Oil Corporation, said he remained optimistic: "I think it will be a soft landing rather than a recession."

He also pointed out that Libya currently produces between 1.8 and 1.9 million barrels of oil per day and was aiming to up its production to three million barrels per day by 2012.

Asked about plans for a "gas OPEC" to be formed along the lines of the existing oil cartel, Ghanem added: "We are in favour of a sort of gathering (of gas producing countries) to exchange information and to talk about the future market in gas."

Merchant banks now can offer loans at 1:1 ratio

SARWAR A CHOWDHURY

Merchant banks now can offer loans to investors at 1:1 ratio as the stock market regulator yesterday lifted restrictions on such loans.

Earlier, the merchant banks were allowed to offer loans at 1: 0.5, meaning an investor is eligible to receive Tk 1 loan against shares worth Tk2.

"Following the lifting of restrictions on netting facilities, we found that the market is behaving rationally, prompting us to withdraw the limitations," said Farhad Ahmed, executive director of Securities and Exchange Commission (SEC).

Under the financial adjustment or money netting facility, which was introduced in 2005, any investor is allowed to purchase shares immediately against the sale proceed after completing a sale.

The 1:1 ratio of loans will come into force on February 10, the SEC officials said.

Prior to the imposition of restrictions, there had not any guideline on loan ratios.

Meanwhile, Dhaka Stock Exchange (DSE) has slapped a daily fine of Tk 500 on 18 listed companies for failure to submit half-yearly financial reports by deadline.

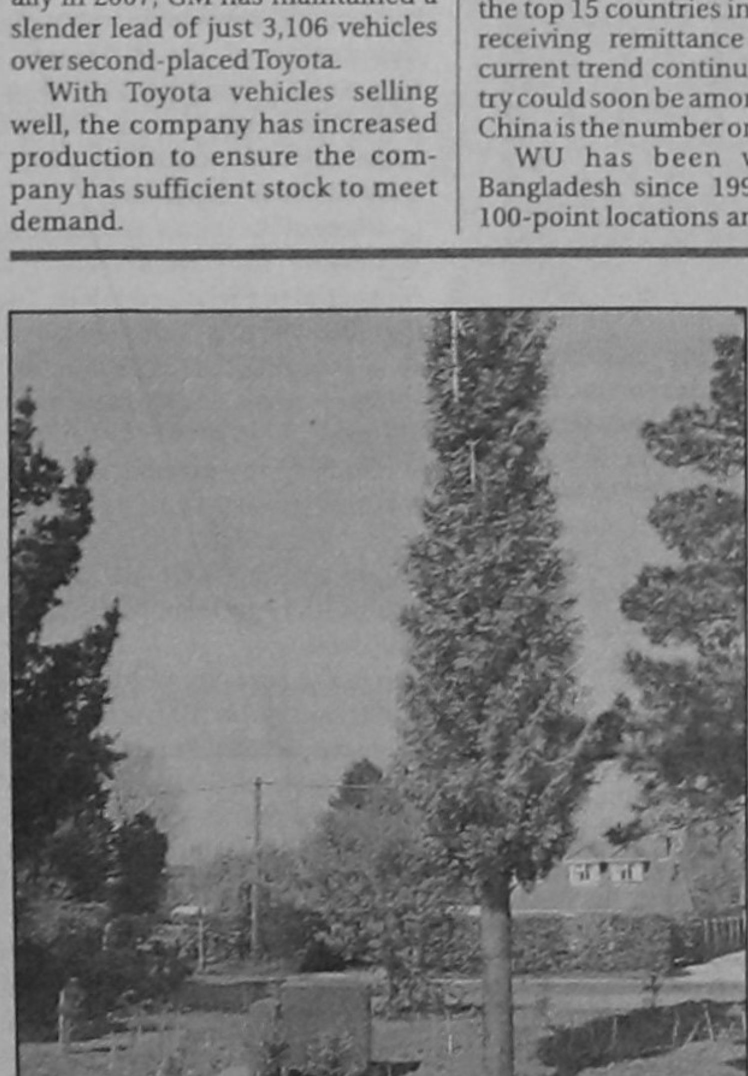
According to sources, the premier bourse yesterday formally informed the companies of the fines that took effect from February 1 [Friday].

The DSE also asked the companies to send the required financial statements along with a late fee of Tk 500 per day.

During the timeframe that ended December 31, a total of 111 companies were supposed to submit their half yearly reports within January 31.

A total of 93 companies, however, have submitted their reports to the bourse, the sources said.

The companies that have been fined are Ashraf Textile, BSC, Chic Tex Ltd, Delta Spinners, GMG Ind Corp, Gulf Foods, M Hossain Garments, Maq Enterprise, Metalex Corporation, Mita Textile, Mona Food, Perfume Chemicals, Pharmaco International, Phoenix Leather, Raspit Data Management, Raspit Inc (BD), Rose Heaven Ball, and Tamijuddin Textile.



Look carefully at the tree, you will see a glint of silver near the top and an unnaturally straight and even trunk. But the real give away to this mobile base station in Europe are the plastic leaves and the circuit box a few meters away to the left.

New-look base stations

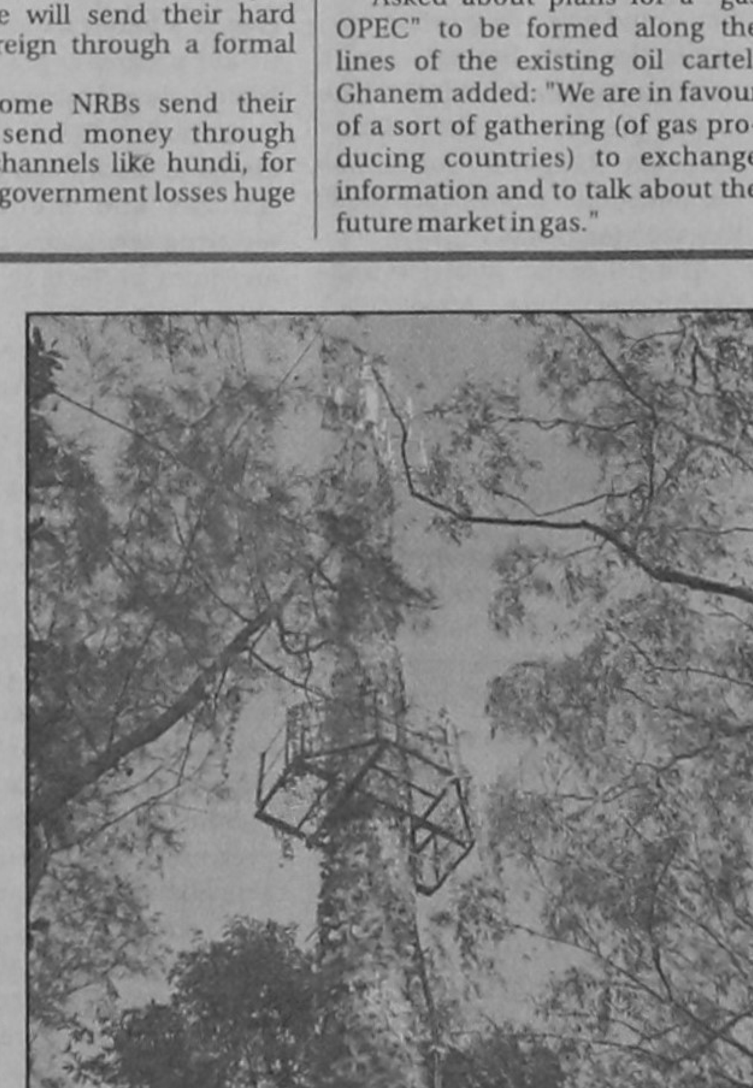
STAR BUSINESS REPORT

Is it is bush, is it a tree.....no, it's the latest attempt by the mobile telephone industry in Bangladesh to camouflage an ugly base station in order that it will blend in with the surroundings.

In Europe and North America mobile telephone masts shaped as trees, lampposts or chimney pots have become increasingly common. In one bizarre case in Germany a mast was even shaped like a crucifix so it could be placed on top of a church.

In Bangladesh, Grameenphone has just started the process of setting up camouflaged antenna, with some appearing on Dhaka University Campus and others to be set up at the Bangladesh Agricultural University (BAU) in Mymensingh. At Dhaka University one micro base station has been completely surrounded by bushes, while at the BAU campus, the pole will be wrapped in plastic creepers and leaves.

"These camouflaged base stations will be installed to keep harmony with the university environment which was also a major requirement from the university authority," Grameenphone said.



A monopole base station erected by Grameenphone in Dhaka. The pole has been camouflaged to look like a tree trunk, although work still needs to be done to hide the equipment at the top of the tower.