



Right, Nobel laureate Prof Muhammad Yunus and USAID Administrator Raj Shah pose with an agreement signed to collaborate in promoting social business around the world, at the USAID headquarters in Washington on Monday.

USAID ties up with Yunus on social business

STAR BUSINESS DESK

YUNUS Social Business (YSB) has recently joined hands with the US Agency for International Development (USAID) to work together to promote entrepreneurship and the development of social business in vulnerable and under-served communities around the world.

Nobel laureate Prof Muhammad Yunus and USAID Administrator Dr Raj Shah signed a deal in Washington DC on Monday to foster market-based solutions to the critical social and economic challenges the world's poor now face.

"Our collaboration with Yunus Social Business is indicative of the new model for development that USAID is actively pursuing with a multitude of partners throughout the world to advance solutions to development challenges that are sustainable in the long-term," said Shah.

"We share vision of how to address social, economic and environmental challenges in the developing world, and we

look forward to making a real difference in the countries we work in."

"I am delighted to announce this new partnership between USAID and YSB to support our social business initiatives across the world," said Yunus, the chairman of YSB.

"The technical support from USAID will help us to amplify the impact achieved by our Social Business Incubator Funds," the Nobel laureate said.

USAID's financial contribution will act as the catalyst in attracting new private sector capital into social business, enabling YSB to invest in more social businesses, and to reach even more poor people than before, he said.

YSB offices and programmes in Haiti, Albania, Brazil, Colombia and Uganda, will seek to collaborate with USAID bureaus and missions to find and implement solutions together, combining USAID's vast international development knowledge with YSB's expertise in social business, Yunus said.

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Motif artisans in Ctg race against time as Eid nears

UDAY SANKAR DAS, Chittagong

MOTIF artisans of the Bihari Colony in the port city are now working round the clock to meet the growing demand of individuals and boutique houses for the upcoming festival of Eid-ul-Fitr.

Situated at Jhautola in Ambagan, most of the Urdu speaking inhabitants of the colony have traditionally been doing jardousi and karchupi motif work on saris, three-pieces, panjabis and burqas for generations.

Almost all the 700-odd families remain busy at this time of the year doing various types of design work on menswear and ladieswear.

The work is done on saris, panjabis and kameez by placing them on wooden planks inside rooms with beads, chumkis, sprinkles, decorative stones and other

accessories.

One can sense a buzz in the colony during this time of the year with music playing aloud to keep the busy workers of the place entertained.

Rana, 24, who learnt the skills from his parents at the age of 10, said he does motif work throughout the year. But during Eid, Rana turns to his younger sister Salma for help to share the increased workload.

"Apart from orders from shopkeepers, many individuals also come to place orders for their Eid outfits," said Murad, who calls his business "Murad Boutiques".

Prices are fixed for different designs and work, he said.

Another artist, Imran, was seen busy doing jardousi work on a sari. He got the order from an outlet in the city's Mimi Supermarket. Imran can make a profit of up to Tk 5,000 from a sari depending on design, he said.

Raju Boutiques does motif work on panjabis and three-pieces mostly. The owner of the boutique, Mohammad Raju, said he has received a good number of orders for panjabis and three-pieces this Eid.

Raju said he charges between Tk 500 and Tk 2,000 for a panjabi and up to Tk 2,000 for a three-piece, and his profit margin is around 80 percent.

Raju was seen doing some work on a burqa. He said he has now embarked on doing this motif work, as it helps him fetch a good return.

"I make Tk 800 to Tk 1,500 from each burqa," said Raju with a smile on his face.

Raju's brother Rubel, however, also has the skills of the art, but he is not a full-timer.

Rubel engages himself in the traditional work in the evening after returning from his job of an attendant in a city office.

He said he obtained orders for six panjabis and a three-piece, which would help him earn Tk 10,000 this Eid after all expenses.

"This work would cover my Eid expenses."

In the colony, Pappu Boutiques is one of the most popular boutiques, which has engaged five employees.

Almost all the families in the colony mastered the art of the traditional motif work, said Pappu, owner of Pappu Boutiques, while doing stitch work on a burqa.

The workers of the colony may not have the means to wear such outfits, but at least, they have the satisfaction that their creative work would bring a big smile to those who would don the attires on Eid day, he said.

But in the last few years, there has been a lull in the business due to cheap imports of such outfits from India and Pakistan.



Left, Artists work on dresses using decorative stones at Bihari Colony in the port city of Chittagong.



Right, A man uses a needle to design a dress.

For the mobile internet, tomorrow belongs to Asia

REUTERS, Singapore

AFTER five years of explosive growth sales of high-end smartphones have hit a plateau and the \$2 trillion industry - telecom carriers, handset makers and content providers - is buckling up for a bumpier ride as growth shifts to emerging markets, primarily in Asia.

While carrier subsidies have helped drive sales of high-end devices in mature markets, the next growth chapter will be in emerging markets where cost-conscious users demand cheaper gadgets and cheaper access to cheaper services.

This year, the number of mobile Internet users in the developing world will overtake those in the developed world for the first time - growing 27 times since 2007, compared to the developed world's fourfold growth, according to estimates from the International Telecommunications Union (ITU).

"The centre of gravity in the mobile ecosystem is likely to shift from the United States and Western Europe toward Asia," Mary Ellen Gordon, director at mobile advertiser Flurry Inc, said in an emailed interview.

That shift is a challenge to profit margins at the likes of Apple Inc and Samsung Electronics, which together sell half of the world's smartphones. Both companies announce quarterly results this week.

Samsung has indicated its second-quarter operating profit will fall short of estimates as demand for high-end smartphones slows.

Apple is also exploring cheaper iPhone models that come in different colours to tap the mass segment, sources have said.

Neither faces any kind of crisis. But, industry experts say, many users in mature markets who want a smartphone already have one. European smartphone shipments grew 12 percent in January-March from a year ago, the slowest growth since IT research firm IDC started tracking the mobile market in 2004.

Many of the new mobile users will be in Asia Pacific. The region will this year have more mobile Internet users than Europe and the Americas combined, the ITU predicts. And there's plenty of room to grow: fewer than 23 in 100 in Asia are mobile Internet users, versus 67 in Europe and 48 in the Americas.

"Asia will be the driving force of global growth for the next two decades," says Scott Lee, head of Asia at AppsNack, a division of US based digital advertising company Exponential Interactive.

The catch: much of this growth will come from users of devices that are up to 10 times cheaper than those in the developed world. Cheaper components, easy and fast access to latest versions of Google Inc's Android operat-



A customer holds up an Apple iPhone 5 (L) and iPhone 4S in Brussels.

ing system, reference designs from chipmakers and falling prices of the chipsets themselves are pushing this, says Frederick Wong, a portfolio manager at tech-focused eFusion Investment Ltd, who owns four smartphones.

China, the world's biggest mobile market - where only about a fifth of its 1 billion users are on 3G - has emerged as a fierce battleground for smartphones. Each niche has a different local challenger: Xiaomi, for example, offers phones which could be mistaken for iPhones at first glance, but which sell at less than half the price of an iPhone 5.

This presents problems for the bigger players.

"Our objective is to achieve a leadership position in the market," Lenovo Group Ltd CFO Wong Wai Ming told Reuters recently, "and therefore only being involved in a certain price range will not enable us to achieve that."

Even more cut-throat is India, the world's second largest mobile market, where the price of a low-end Android phone has halved in the past year to about \$50, says Sameer Singh, Hyderabad-based analyst at BitChem Ventures. By next year, he reckons prices will drop another \$20, undercutting feature phones from Nokia and Samsung.

As the price points fall, more users will adopt smarter devices. Between now and 2017, eMarketer estimates China and India will account for more than 28 percent of new smartphone subscribers. India's share of the world's smartphone subscribers will triple.

This is already challenging existing players.

Samsung, for one, is being squeezed at both ends of the market. While rivals at the lower end say it has cut prices on some models on a quarterly basis, others are challenging it at the high end with cheaper handsets with more or less the same specifications.

Indian handset maker Micromax, for example, this month released its Canvas 4 phone with features comparable to Samsung's Galaxy S3 and Note 2, but at up to half the price. "It's very hard for a company like Samsung to compete with these guys," noted Singh.

It's not just the prices of phones that are dropping. Tablet prices are actually falling at a faster rate creating across the region what Singh calls "a whole new category of Internet user."

Demand for tablets in the Philippines, for example, grew fourfold in the past year, according to consultancy GfK; prices across Southeast Asia during that period fell by a quarter.

Talmon Marco, CEO of Internet phone and messaging service Viber, says the shift from a standard phone to even the most basic device running operating systems like Android is like "moving from a great bicycle to an old leaking 1970s car. That car can still take you from New York to Chicago in a couple of days. The bicycle never will."

Whatever the quality of hardware or connection, a smartphone or tablet shares the same DNA - user interface, apps and access to an online store - which stimulates higher usage, Marco says.

A look at some of India's cheap food schemes

ADITYA KALRA for Reuters

NEARLY 70 percent of India's population lives on less than \$2 (around 120 rupees) a day, according to World Bank data. The country, the world's second-largest producer of wheat and rice after China, is also home to a quarter of the world's hungry.

Helping the poor has always been on the ruling government's agenda since independence. India, which currently spends 900 billion rupees on giving the poor access to cheap food, hopes to increase it to 1.3 trillion rupees (\$22 billion) and widen its scope with an ambitious food security programme launched this month.

The problem is many of the intended beneficiaries don't realize they're missing out on existing schemes.

In 2005, a study found that families living below the poverty line in India did not receive more than half of the grains earmarked for the poor due to identification errors and unethical practices. In 2011, the economic survey said leakages in the system are "far too high".

While the new food security bill aims to bring cheaper food to millions more, there are various welfare schemes which already offer subsidized food to Indians. But one such scheme is at the centre of a storm after 23 children died after having their mid-day meal at a Bihar school.

Here's a look at some of the government's existing food schemes. The list is not exhaustive.

Below Poverty Line (BPL): Households having BPL ration cards are issued 35 kg of rice and wheat for 5.65 rupees and 4.15 rupees per kilogram. Last year, the planning commission calculated India's poverty line for cities at 28.65 rupees per day.

Rice, which is not traded on commodity exchanges in India, is priced between 30 to 150 rupees per kg in the retail market - depending on variety. Wheat costs about

16 rupees per kg.

Antyodaya Anna Yojana (AAY): The scheme, launched in December 2000, provides 35 kg of grains at heavily subsidized prices to the poorest among the BPL families. Each month, 25 kg of wheat is given at two rupees per kg, while 10 kg of rice is distributed for three rupees per kg.

Above Poverty Line (APL): There are some plans for the not-so-poor as well. Households not covered under the BPL or AAY are eligible to get 35 kg of grains: rice at 8.3 rupees per kg and wheat at 6.10 rupees per kg.

Mid-day Meal Scheme: This programme is facing criticism after 23 children died last week after eating a meal served at school. Catering to about 120 million children every day, this is the world's largest school feeding programme. The aim is to improve nutritional levels among children, as also encouraging enrolment and attendance. Children get cooked food, including pulses and vegetables.

Annapurna Scheme: This scheme targets senior citizens (65 years or older) and gives food security to those not getting a pension. Each month, beneficiaries get 10 kg of grains at no cost.

Emergency Feeding Programme: This scheme covers around 200,000 people in eight Kalandandi-Balangir-Koraput (KBK) districts in Odisha, considered one of the most backward regions in the country. This scheme provides one cooked meal a day throughout the year, including rice, pulses and vegetables.

Rajiv Gandhi Scheme for Empowerment of Adolescent Girls: The programme aims to improve the health of girls between 11 to 18 years, while also helping them understand more about sexual health and child care. The scheme also provides for health check-ups and supplementary nutrition 300 days a year.

The writer is the deputy editor of the India Online team based out of New Delhi.

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