

# Digital dividends still far off

## WB report highlights digital footprints in Bangladesh

**STAR BUSINESS REPORT**

The ICT sector accounts for less than 0.5 percent of total jobs in Bangladesh even though digital technologies have spread rapidly in recent years, according to a new World Bank report.

The rate is close to 1 percent in India and Nigeria and 0.5 percent in Kenya, said the World Development Report 2016: Digital Dividends.

The government has taken a series of steps to transform the country into Digital Bangladesh, but it is still lagging in reaping the benefits of faster internet and penetration of mobile phones.

With around 130 million mobile phone subscribers, the digital technologies are taking hold in Bangladesh. Yet, the country has the fifth largest population not connected to the internet.

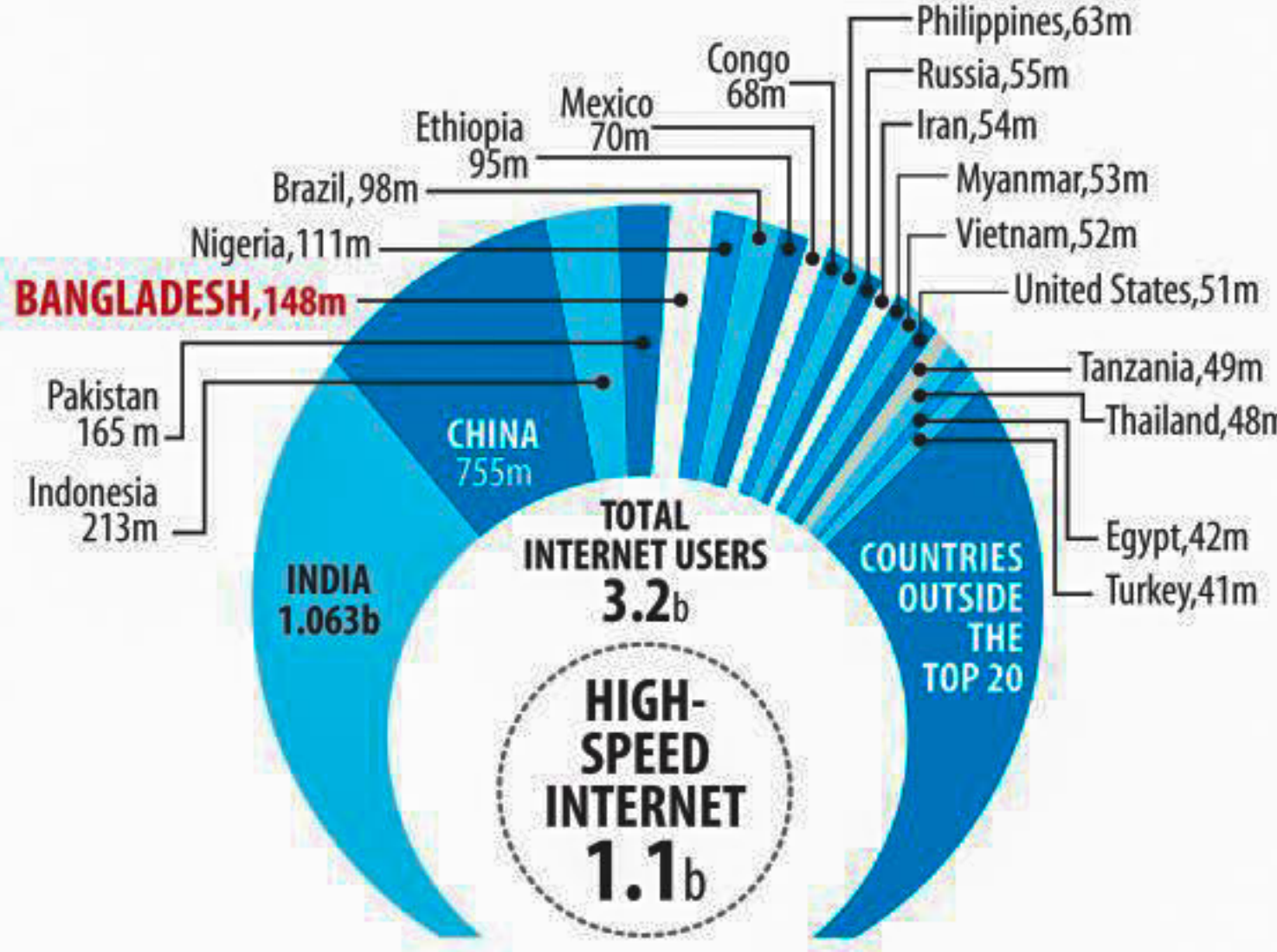
"Bangladesh can accelerate growth, create more jobs and deliver better public services by enhancing access to digital technologies," the WB said.

Zunaid Ahmed Palak, state minister for information and communication technology, and Qimiao Fan, country director of the WB for Bangladesh, Bhutan and Nepal, jointly launched the report at the Amari hotel in Dhaka yesterday.

In Bangladesh, mobile banking has broadened financial inclusion for the poor. Further, the government has rolled out electronic government procurement or e-GP.

Bidders, even at the upazila level, have embraced the new way of doing business, which has helped reduce the time and transaction costs and enhanced transparency and competition of public procurement.

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The government has also set up the country's first national data centre. It hosts over 200 government websites, and ensures much higher reliability and efficiency in the use of ICT by the public sector.

Bangladesh has one of the cheapest rates to make a phone call, but internet prices remain high, the report said.

Some 148 million people in Bangladesh still do not have access to the internet, the WB said.

However, according to Bangladesh Telecommunication Regulatory Commission, there were 6.12 crore active internet connections in the country as of March.

Deepak Mishra, co-director of the report, acknowledged the internet access number gap between the report and the national data and pointed three major reasons for the difference.

For the report, the WB used data until August 2014 from the International Telecommunication Union, which is much reliable and easily comparable with other countries, he said.

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# Only half of ADP money spent in 10 months

**REJAUL KARIM BYRON**

The implementation of the annual development programme in the first ten months of the current fiscal year was only half the revised allocation, mainly due to low spending on the Padma bridge project.

According to the Implementation Monitoring and Evaluation Division, Tk 45,108 crore was utilised from the allocation in July-April, which is about 50 percent of the revised allocation of Tk 91,000 crore for the year.

The original ADP allocation last year was Tk 97,000 crore; it was later revised down for the lack of ability to implement it.

Of the 10 large ministries and divisions, the Bridges Division spent only 41 percent of its revised allocation in 10 months.

The number of projects under the bridges division is only 3, of which, the Padma bridge project received the highest allocation. In the first nine months of the fiscal year, Tk 892 crore has been utilised in the project.

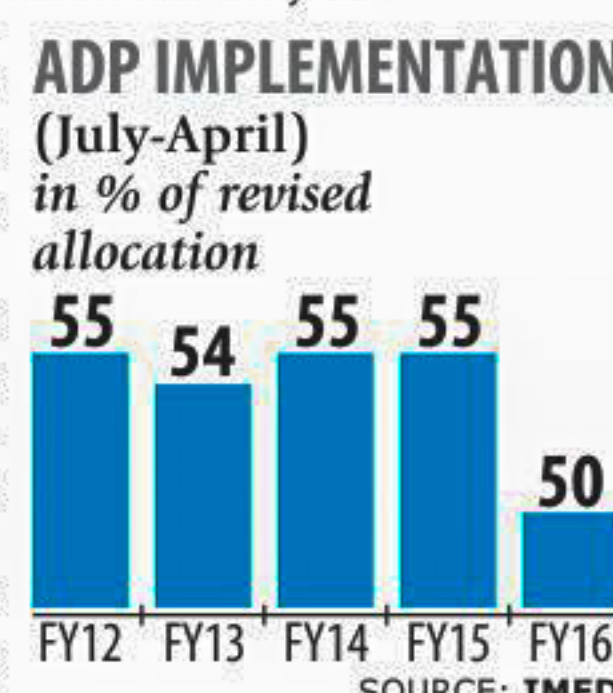
The Bridges Division got an allocation of Tk 7,400 crore in the current fiscal year. The total estimated cost of the bridge is Tk 28,793 crore.

However, the allocation was slashed in the revised budget and proposed at Tk 5,009 crore.

An official of the Padma bridge project said they may eventually get Tk 3,700 crore in allocation and they are hopeful about spending that amount in the current fiscal year.

Shafiqul Islam, director of the Padma bridge project, told The Daily Star that the project is progressing physically, but payments are sometimes made later. As a result, progress is not seen in financial terms, he added.

Some of the project's work is being done in China and when the materials will be handed over, payments made to the Chinese contractor can be seen in the implementation report, he said.



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# Banglalink posts record revenue

**STAR BUSINESS REPORT**

Banglalink logged in Tk 1,220 crore in revenue in the first quarter of 2016 -- the highest in its 11-year history, raising hopes that it will finally turn in full-year profits this year.

"This is the highest revenue in a single quarter for Banglalink," Erik Aas, the operator's chief executive officer and managing director, said at a press briefing yesterday.

Both voice and data growth accounted for the record revenue, which was an increase of 6 percent from a year earlier.

"Voice revenue is still growing -- we are surprised that people are still talking much."

Between January and March, the operator's data revenue soared 60 percent from a year earlier to Tk 107 crore.

"We planned to be a profitable last year, but unfortunately we missed the mark. But we are very much hopeful we will be a profitable company this year."

At the end of March, Banglalink's active subscriber base stood at 3.16 crore, a decline of about two lakh from a year earlier.

"This is not a reduction. Rather, this is an adjustment of the customer base and the whole industry has been going through the same scenario in the last few months," Aas said.



All mobile subscribers have to re-register with biometric details by May 31 to continue to use their numbers.

As of Sunday, Banglalink has re-registered 2.5 crore of its subscribers.

The process, which started on December 16 last year, has resulted in the operators shedding customers, but Banglalink is looking at the bright side.

The move will provide a solid and secure customer base from which the operator can develop new revenue streams such as e-commerce, content and payment solutions.

The biometric re-registration will also be helpful in reducing illegal international call termination, Aas said.

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# Success in factory safety lauded at ADB discussion

**STAR BUSINESS REPORT**

Western experts and policymakers lauded the progress Bangladesh has made in the apparel sector since the Rana Plaza building collapse in 2013.

They made the observation at a discussion organised by the Asian Development Bank on the sidelines of ADB's annual meeting held in Frankfurt, Germany on May 1-5.

David Hasanat, chairman of Viyellatex Group and a leading garment exporter in Bangladesh, said all western buyers have their own officials to check quality of products in Bangladesh, but they recruit none to oversee and ensure occupational health and factory environment.

Hasanat was one of the panellists at

the discussion -- Partnership for sustainable textile.

Susanne Hoffman, director general of the Federal Ministry of Labour and Social Affairs of Germany; Gilbert Hougbo, deputy director general of International Labour Organisation, and Christopher Stephens, general counsel of ADB, were the other panellists.

The Rana Plaza collapse was a wakeup call for factory owners and government for improving the working conditions of the production units, Hasanat said.

He also said Accord and Alliance, two forums of Western buyers that are inspecting the factories in Bangladesh, found that only less than 3 percent of the factories are yet to be compliant.

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# Golden Star launches locally assembled flat screen TVs

**STAR BUSINESS REPORT**

Golden Star Industries, a local firm, has started assembling flat panel televisions to meet the growing demand, as customers are increasingly shifting preference from the older CRT (cathode ray tube) televisions to LEDs.

"We have started commercial marketing and distribution of our Golden Star-branded LED (light emitting diode) television from March this year," said Ali Asgar Tagor, managing director of Golden Star Industries.

Presently, they are assembling 125 LED televisions in one shift or in eight hours a day in the plant with 21 diploma engineers working on the assembling in a single line module.

"The number of shifts and assembling line will increase gradually," said Tagor, while showing the key features of the assembling plant to a group of reporters at his factory at Bangladesh Small and Cottage Industries Corporation industrial area in Dhamrai, on the outskirts of the capital.

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