

Tech neutrality crucial for 4G services: analysts

STAR BUSINESS REPORT

Technology neutrality and quality handsets are crucial for affordable 4G services, telecom experts said at the daylong LTE Summit in Dhaka yesterday.

The openness of government policies is also a key aspect for the mobile phone companies in providing 4G or long-term evolution (LTE) services, which is a data connection technology faster than the existing 3G services.

Bangladesh Telecommunication Regulatory Commission organised the summit, in partnership with the Association of Mobile Telecom Operators of Bangladesh at Pac Pacific Sonargaon Hotel.

The government plans to introduce 4G services next year and by 2021, there will be 12 million 4G data users in Bangladesh, said Joe Grand, senior consultant from Ericsson's South East Asia and Oceania region, quoting GSMA intelligence.

At that time, 3G connections will stand at 94 million and the rest 66 million will be 2G users, he said.

Highlighting LTE, market leader Grameenphone said only 4 percent of its net-

work is using 4G-enabled handsets.

"It's important that people have quality handsets to enjoy quality services. And affordability largely depends on how much the government opens up on infrastructure and spectrum," said Grameenphone Chief Executive Officer Petter-B Furberg.

Although foreign investors are keen on investing more, the ground reality is that it is very difficult here, said Robi CEO Mahtab Uddin Ahmed.

"The operators are dying, they are merging with each other to sustain. Except for one operator, all others are still struggling after so many years. It is because we provide the lowest pricing in service."

He said the tax authorities are coming down heavily on the operators and mostly looking for short-term gains. "I hope the government will come up with policies with long-term vision and deregulation of the industry for 4G services."

Banglalink Chief Corporate Affairs Officer Taimur Rahman said coordinated government efforts are needed for policy issues, especially in infrastructure-sharing.

BTRC Director General of Systems and Services Division Emdad ul Bari said

affordability is a big question in data, both for service and handset pricing.

He said cost reduction is important and infrastructure sharing is the key here.

In another panel session, Md Nasim Parvez, director general of Spectrum Management Division at BTRC, said the policy for 4G services should consider the interest of consumers and the government as well as operators' sustainability.

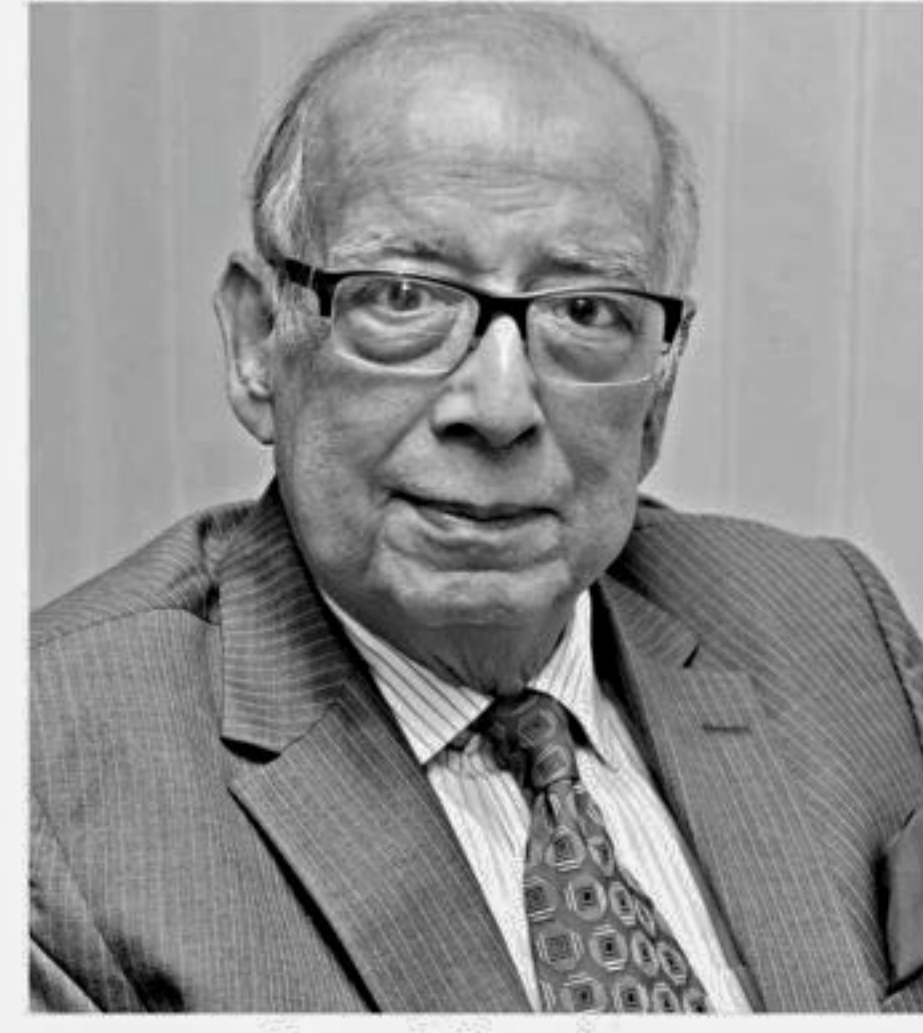
The data use has remained on the high-growth path since December 2013: data use per user per month was 46 MB then, which increased to 446 MB in October this year, he said.

Johan Frisell, Swedish ambassador to Bangladesh, said the rapid growth of telecom in Bangladesh is praiseworthy and now, it is time to roll out LTE services.

"If you charge too much, you may get short-term benefits. But ultimately, it would have a negative impact on the industry," said Frisell.

This is the first LTE summit in the country. BTRC's acting Chairman Md Ahsan Habib Khan also spoke and AMTOB General Secretary TIM Nurul Kabir moderated the sessions.

Faruq re-elected chairman of DBH, Nasir vice-chairman



Faruq A Choudhury



Nasir A Choudhury

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Faruq A Choudhury, a former foreign secretary and a noted columnist and author, has been re-elected as chairman and Nasir A Choudhury, a renowned personality in the insurance industry, as vice-chairman of Delta Brac Housing Finance Corporation Ltd (DBH) for the next one year.

They were elected at a meeting of the board of directors of the company on Thursday. Faruq A Choudhury was awarded Bangla Academy Literary Award and IFIC Bank Literary Award. Faruq, a former career diplomat and high commissioner to India, was adviser of Brac from 1992 to 2006. He is

presently a member of the Brac University Trustee Board. He has been a director of DBH since its inception.

Nasir A Choudhury is a pioneer in the field of insurance. He was the founder managing director and presently adviser of Green Delta Insurance Company. He is also the chairman of Green Delta Securities Ltd, Green Delta Capital Ltd, and GD Assist Ltd.

He is a director of Progressive Life Ltd and United Hospital Ltd. Nasir Choudhury was honoured in 2010 with the DHL-The Daily Star Lifetime Achievement Award for his contribution to the development of the insurance industry. He has been a director of DBH since its inception.



Farzana Chowdhury, managing director and CEO of Green Delta Insurance Company, and Ananya Raihan, CEO of iSocial (Infolady Social Enterprise), exchange documents after signing an agreement. Kalyani, formerly known as Infolady, will act as an active agent of Green Delta Insurance and sell the Nibedita (comprehensive insurance scheme for women), products to rural underserved people, especially women. Nasir A Choudhury, founding managing director of Green Delta, was also present.

Uber excited about Dhaka potential

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He also talked about the authority's restrictions on Uber ride, just two days after the launch of the service in Dhaka.

Bangladesh Road Transport Authority or BRTA in a statement on Friday said Uber is being operated violating the law and motor vehicle regulations. It also urged Uber authorities and drivers to stop doing such illegal activities.

"In line with the government's vision of a digital Bangladesh we want to work with the government and policymakers to help bring innovation to our cities through constructive dialogue and engagement," said Jain.



Kazi Rafiqul Islam, director, wholesale operations of Singer Bangladesh, opens a Singer Pro Dealer Shop -- M/s TN Electronics -- on SSK Road in Feni recently. Singer branded products such as refrigerator, television and other consumer electronics and home appliances will be available at the outlet.

Tofail sees politics in GSP, Bernicat disagrees

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"This is a vague sentence to me. We have improved the workers' rights in Bangladesh a lot," he added.

Bangladesh amended the labour law in July 2013 to allow workers the full freedom of association at the factory level.

But labour activists say they still face restrictions in entering the factory premises and the government has failed to register the unions, which would give them the legal right to represent workers.

While Bernicat acknowledged that Bangladesh has taken giant strides in improving workplace safety in the garment sector, it is in labour rights where significant ground still needs to be covered.

"I will say that the progress on the safety side of the 16-point action plan has been remarkable and should continue."

But there has not been the same level of progress in labour rights, she said. "I urge each one of you to go to the US Trade Representative website and find the 16 points and ask yourself."

Bernicat said the US's goal is to make sure that the workers have the opportunity under the law to organise trade unions, and if their employers discriminate against them, actions would be taken.

"We are working on helping fulfil the 16 items in the action plan -- that is the sole basis on which this administration has been working for the restoration of the GSP for Bangladesh. I remain optimistic that we will find a way to do that."

Meanwhile, the third meeting of the

Trade and Investment Cooperation Forum Agreement between Bangladesh and the US has been postponed as Washington will see a new president in January.

The meeting was supposed to be held in Dhaka on December 13.

"I hope the meeting will take place at a convenient time in March or April next year," Ahmed said.

In the Ticfa meeting, the USTR, the chief trade negotiator for the American government, represents the US government.

"There might be a change in the USTR and this is why the Ticfa meeting has been postponed," Ahmed said.

There is a misunderstanding that Ticfa was signed to regain GSP from the US.

"Please understand Ticfa is a platform for discussion just like partnership dialogue and security dialogue. Ticfa was not signed primarily to regain the GSP -- there is such a misunderstanding," Bernicat said.

The Ticfa talks always provide a good opportunity to expand the economic activities between the two countries, Bernicat said. The Ticfa talks will continue even if GSP is restored, she added.

Bangladesh signed Ticfa with the US in November 2013.

The first Ticfa meeting was held in Dhaka in April 2014 and the second in Washington in November last year.

In the second meeting, the US discussed market access for goods and services, and the tariff structure for fire, electrical and structural equipment as Bangladesh would have to import those items.

Digital payment making strides

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McKinsey projected that globally, digital finance could lead to a \$3.7 trillion economic growth boost by 2025, create 95 million new jobs across all sectors, bring 1.6 billion new people into the formal financial system, and save \$110 billion annually in payment leakages in emerging countries.

The study also found that there was poor progress in the volume of government digital transactions, which is only 1 percent.

"The electronic payment of pension has not yet started, but a database for automated pension payments is under consideration."

Although all forms of digital payments have been increasing in Bangladesh, the mobile financial services industry in particular is notable for its rapid expansion, the study said.

Migration from rural to urban areas has significantly increased domestic remittances in Bangladesh.

However, 90 percent of this segment of the population is yet to transition to digital payments, the report added.

The report also mentioned a lack of inter-operability as one of the challenges in the mobile financial sector.

Bangladesh has experienced 120 percent year-on-year growth in mobile financial services since 2011; in 2015, over one billion transactions were made digitally worth nearly \$20 billion, the study said.

Currently, over 38 million people have used mobile money services, showing the growing appetite to move away from a

cash-dominant economy.

Currently, no account is eligible to send money through mobile wallets on different platforms; this barrier needs to be removed to get maximum benefits, the report recommends.

Formal business payments represent around \$150 billion or about 40 percent of the total value of payments in Bangladesh.

Payments by person to business, person to person and person to government account for around \$170 billion in a year.

"The significant progress in moving away from cash that Bangladesh has made in such a short amount of time is due to the government's strong leadership, innovation of the private sector and citizens' openness to a digital future," said Ruth Goodwin-Groen, managing director of BTCA.

Country Director of UNDP Sudipto Mukerjee said, to get the maximum benefit from digitisation, the telecom regulator and banking regulator need a clear collaborative attitude.

The report also said further digitisation of government to person payments could save an estimated \$146 million annually across six major social safety net programmes.

Additional Finance Secretary Muslim Chowdhury, and Policy Adviser of a2i Anir Chowdhury also spoke on the occasion, while managing partner of pi Strategy Prial Islam presented the report.

Experts from the industry also spoke at different technical sessions.

Mirza Elias promoted to AMD of Jamuna Bank

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Mirza Elias Uddin Ahmed has recently been promoted to the post of additional managing director of Jamuna Bank, according to a press statement.

Prior to the promotion, Ahmed served the bank as deputy managing director for three years.

After completing his master's in management from the University of Dhaka, Ahmed started his banking career in 1985 with National Bank.

Before joining Jamuna Bank as senior assistant vice-president in 2001, he also served Prime Bank and Mercantile Bank.



Long-time taxpayer awarded

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Abdul Kuddus, 81, has been awarded by the National Board of Revenue for paying taxes for 55 consecutive years.

Income tax documents of NBR show that Kuddus has been paying taxes every year since 1962-63.

"Government recognition will encourage more people to pay taxes," he said after receiving the award from MA Mannan, state minister for finance, on Thursday.

He received the award as the longest time taxpayer in Dhaka Division. His son Sarder Akil Ahmed Faruki, who is the general secretary of Dhaka Taxes Bar Association, claimed that his father would be the longest-time taxpayer in Bangladesh. Kuddus urged NBR to make tax submission hassle-free for the new taxpayers.

Aman prices set higher

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The millers were directed to make their mills automated or semi-automated by fiscal 2014-15, but most millers could not do that by the deadline, so the timeframe was extended to 2016.

The millers will not be given more time, the minister said.

The Test Relief and Food for Work programmes required about eight lakh tonnes of food grain. The food grain stock came down to eight lakh tonnes this

year from more than 15 lakh tonnes last year.

The two programmes have been made money-based this year, so their need for food grain has ended.

"The food stock of eight lakh tonnes is satisfactory. The food stock last year was unnatural -- so much stock was not necessary."

The government introduced a new programme from this year under which rice is sold at Tk 10 per kg to the poor at union levels

during the lean periods of September-November and March-April.

The programme will require 7.5 lakh tonnes of rice every year, Islam said. In the current season, 4.5 lakh tonnes of rice were required, while the next season will need three lakh tonnes.

"Now we are procuring aman and in the next season we will procure boro rice. Rice will be distributed and new rice will be purchased -- this will continue."

Abdul Kuddus, who has been paying tax for the last 55 consecutive years, receives an award from MA Mannan, state minister for finance, in Dhaka on Thursday in recognition of his contribution to the national exchequer.

