

# MyGP app completes 5th year

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"MyGP app" has completed its 5 year journey enabling digital inclusion. The app has played a pivotal role in supporting digital inclusion with access to information, accessible technology, and digital literacy, says a press release. It has facilitated over 32 million Grameenphone users with basic self-service for their mobile connection, alongside enhancing their lives with various assorted entertainment and lifestyle solutions since its inception on August 9, 2016. Enabling manifold possibilities through a single platform, Grameenphone's dedicated one-stop solution app, MyGP, quickly won the hearts of 1 million monthly active users by the end of 2016, setting the foundation of building a much larger base. With the vision to build a digital ecosystem which caters to the evolving digital lifestyle and demands of mass and progression towards a more digital savvy future, MyGP set out to build a platform for all to get things done in a simple, faster manner on the go. A total of 110 versions were released since inception, and with each update, Grameenphone opted to increase the efficacy of the app to retain possibilities at the tip of the users' fingers in their relentless

efforts to stay relevant to customers' demands. "As a connectivity partner to Digital Bangladesh Grameenphone has always been on the forefront with innovation. One of the key benefits of digitization is that it empowers the end users and provides transparency," said Solaiman Alam, chief digital and strategy officer of Grameenphone. "MyGP is Grameenphone's flagship app, and it gives the customers the ability to avail almost all GP services through just a touch. The app has come a long way, bringing simpler, faster & more personalised experiences. MyGP app is also the place to get the best deals on Grameenphone services and innovative customer friendly features that are not available anywhere else," he said. "Over the past 5 years MyGP has evolved into one of the largest digital distribution app that has given the users not only access to GP services but quite a few essential things like news, education, live sports etc. With the widespread popularity of platforms like this, more people are crossing the digital divide and using the internet to fulfill their daily needs. The constant love and feedback that we receive from our MyGP users inspire us to make this even better," he added.

# Big Tech rolls on as investors shrug off regulatory pressure

AFP, Washington

Pressure is rising on Big Tech firms, signaling tougher regulation in Washington and elsewhere that could lead to the breakup of the largest platforms. But you'd hardly know by looking at their share prices. Shares in Apple, Facebook, Amazon and Google parent Alphabet have hovered near record highs in recent weeks, lifted by pandemic-fueled surges in sales and profits that have helped the big firms extend their

dominance of key economic sectors. The Biden administration has given signs of more aggressive regulation with appointments of Big Tech critics at the Federal Trade Commission. But that has failed to dent the momentum of the largest tech firms, despite tough talk and antitrust litigation in the United States and Europe, with US lawmakers eyeing moves to make antitrust enforcement easier. Big Tech critics in the United States and the EU want Apple and Google to loosen the grip of their online app marketplaces; more competition in a

digital advertising market dominated by Google and Facebook; and better access to Amazon's e-commerce platform by third-party sellers. One lawsuit tossed out by a judge but in the process of being refiled could force Facebook to spin off its Instagram and WhatsApp platforms, and some activists and lawmakers are pressing for breakups of the four tech giants. All four have hit market valuations above \$1 trillion, with Apple over \$2 trillion. Alphabet shares are up some 80 percent from a year ago, with Facebook up nearly 40 percent and Apple almost 30 percent. Amazon shares are roughly on par with last year's level after breaking records in July. Microsoft, with a \$2 trillion valuation, has largely escaped antitrust scrutiny, even as it has benefited from the cloud computing trend. The surging growth has stoked complaints that the strongest firms are extending their dominance and squeezing out rivals.



Shirin Akhter

## Shirin MD of current charge at Krishi Bank

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Shirin Akhter has been appointed managing director (current charge) of Bangladesh Krishi Bank in place of Md Ali Hossain Prodhania, who recently went into retirement. Her new charge has come into effect from July 31, 2021, said a press release. Akhter has been serving the bank as deputy managing director since September 16, 2019. She started her professional career as a banker with Agrani Bank in 1988 through Bankers' Recruitment Committee. She obtained honours and master's degrees in political science from the University of Dhaka. She later attained an MBA degree from Stamford University in Dhaka.

## Ease conditions for raw material import: BGMEA

FROM PAGE B1 Partial shipment refers to allowing importing and unloading a portion of a consignment ordered under letters of credit (LCs). Businesspeople choose partial shipments mainly for timely use of raw materials and to reduce storage and warehousing costs of imported goods. For instance, imagine an importer opening an LC for importing 100 tonnes of yarn but currently having a capacity to use 50 tonnes. In that case, he opts for bringing over 50 tonnes for the time being and importing the remaining 50 tonnes later at his convenience. However, in case of raw material imports not being made through Chattogram port, importers do not have the scope for partial shipments. So, the importers have to import the whole consignment at one go if those are not unloaded at Chattogram port. "Partial shipment is very much needed for us as we also need to reduce the cost of storage and warehousing," said Hassan. "The government should also construct more warehouse facilities in the land port areas so that goods can be properly stored," he told The Daily Star over the phone. The BGMEA also sought improvements of the infrastructure at the land port areas so that transport congestion can be avoided there in case of importing raw materials in bulk quantities from India.

Local garment manufacturers have been trying to import yarn and fabrics from India in bulk quantities as demand has soared with a rise in work orders while prices of yarn have gone up in the local markets. The local garment manufacturers and exporters and spinners were at loggerheads recently for instabilities in the supply of yarn and for unusual price fluctuations of yarn in local markets. Last week scrapping separate press conferences, leaders of the BGMEA, Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), Terry Towel Association and Bangladesh Textile Mills Association (BTMA) sat together in a meeting, where they decided not to increase the prices of yarn in local markets. Monsoor Ahmed, chief executive officer of the BTMA, opted against allowing partial shipments through the land ports, reasoning that it would create scopes for irregularities. The government has stopped partial shipments many years ago to stop the irregularities, Ahmed told The Daily Star over the phone. The BGMEA in its letter could not state whether they would get yarn at lower prices from any country, Ahmed said. Yarn prices in the local markets increased mainly for associated rises in freight charge and cotton price in the international markets. The same reasons are applicable for garment

manufacturers and exporters, Ahmed said. "It is not possible to import yarn without bond. The local industry will face challenges if all ports are opened up and the government will lose a lot of revenue. So it is not possible to import yarn without bond," said BTMA President Mohammad Ali Khokon. The garment manufacturers want to import yarn without bond which is very dangerous for the local industry, he added. Last fiscal year, Bangladesh imported 8.2 million bales of cotton and 326,539 tonnes of yarn, according to data from the BTMA. The spinners say they can supply 3,500 million kilograms of yarn a year. The BGMEA in the letter said the cost of production has increased by 30.10 per cent over the last eight years, although the prices of clothing items declined 3.7 per cent last year mainly because of the fallouts of Covid-19. The freight charge went up anywhere from 100 per cent to 300 per cent during the pandemic. Over the last one and a half years, the local garment exporters have catered to work orders accepting losses. But now they are expecting to make a profit as the international retailers and brands have been placing a lot of work orders. However, high yarn prices are becoming a major concern for them, the BGMEA said in the letter.

## Banks' capital base weaker than regional peers

FROM PAGE B1 CAMELS, which stands for capital adequacy, asset quality, management, earnings, liquidity and sensitivity, is a recognised international rating system used to scale financial institutions using the six indicators represented by its acronym. "The weak capital base points to the weak financial health of banks," Ahmed said. In the past, only state-run banks used to experience a lower capital position. But the problem has recently spread to private banks due to a lack of corporate governance and poor management. "Some 10-12 banks now perform well. But other banks are facing various problems," Ahmed said. He blamed the high volume of defaulted loans for the lower CAR. The NPLs in the banking sector stood at Tk 95,085 crore as of March, up 7.1 per cent from three months earlier and 2.8 per cent year-on-year. Banks have to set aside a large amount of provisioning against the

defaulted loans that ultimately hit the capital base. This has also tarnished the sector's image and external lenders will show reluctance in doing business with local banks as well, according to Ahmed. For instance, many local banks cannot open letters of credit (LCs) directly with banks in other countries due to their poor health. First, they have to secure an additional guarantee, known as "add confirmation", from other banks having a global presence. So, local banks have to pay a hefty amount in charges and commissions to the confirming banks, adversely impacting the LC issuers' banks, Ahmed said. In order to strengthen the capital base, the BB took initiatives to implement the Basel III guidelines by 2019. Basel III is an internationally agreed set of measures developed by the Basel Committee on Banking Supervision in response to the global financial crisis of 2007-09 to improve regulations, supervisions and risk management

within the banking sector. As per a roadmap unveiled by the BB in 2014, banks were supposed to push up the minimum CAR to 12.5 per cent by December 2019 from 10 per cent then. But, the sector is far away from the benchmark. "The global community does not know about the financial sector of Bangladesh. It usually knows the banks with large business volumes. Besides, the lower CAR has given a negative signal to them," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh. He said local banks had not been able to expand their services to keep up with the changing time. Instead, their financial health had deteriorated. Mansur, also a former official of the International Monetary fund, said the central bank had allowed some new banks to commence operation, and their capital base was still small. "Corruption is another reason for the lower capital base."

## Bank, NBFIs, cement stocks gaining ground

FROM PAGE B1 The banking sector's price-earnings ratio was 8.1 last week. However, the asset manager went on to say that the bank stocks regularly pay dividends, making them an easy choice for investors. Still though, the banking sector has concerns about its asset quality and provisioning. So, investors should take this into consideration also, he said. "Investors are similarly interested in the cement sector since it has

performed better amid the ongoing coronavirus pandemic compared to other sectors," the asset manager added. Besides, a relaxed policy for loan classification was announced for more than one year to bring confidence to local entrepreneurs. "And thanks to this relaxed policy, the amount of classified loans has reduced alongside provisions, which ultimately boosts the lenders' profits," said a top merchant banker. "This means that the real

scenario may emerge soon after the normal policy for classified loans is implemented," he added. Some prudent banks have already kept aside a huge provision in anticipation of the upcoming risk and so, these are exceptions. "But overall banking profits may fall," he said, adding that their profits might be reduced by the lower interest rate regime. From April 1, 2020, the banking sector has been following single digit interest rates for deposits and lending.

## Apparel makers seek direct delivery from port

FROM PAGE B1 He reasoned that the ICDs lacked adequate space, equipment and manpower. Islam told The Daily Star that taking deliveries from the port usually took three to four days while currently it was taking eight to 12 days to take deliveries from the ICDs. In his letter, the BGMEA leader also alleged that the ICDs charge a total of Tk 13,755 for handling and delivery of a 20-foot import-laden container whereas the port charged only Tk 4,277. The charges include package delivery charge worth Tk 7,930, lift charge of Tk 1,000, river dues of Tk 408 and an extra movement charge of \$51.97 or around Tk 4,400. For a 40-foot import-laden container, the ICDs charged Tk 18,092 whereas the port only Tk 5,988, it

stated. Islam said garment factory owners were facing financial losses due to such extra costs and additional time. He said due to the BGMEA's repeated steps, its members have increased taking deliveries from the port as congestion there had almost cleared. Meanwhile, Bicda President Nurul Quayum Khan in a letter to the customs commissioner on August 14 denied the allegations. The ICD did not charge as much as claimed by the BGMEA leader, said Khan. The ICDs charge only Tk 7,930 for a 20-foot import load container and Tk 9,150 for 40-foot container and there is no additional lift charge and river due, he said. The ICDs imposed a package delivery charge for shifting containers from the port to the ICDs, for lifting it

on and off from vehicles for placement and for the use of labour, he said. The extra movement charge worth \$42.60 or around Tk 3,600 for a 20-foot container is not a regular charge, he said. It is taken in case of appraisal, sampling and fumigation of select containers of consignments, he mentioned in the letter, adding that Chittagong Port Authority (CPA) also imposed such extra movement charge for particular cases. BICDA Secretary Ruhul Amin Sikder told The Daily Star that the CPA imposed the charge for every single container of a consignment. Mentioning that they received no complaint of delays in import delivery from any importer, Sikder said no ICD prefers prolonged stays of import containers inside their yards since the market was very competitive.

## No global gain yet for Jamdani

FROM PAGE B1 Shockingly, they know nothing about how this works. They were provided with no guideline, training or instructions for use of the tags in production and marketing. Weavers also claimed that there has been no state monitoring. Apparently all the certificate did was adorn the walls of their homes. Billal Hossain is one of the 66. "I got a GI certificate in 2018. I've got the certificate only. I didn't get anything else," he told The Daily Star. "It is very valuable. There is such a valuable thing (GI certificate) in the room (of his house). I'm still working in the same way I used to make and sell Jamdani earlier. There are no additional benefits," he said. The reporter spoke to 5 of the 66, each of whom echoed the sentiment. The BSCIC sources said the number of weavers to be registered on use of the tag has not increased since then. No initiative was taken up to attract weavers. "These products are sent to different countries of the world when there are fairs for branding in the global market," said Akhil Ranjan Tarafder, general manager, marketing department, BSCIC.

"It will be difficult to say how many expos were reached in the last five years. They were in China, India and another fair have been attended," he said. "We have no statistics on how much Jamdani products have been sold with GI tags," he said. "Jamdani is yet to reap the benefits of the GI tag. But we are trying to reap the benefits. Meanwhile, there was a manpower crisis in our team," he said. Tarafder refused to accept the fact that the weavers had not gained any benefit. "It's not right that they didn't benefit after getting the GI tag. But we are working with weavers," he said. "The BSCIC has been entrusted with the responsibility of preserving intellectual property rights," said DPDT Registrar Md Abdus Sattar. "It is also its responsibility to increase branding, marketing and sales by highlighting the tradition and reputation of Jamdani products in the international market," he said. According to a 2015 study by Bangladesh Foreign Trade Institute (BFTI), there is good demand worldwide for geographical indication products. Buyers in different countries are willing to pay up to 30 per cent more.

More importantly, GI products draw foreign investment. "We still don't understand the importance of GI recognition. It's such a big thing; you have to work with your own zeal," said Prof Md Abul Kalam Azad of the marketing department at the University of Dhaka. "But the people concerned did not pay proper attention...the BSCIC has failed to fulfil its duties," he said. "But time has not run out. The commerce ministry and embassies will have to take initiatives to increase the sale of Jamdani products in the international market," he said. Jamdani prices can range anywhere from Tk3,000 and Tk 2.5 lakh based on the intricacy of their designs and the time spent behind them. According to BSCIC Jamdani Industrial City in Ruppangji of Narayanganj, they annually produce and sell about 60,000 Jamdani products, earning around Tk 36 crore. However, outside the industrial city, there is a market for Jamdani products, traders of which say is worth Tk 5 crore to Tk 6 crore a year. There are more than 2,000 weavers in the BSCIC Jamdani Industrial City. All in all, there are currently about 5,000 weavers in Bangladesh.

## Credit card use hits record high

FROM PAGE B1 three months after the Covid-19 outbreak in March 2020, credit card payments nosedived as spending on travel, tourism, and lifestyle products dropped. A fair number of nations had either partially or fully halted international flights since February last year in order to stem the spread of the virus. Flights across the globe collectively earned around \$35 billion in the pre-pandemic era. But clients were unable to fly due to countrywide lockdowns after the Covid-19 crisis began, according to the International Air Transport Association. The industry started to rebound in July last year as many returned to work and borders were reopened. In the last fiscal year, credit card transactions totalled about Tk 18,450 crore, up 45.84 per cent, year-on-year. "Credit card transactions accelerated in June this year due to advanced purchases for Eid-ul-Azha and increased payments on e-commerce platforms," said Syed Mohammad Kamal, country manager of MasterCard

Bangladesh. "May and June were both good months for credit cards as some segments such as restaurant, lifestyle, and electronics performed well," he added. Debit and credit card transactions increased 76 per cent year-on-year to Tk 23,633 crore in June. Transactions through debit cards stood at Tk 21,698 crore in June, up 73 per cent from a year ago and down 3 per cent from a month ago, according to data from the Bangladesh Bank. Transactions through internet banking increased 40.84 per cent year-on-year to Tk 10,452 crore in the same month thanks to the prolonged pandemic, which made clients accustomed to banking through digital means to avoid branch visits. In May, internet banking touched an all-time high of Tk 11,384 crore. In February 2020, internet banking transactions were only Tk 6,298 crore. The number of debit cards stood at 2.34 crore, credit cards 17.73 lakh and prepaid cards 9.34 lakh as of June this year. Prepaid card transactions stood at

around Tk 192 crore in June, down from about Tk 211 crore a month earlier. "Card spending has been increasing over the years, and the pandemic pushed it to a new level as people are now heavily reliant on digital purchases," said Md Ahsan uz Zaman, managing director and chief executive officer of Midland Bank. "Digitalisation and an increased tendency to do online transactions rather than handle cash is pushing card transactions higher," he added. According to Zaman, the Bangladesh Bank's move to place a cap on the interest rate on credit card loans has also contributed to the rise in card transactions. In September last year, the central bank capped the interest rate on credit card loans at 20 per cent, which came as a relief for clients as they would get rid of the burden of higher interest. Banks used to charge between 25 and 27 per cent interest on credit card loans, way higher than the 9 per cent interest rate ceiling applicable for all loan products in Bangladesh. "However, credit card transactions are very low in Bangladesh compared to overall transactions," Zaman said.