



People living in plainland ethnic communities mainly use mobile financial services for receiving, sending and withdrawing money, forgoing many of the advantages offered by such services. Here, customers are seen at a bKash agent in Patuakhali town.

PHOTO: SOHRAB HOSSAIN

MFS usage restricted to basics at marginal level

Find three separate studies

STAR BUSINESS REPORT

Major use cases of mobile financial services (MFS) are still confined to receiving, sending and withdrawing money at marginal levels, where the gender divide is palpable, according to three studies.

About 83 per cent of the people in plainland ethnic communities in northern Bangladesh use MFS for receiving money, as per a survey commissioned by the Policy Research Institute (PRI).

Similarly, 83 per cent of these people use the facility for sending money and 70 per cent for withdrawing money, it said.

Around 749 ethnic people in Rangpur and Rajshahi were interviewed as a part of the survey, styled "Digital Financial Services for the Plainland Indigenous Population in Northern Bangladesh".

The study found that only 6 per cent of participants use MFS for depositing money, 10 per cent for receiving government stipends for children, 8 per cent for government grants, 9.5 per cent for government allowances, and 1 per cent for paying bills.

"For driving digital financial services, purchasing through MFS has to be increased," said Ahsan H Mansur, executive director of the Policy Research Institute (PRI) of Bangladesh.

"People should be topping up their MFS accounts for spending on purchases, paying bills, fares, and more," he added.

Mansur was speaking at the National Consultation on "Digital Financial Services and Financial Inclusion at the Local Level in Bangladesh", organised by the PRI at Sheraton Dhaka yesterday.

He then said that people do not have to withdraw cash for making purchases through MFS, which ultimately reduces the transaction cost.

Another study that surveyed the Santal and Orao communities in northern Bangladesh found that only 77 per cent of the respondents own mobile phones.

The percentage of mobile phone ownership is even less among women at just 31 per cent.

Although a vast majority (84 per cent) opened MFS accounts with help from agents, only 42 per cent currently use the facility.

Three quarters of the male respondents actively use MFSs compared to only 25 per cent of the female respondents.

A major reason for not being able to use MFSs is a lack of literacy or formal education, it said.

Only 35 per cent of the respondents completed secondary education with MFS usage being higher among educated people.

Meanwhile, 27 per cent of the respondents said they lack knowledge and awareness about the facility.

The study, titled "Adoption and Potency of Digital Financial Services among Farmers in Bangladesh", highlighted the role of digital financial services (DFS) in empowering farmers and enhancing the agricultural sector.

The study involved surveying 400 farmers from the livestock, fisheries, agriculture and horticulture sectors.

It found that bKash (82 per cent) is the most popular DFS product among respondents followed by Nagad (30 per cent) and Rocket (23 per cent).

DFS is most commonly used for utility bill payments as the payment amount

is comparatively small and incurs low transaction fees.

Lastly, the study on "Impact of Digital Financial Services on Poverty of Haor People in Bangladesh: Expansion and Deepening Approach", found that 65.66 per cent of respondents own bank accounts while 64.66 per cent have accounts with NGOs.

Most respondents (81.33 per cent) were found to be aware of or have knowledge regarding MFS.

Among these respondents, 52.37 per cent own and use their accounts independently while 45.65 per cent use their accounts with the help of others.

The remaining 1.98 per cent do not have their own accounts and use that of others' instead.

The study also identified several barriers to MFS usage, including complexity of transactions (25.39 per cent), unavailability of mobile phones (14.87 per cent), lack of guidance on M/DFS usage (13.42 per cent), unavailability of electricity (12.69 per cent), and absence of a photo for registration (10.70 per cent).

Nodric countries see potential in agro industries

STAR BUSINESS REPORT

Bangladesh can achieve food security, eradicate poverty, foster social equality and promote economic growth through responsible investment in agriculture and food systems, according to Agriculture Minister Muhammad Abdur Razzaque.

"Investing in agriculture and the related market system is not merely an option, it is an imperative for the sustainable growth of our nation," he said.

Razzaque made these comments at an event, styled "Investment for Catalyzing Sustainable and Resilient Food Systems", at the Sheraton Dhaka yesterday.

The event was organised by the Nordic Chamber of Commerce and Industry (NCCI) in Bangladesh in collaboration with local embassies of Nordic countries -- Denmark, Norway and Sweden -- and the Global Alliance for Improved Nutrition (GAIN).

Tahrin Aman, president of the NCCI, said that foreign investors, including those from Nordic countries, see the UNFSS Pathway and N4G commitment as a collaborative framework.

They acknowledge the role of the private sector in achieving economic goals and consider these commitments an opportunity to align investments with Bangladesh's sustainable development objectives, he said.

This fosters partnerships for innovation, responsible business practices and technology transfer, he added.

Munshi seeks support from the Commonwealth for duty extension

STAR BUSINESS REPORT

Commerce Minister Tipu Munshi has sought support from his counterparts in the Commonwealth nations as the government looks to extend the preferential trade benefit for Bangladesh for six more years after the country's graduation to a developing country.

On Wednesday, the minister said the 13th Ministerial Conference of the World Trade Organisation will be held early next year and he sought support from the commerce ministers of the Commonwealth nations in favour of Bangladesh's demand, according to a statement from the commerce ministry.

Munshi made the comments after a meeting of the commerce ministers of the Commonwealth nations at the Marlborough House in London between June 5 and 6.

Tipu Munshi argued that the graduating least-developed countries will face difficult challenges if the tenure of the LDC-related trade facilities is not extended as the global economy is going through a turbulent time owing to the severe fallout of the Covid-19 and the Russia-Ukraine war.

"So, the LDC-related trade benefits should be extended for six years."

Fifty-six countries are members of the bloc.

Walton launches smart refrigerators

STAR BUSINESS DESK

Walton has launched three new artificial intelligence of things-based refrigerators of a "giantech" (GT) series.

Golam Murshed, managing director and CEO of Walton Hi-Tech Industries, unveiled the new product at its corporate office in the capital on Wednesday, said a press release.

The features of the refrigerators

include ioniser, ozoniser and intelligent germ terminator with UV features, electronic control feature, door opening alarm, child lock, three-layer odour guard, internal automatic ice maker and fingerprint resistant metal.

Actor Amin Khan, senior executive director, moderated the programme, where Mehedi Hasan Miraz, cricketer and sports ambassador of Walton, was present.

Cold storages struggling

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and market crises while preserving seeds becomes challenging.

Around 5 lakh tonnes of potatoes have been stored this year, according to Bangladesh Cold Storage Association (BCSA).

"Due to the dollar crisis, the government is unable to buy coal, resulting in power shortages. However, traders and people have deposited their crops with us," said Mostafa Azad Chowdhury Babu, president of the BCSA.

"To address this issue, we have scheduled a meeting with the owners on June 17. If the load shedding persists, the charge for keeping each sack in cold storages may have to be increased," he said.

"We are observing this situation," he said, adding that the final burden would fall on the consumer.

The Daily Star spoke to cold storage owners and potato growers in Bogura, Kurigram, Gaibandha and Munshiganj districts.

Cold storage owners have increased the charge for keeping each sack of potatoes from Tk 280 to Tk 310 this year due to the power shortage, said Murad Mondal, a potato grower of

Gaibandha's Gobindaganj upazila.

"If damaged, what will people eat?" he asked, stressing on the need for cold storage owners to provide compensation.

Moshiur Rahman, managing director of Gobindaganj Cold Storage, said he had two cold storages with 12,000 tonnes of potatoes, including seeds.

He explained that the cooling systems need to be continuously run for three hours to reach a certain temperature.

Afterwards, even if there is no electricity, that temperature can be maintained for three hours, he said. But even this was getting hard to maintain, he added.

Rahman said he requires 18 hours of electricity but receives it for 12 hours to 13 hours for which there was a notable cost difference, as electricity from the grid costs Tk 12 per unit while that of generators cost Tk 25 to Tk 30 per unit.

"We will consider ensuring uninterrupted power to cold storages but we ourselves do not get supplied 100 per cent of the demand," said Aktaruzzaman, deputy general manager of Gobindaganj unit of Palli

Bidyut Samity on being contacted.

"As we have started releasing potatoes, now we need electricity 24 hours a day but we do not get it," said Rayhan Kabir Rajeed, managing director of Babar Cold Storage Limited in Kurigram sadar upazila.

He explained that accessing the cold storage repeatedly causes heat to seep inside the facility, causing loss of the required temperature.

Shah Md Abu Hannan, executive director of AHZ Cold Storage in Bogura's Shibganj upazila, confirmed he was facing the same challenges and was having to run generators to preserve 2.36 lakh sacks of potatoes.

"We are getting 20 per cent to 25 per cent less electricity than the demand," said Monowarul Islam Firozi, general manager of Bogura Palli Bidyut Samity-1, on being contacted.

"We can not give extra importance to the cold storages because these are located in a scattered manner," he added.

In Munshiganj, around 3.86 lakh tonnes of potatoes are stored in 65 cold storages.

Prashant Kumar Mandal Dulal, manager of the Kadam Rasool cold storage in Munshiganj sadar

upazila, said he was facing significant challenges with 12 hours of intermittent power cuts daily.

If the situation continues for the next two or three weeks, potatoes will be damaged, he said.

"We are thinking of increasing the charge for keeping a 50-kilogramme sack in cold storages, which is currently Tk 240," he added.

"During load shedding, I keep my cold storage operational with the help of generators but it cannot run continuously for more than three to four hours," said Abdullah Al Foysal, a cold storage owner at Munshiganj town.

"After three to four hours I have to shut down my cold storage," he said.

"The rent for the cold storage increases according to the electricity price, and if it gets spoiled due to power outages now, it can cause a crisis in the market," said Prabib Kumar Datta, manager of Dhaleshwari cold storage in Tongibari upazila.

"The frequent power cuts are causing sleepless nights and pose a significant risk to farmers' livelihoods," said Salm Uddin, a potato grower of Munshiganj.

that are being given to the domestic consumer electronics industry will continue for at least 2030 which is needed for the sector to reach a strong position," he said.

Who needs to file statement

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If investments are made in apartments and real estate in a city corporation area, taxpayers will need to file the statements on living expenses as well.

In the case of non-submission, the Deputy Commissioner of Taxes would be able to ask taxpayers to submit their cost-of-living statement.

Family's grip to loosen

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per cent from three months ago and 16 per cent from a year earlier, data from the BB showed.

The latest NPL figure is the second-highest in the banking sector's history and comes within a whisker of the highest ever NPL of Tk 134,396 crore reported in September of 2022.

As per the provisions of the draft law, banks must send the list of willful loan defaulters to the BB. The central bank can ban them from travelling abroad.

Willful defaulters will also be barred from obtaining trade licences, listing their companies on the stock exchanges and securing registration from the Registrar of Joint Stock Company and Firms to open a new company.

A willful defaulter will not be eligible to be a director of a bank or NBFI within five years after their exclusion from the list of willful loan defaulters.

If a director of a bank becomes a willful loan defaulter, the BB can remove him and declare the post vacant.

Banks will have to file lawsuits against habitual defaulters within two months after they are categorised as willful defaulters.

If a bank fails to send the list of habitual defaulters to the central bank on time or does not file a lawsuit, it could be fined Tk 50 lakh to Tk 1

crore. The bank will count fines of an additional Tk 1 lakh for the delay for each day.

The central bank can remove the chairmen and managing directors of banks if they become involved in harmful activities that go against the interest of depositors.

If a bank faces financial losses due to the harmful activities committed by directors, the lender has been empowered to take legal action to recover the money.

The draft law has banned all companies, including cooperatives, from using the word "Bank" in their name if they are not licensed to run banking operations.

Directors of such companies will face a fine of up to Tk 50 lakh and imprisonment for a maximum of seven years. They will also have to count an additional fine of Tk 1 lakh for each day if the breach of laws continues.

Speaking in the parliament, opposition Jatiya Party lawmaker Fakhrul Imam objected to the bill.

He alleged that the bill was introduced in accordance with the conditions of the IMF.

However, the finance minister said the amendment has not been brought in on the advice of anyone. Some amendments are being made to establish a modern banking system.

Later, Imam's objection was rejected in a voice vote.