

# TOWARDS CASHLESS BANGLADESH



**ANM Mahfuz**  
Additional Managing Director,  
Bank Asia

The future of the cashless economy in Bangladesh is very bright, driven by supportive government policies, rapid technological advancements, and a growing demand for digital financial services. Bangladesh has already witnessed rapid growth in cashless transactions in recent years, primarily driven by Mobile Financial Services (MFS), the introduction of Internet Banking by many commercial Banks, facilitating secure e-commerce transactions by the Payment Gateway companies, and quick response or QR code-based universal payment system developed by Bangladesh Bank, etc.

Cashless doesn't mean eliminating cash entirely; rather, it emphasizes predominantly digital or electronic transactions. However, some cash transactions will persist, particularly in developing countries like ours, where technological advancement and digital literacy are lacking. In Bangladesh, widespread mobile phone usage accelerates the transition to a less cash-dependent economy. Given nearly universal mobile penetration, digitizing the economy is a feasible endeavor.

Bank Asia is actively promoting digital payment services to advance the cashless economy. This includes issuing more debit/credit cards, enhancing Internet & Mobile banking App features, expanding our QR payment service to onboard 50,000 merchants this year, etc. Moreover, we're introducing digital lending and expanding our agent banking network nationwide. Our proactive approach ensures widespread adoption of digital payments, reaching both urban and rural areas. Through extensive outreach efforts and strategic partnerships, Bank Asia aims to establish cashless transactions as the norm, promoting efficiency, transparency, and financial inclusion nationwide.



**Khurshed Alam**  
Head of Retail Business & Senior  
Executive Vice President,  
LankaBangla Finance

LankaBangla Finance is actively contributing to the advancement of the cashless economy through the initiation of credit card services. Currently, we boast around 135,000 active credit cards, positioning us as the 5th leading entity within the banking industry. Our ongoing efforts aim to bolster these numbers further, although recent challenges stemming from the submission of return slips, as required by the NBR, have temporarily impeded our progress.

Out of 17 crore people, 7 crore 34 lakh are employed. There should be a total of 80 lakh credit card customers, but we only have 23 lakh 98 thousand, highlighting a substantial gap.

To incentivize customers towards cashless transactions, we consistently offer discounts and facilitate 0% Ezy pay installment options throughout the year. Additionally, during special occasions such as Eid ul Fitr, Eid ul Adha, Pohela Boishakh, and Puja, we provide exclusive cashback opportunities across various segments including groceries (12% cashback), lifestyle products (up to 25% cashback), electronics (10% discount), online transactions (up to 20% discount), etc.

Moving forward, our strategy should involve expanding to promote cashless transactions by installing POS terminals in remote and rural areas, fostering deeper collaborations with the financial and tech industries, enhancing the promotion of mobile wallets and virtual cards, and providing support for CSME to adopt co-branded partnerships, e-Commerce, specialized business cards, POS terminals, etc. Furthermore, we are in the process of launching co-branded cards tailored to small retailers very soon.



**Joarder Tanvir Faisal**  
EVP & Head of Cards and ADC Business,  
Consumer Banking Division,  
Prime Bank

Bangladesh is truly making strides towards becoming a cashless society, and it's pretty exciting to see. Just think, financial inclusion has jumped from 31% to a whopping 50%. That's not all - over 8 million people are now using internet banking, and mobile banking users have soared to 220 million as of December 2023. It's clear that the country's love for tech, with 40% hooked on the internet and nearly everyone owning a mobile phone, is paying off.

Getting Bangladesh to fully embrace a cashless economy is a bit like orchestrating a complex maneuver. It needs everyone moving in sync - improving the internet and power supply, especially where it's needed most, like in rural spots. Then, there's teaching people the right cashless moves - educating them on the perks of going digital and keeping their money safe online.

We've also got to keep the floor interesting by offering a good mix, or in this case, providing a variety of digital financial services that cater to everyone's taste. And, it's all about teamwork with banks, mobile companies, FinTechs, and the government setting the stage for a smooth transition.

Prime Bank PLC is all in on pushing Bangladesh towards a cashless future. We have got this digital banking gem called MyPrime, making life easier for retail and MSME clients. Imagine fulfilling all your banking needs - transfers, bill payments, managing accounts - without leaving your couch.



**Syed Mohammad Kamal**  
Country Manager,  
Mastercard Bangladesh

Bangladesh has achieved a significant milestone in cashless transactions with a surge in card transactions during the Covid period. Witnessing an unprecedented increase, transactions via ATM, POS, CRM, and e-commerce soared, with significant month-on-month growth.

Fueling this transformative shift is the visionary goal set by the central bank for 2027, with an ambitious target of 75 percent of transactions to be settled digitally. Bangladesh is poised for a monumental leap forward in its digital transformation journey.

Central to this transition is the innovative Cashless Bangladesh initiative, spearheaded by Bangladesh Bank. The Bangla QR code for transactions, a key component of the Cashless Bangladesh initiative, is empowering micro, small, and medium-sized enterprises, revolutionizing the bill acceptance process. From street vendors to small businesses, the adoption of the Bangla QR code heralds a new era of financial inclusion and empowerment. Reducing taxation on the import of cards & POS machines will help grow the ecosystem.

At Mastercard, we are committed to propelling the nation toward a cashless economy through a diverse array of innovative solutions. Introduction of "Tap & Go" contactless payment and Bangla QR facilitates QR code-based payments for Mastercard cardholders across the country, streamlining transactions with merchants nationwide. We've also pioneered Bangladesh's inaugural wearable payment solution, seamlessly integrating into users' daily routines for convenient, secure, and stylish contactless transactions. Mastercard is also handling bulk amounts of inward remittance through its MTS solution to facilitate remittance transfers via official channels, ensuring reliability and efficiency.

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আপনার আর্থিক উন্নয়নে আমরা সর্বদা প্রস্তুত

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