Star BUSINESS

NEIR launching, but its purpose slips through again

MAHMUDUL HASAN

Start with the good news.

The authorities are set to launch the National Equipment Identity Register (NEIR) on December 16, meant for blocking unauthorised mobile phones from entering the network.

In theory, the system should choke off illegal handset imports, support local manufacturers and steer buyers back to authorised retailers. That, in turn, would lift tax receipts and bring order to a market long dominated by the grey trade.

Now the catch.

Although the launch date coincides with Victory Day, the system's core function will remain switched off. No handset will actually be blocked till the third week of March next year.

ANALYSIS

That partial launch goes a long way towards explaining small mobile phone traders taking to the streets frequently in recent weeks.

The grey market now accounts for as much as 60 percent of handset sales, according to industry estimates, and thousands of small traders depend on it for survival.

There is also a sense of déjà vu.

This is not the first time NEIR has been launched with fanfare. Four years ago, the telecom regulator rolled out a similar system at a cost of Tk 29 crore, albeit funded by taxpayers, only to quietly shelve it.

In 2021, the plan was dropped after officials discovered millions of unauthorised phones active on the network. Blocking them risked a public backlash.

And this time, the launch again avoids the hardest part of enforcement, as protests intensify nationwide.

Authorities now say March 26 will mark the full phase launch. From that date, handsets that fail to show valid import documents within three months of entering Bangladesh are expected to be cut off from telecom networks.

The Bangladesh Telecommunication Regulatory Commission (BTRC) announced the revival of NEIR in late October to curb illegal imports, reduce theft,

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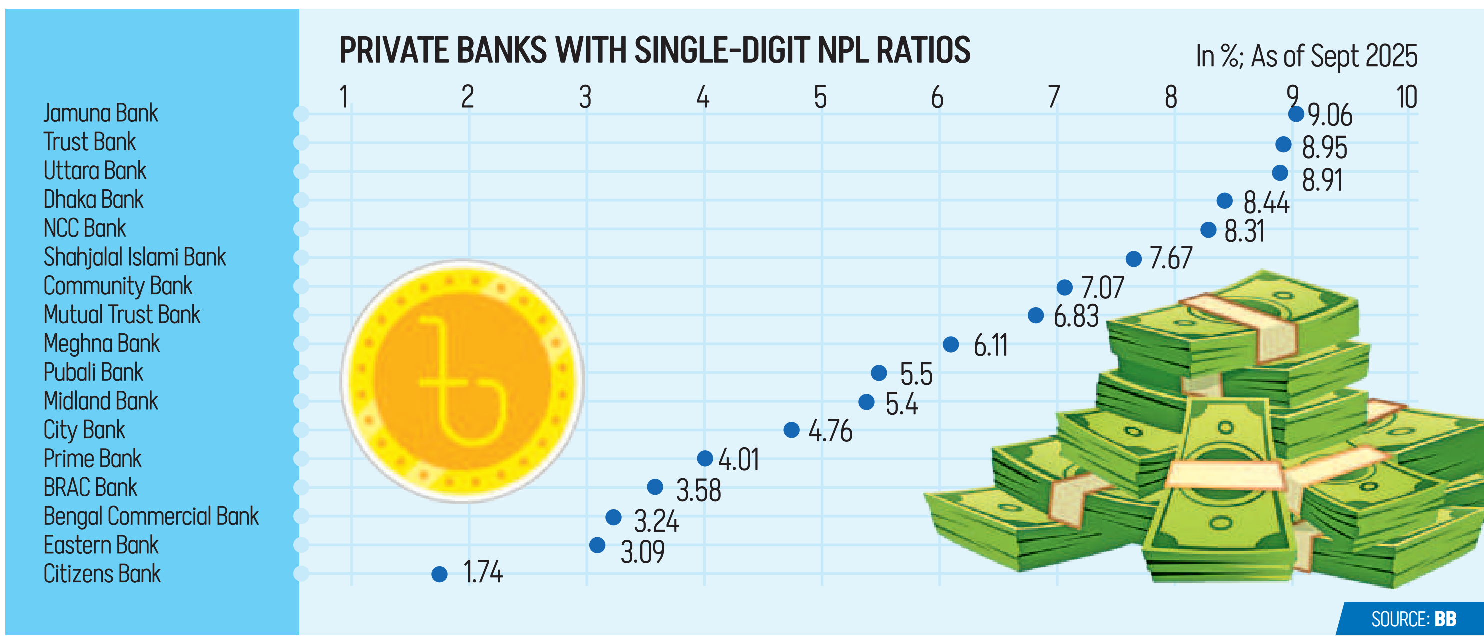
One-third of local private banks keep NPLs below 10%

Seventeen lenders keep healthier balance sheets amid rising industry bad loans through disciplined lending, close monitoring and strong governance



MD MEHEDI HASAN

Seventeen domestic banks have managed to keep their balance sheets relatively clean, with non-performing loans (NPLs) below 10 percent, at a time when most of their market peers are struggling with soaring bad debt, according to central bank data.

The lenders are City Bank, Prime Bank, BRAC Bank, Pubali Bank, Eastern Bank, Mutual Trust Bank, Midland Bank, Meghna Bank, Shahjalal Islami Bank, Dhaka Bank, Jamuna Bank, NCC Bank, Trust Bank, Uttara Bank, Bengal Commercial Bank, Community Bank and Citizens Bank.

Currently, there are 52 local banks in the country, while the industry average NPL stands at 36 percent.

Industry insiders said these 17 banks limited bad loans through cautious lending, stronger credit risk assessment, diversified loan portfolios, close monitoring of borrowers, and timely recovery efforts, even as widespread corruption weakened asset quality across much of the sector.

They said improved corporate governance and a focus on quality growth rather than aggressive expansion also played a key role.

Some newer banks, with smaller loan portfolios, benefited from lower default exposure compared with older lenders burdened by legacy loans.

Among the seventeen banks, newly licensed Citizens Bank posted the lowest NPL ratio at 1.74 percent, while Jamuna Bank recorded the highest within the group at 9.06 percent as of September this year.

According to the central bank data, NPLs at City Bank, Prime Bank, Eastern Bank, BRAC Bank and Bengal Commercial Bank are below five percent.

At the end of September this year, City Bank reported its non-performing loans at Tk 2,439 crore, equivalent to 4.76 percent of its total disbursement.

Mashrur Arefin, managing director of City Bank, said that the bank's NPL ratio stood at 3.6 percent in 2024, well below the industry average. "In 2025, it is expected to fall further to below 3 percent."

"This improvement reflects the bank's strong and disciplined governance framework, where credit decisions are made professionally with no interference from the board, and where business and credit risk are two completely separate functions," he told The Daily Star.

According to Arefin, a well-diversified loan portfolio reduces concentration risk, while effective credit control systems allow for close monitoring of accounts.

Proactive recovery initiatives, timely provisioning, and strong capital and liquidity management have further strengthened asset quality, he said, adding that these factors enable City Bank to manage NPLs sustainably despite a challenging banking environment.

Ali Reza Iftekhar, managing director and CEO of Eastern Bank, said that the commercial lender's NPLs have remained around 3 percent for the last 33 years.

"We carefully screen and assess clients at the onboarding stage. In addition, we keep them under continuous and strong monitoring, which is why our NPL ratio remains low."

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Army entity gets telecom infrastructure licence

MAHMUDUL HASAN

The government has given approval for a national telecom infrastructure licence for Army Transmission Company Ltd, clearing the way for it to build an optical fibre network and communication towers across the country.

"We have received pre-approval from the government to issue the licence. It is now under process," said Major General (retd) Md Emdad Ul Bari, chairman of the Bangladesh Telecommunication Regulatory Commission (BTRC).

Officials say the army often needs reliable connectivity in hard-to-reach areas where private operators are unwilling to invest because of low commercial returns.

"If they [army] can establish a commercially sustainable company, it could serve both the public and the army's communication needs," said the BTRC chairman.

The approval came after the telecom regulator sought consent from the Ministry of Posts, Telecommunications and Information Technology before issuing the licence. With this, the BTRC can move ahead with the remaining formalities.

Once issued, the company will receive a National Infrastructure and Connectivity Service Provider (NICSP) licence under the new telecom policy approved in September this year.

Earlier in June this year, the BTRC had endorsed a proposal to grant Army Transmission Company Ltd a Nationwide Telecommunication Transmission Network (NTTN) licence and sent it to the ministry for prior approval.

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88% of bank prepaid cards issued in Sept were virtual: BB

STAR BUSINESS REPORT

Virtual cards accounted for 88 percent of all prepaid cards issued in September, reflecting the growing popularity of the digital payment instrument, according to Bangladesh Bank (BB) data.

Banks issued 97.2 lakh prepaid cards, of which 85.2 lakh were virtual during the month.

As of September this year, some 4.28 crore debit and 26.5 lakh credit cards were issued, of which only 10,439 and 2,664, respectively, were virtual.

Virtual debit, credit, and prepaid cards enable online purchases, subscriptions, transfers, and international transactions instantly. Meanwhile, both the number and amount of local and foreign currency transactions rose by 2 percent year-on-year in the ninth month, when Tk 46,353 crore changed hands through 5.24 crore transactions.

During the period, the Bangladeshi-branded Taka Pay debit card also gained momentum, posting 170,527 issuances, according to Bangladesh Bank's Review on e-Banking and e-Commerce Statistics (September 2025).

Launched in November 2023, Taka Pay is the country's first national debit card scheme, aimed at promoting financial self-reliance and reducing dependence on international payment networks.

In September, the number of internet banking customers continued to rise, experiencing a 2.46 percent increase compared to the previous month.

Fifty-six scheduled banks now offer internet banking services to 12.26 million customers, with three-fifths being mobile app users. These clients transacted Tk 108,628 crore during the period.

Alongside virtual and internet banking growth, physical infrastructure also continued to expand.

Bangladesh's banking services rely on both physical and digital tools, including branches, sub-branches, automated teller machines (ATMs), point of sale terminals, cash deposit machines, cash recycling machines (CRMs), and real-time deposit machines.

The number of fully online branches and physical sub-branches stood at 11,395 and 4,845, respectively, in September.

CRMs, which allow real-time deposits, are gaining more popularity than ATMs. The number of CRMs increased by 0.93 percent compared to August this year.

Tourism picks up as hotels, resorts report 60% occupancy

Tourists capture photos and enjoy the views at Double Hands View Point on Bandarban-Thanchi road, as the tourism sector bounces back after last year's dip. The photo was taken recently. PHOTO: MONG SING HAI MARMA

SUKANTA HALDER

Hotels and resorts in major tourist destinations across Bangladesh are reporting 60 percent to 80 percent occupancy this December, showing strong demand and a busy holiday season.

Business owners said that political instability last December had caused a drop in tourism, but this year, visitor numbers have returned to normal levels.

The peak tourism season in the country runs from November to April. According to the Bangladesh Bureau of Statistics, tourism accounted for 3 percent of the country's GDP and 8 percent of total employment in the fiscal year 2018-19.

Abdul Awal, group director of sales and marketing at Sea Pearl Beach Resort in Cox's Bazar, said the resort is seeing a seasonal increase in business, with occupancy around 60 percent, similar to 2023.

"2024 was an exception due to political uncertainty, but the current performance reflects a return to normal patterns," he said.

Awal added that most visitors stay for two days, as Cox's Bazar has limited attractions beyond the beach. "Group bookings, conventions, and incentive travel continue to be our strongest business segments," he said.

Rana Karmakar, operations manager of Mermaid Beach Resort in Cox's Bazar, said that despite the upcoming election, business is doing well this December. "Reservations are better than in 2024, which was an unpredictable year due to significant political uncertainty. Compared to 2023, reservations are also strong and broadly similar," he said.

Karmakar added that occupancy in December is currently around 80 percent, similar to December 2023, which is generally satisfactory.

However, he noted a decline in out-of-house restaurant guests, particularly foreign tourists. "Earlier, many tourists who could not stay at the resort would eat at the restaurant at least once during their visit, but that is no longer the case," he said.

He attributed this to reduced tourist movement caused by security concerns and poor road conditions.

Md Bahar Khan, senior supervisor of The Palace Luxury Resort in Bahubal, Habiganj, said that average occupancy this December is around 60 percent, slightly lower than December 2023.

"We are seeing a lower response this year due to political uncertainty and ongoing road construction on the Dhaka-Sylhet route, which has increased travel time," he said. Despite this, he described business as moderately stable during the peak season.

Imranul Alam, managing director of Tour Group Bangladesh, which runs resorts and other tourism businesses across the country, said business is performing reasonably well, but profits have dropped to about one-third of the level recorded in 2023.

"Although there is a demand for travel to Saint Martin's Island, the shortage of ship tickets and long, uncomfortable journeys have significantly discouraged tourists," he said.

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