



Message from CHAIRMAN

Consumers demand to lift ban on MFS limit

Consumers are becoming digital savvy and increasingly using mobile payment tools in their shopping. But people of low-income group are unhappy with the existing pricing model of Mobile financial service (MFS) with low limit of transactions and demanding a market-driven pricing model that allows them to transact more money through this secured digital channel to meet their needs. Leading dailies have focused this issue based on a BJFCI market survey conducted in the different areas of the capital city Dhaka.

BJFCI, the largest platform of senior journalists of leading dailies and media conducted the survey last month among 501 MFS users aged between 35 and 50 years and 301 MFS agents working in different corners, shops in Khilgaon, Malibagh, Mirpur, Badda and Gulshan under the capital city. More than 90 per cent agents of different MFS operators said the restriction imposed by Bangladesh Bank on MFS transaction has dragged down their MFS business and forced many people to shut down their business. Out of 501 MFS consumers, 499 say the Bangladesh Bank should increase the MFS transaction limit to help them buy products from shops and bazar and meet the growing needs of festival shopping and big sales offered by companies, according to the BJFCI survey.

Bangladesh Bank has restricted daily ceiling of mobile cash-in to Taka 15,000, lower from the previous amount of Taka 25,000, while maximum cash-out limit has been slashed to Taka 10,000 from Taka 25,000. The limit is 9 times lower than transaction limit of Nagad, a similar MFs service operated by the Bangladesh post Office. A total of 201 consumers under the survey said the authority should lift limit of transactions or push up the limit to up to Tk 50,000.00 per day, as allowed by the Postal authority for its service Nagad. Experts see the imposed limit counterproductive to financial inclusion and steady growth of MFS industry.

Consumers demand is realistic as more people in festival time use mobile pay in shopping and donating money to their near and dear ones. During the last Eid festival, newspaper reports say people faced troubles to meet their requirements and losing interest in using this payment method as cash out limit and cash in limit are too small for person to person. In the next week, the holy Ramadan month will begin and people's will spend billions of taka in Eid shopping across the country when reach people will send money to their poor relatives living in rural areas to perform fasting and Eid shopping.

The good news is that the Finance Ministry and the Postal Ministry are working together to resolve the issue and going to formulate a standard pricing model to restore the conducive environment in the country's digital payment landscape created by Bangladesh Bank.

We are optimistic. Better late than never.

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