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From the Desk of the Editor

Banks need digital-first approach to cut cost

Despite rising inflation as countries around the world reopen following Covid-19, the continued fragility of the global economy will likely see interest rates remain at ultra-low levels for the foreseeable future as central banks seek to shore up the recovery. A low-rate environment, however, remains a problem for banks' bottom lines.

The past few years banks have seen more innovative institutions make better use of data and technology to personalise their services and integrate marketplaces into their offerings. It has enabled them to generate new streams of revenue that are not dependent on interest rates. The onset of the Covid-19 pandemic has accelerated this trend as banks seek to cut costs, reduce branch networks and streamline digital operating models. A digital-first approach provides more opportunity for banks to offer a variety of services and create more personalised products.

In Bangladesh, mobile almost all banks have taken digital-first approach and their collaboration with mobile financial service (MFS) providers have ignited a revolution in the country's financial spectrum. Millions of unbanked people are the most beneficiaries of this revolution which have poverty rate significantly and enables the banks to facilitate these people their various services. In the last few years, MFS have brought over five crore unbanked people under financial services.

In pandemic days when physical distance is a crucial issue to remain safe from corona virus and lockdown enforces to keep residents at home, people see the MFS as boon to them. Because it helps them to buy foods, medicines, pay utility bills and make shopping through e-commerce platform staying at homes. For this reason, the volume of MFS transactions increased by 12.2 per cent to Tk 71246.88 in May, the highest ever in a single month, according to Bangladesh Bank data.

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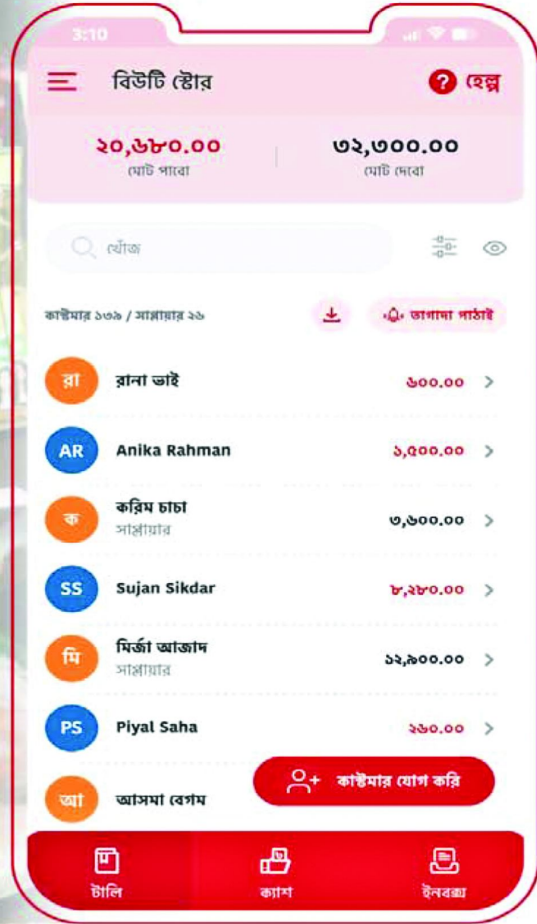
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The more digital money will be spent, the less cost will be there

■ **Kamal Kadir**, CEO bKash

The largest mobile money financial service of the country bKash completed its one decade of service on July 31st this year. The Chief Executive Officer (CEO) of bKash, Kamal Kadir talked to the Prothom Alo about its successes, experiences, future plans and other issues. Our news team member Aminul Islam has translated the interview of bKash CEO for our valued readers. ... Editor, THE BANGLADESH EXPRESS

■ **Prothom Alo:** *One decade of bKash. How was the journey of ten years like?*

■ **Kamal Kadir:** Our aim was to ease the money transaction process easier, to reduce the hassles and harassment of the common people. To speak it clearly, we have to bring the people through the monetary inclusion process and that there must not be any deviation from this. On the government's part too, there was an aim of financial inclusion of the people. We along with all investors settled the issue and that it was very sig-

nificant.

Since it was a new venture, there were some challenges in controlling processes that had been conquered subsequently. As a result, the controlling mechanism of the controllers has become stronger and effective and we have become benefitted as well. Our beginning clients were those people who stayed beyond the banking network service.

As a way of easy transaction, practice of opening account in own names became popular later as well.

Instead of not going to the agents, we began to emphasize on the transaction process through own accounts. At the same time we also decided to engage banks in the transaction processes. This was really how bKash progressed step by step.

But to me and to the Board of Directors, one thing was very clear that the standard of service and governance must not be compromised at any cost. The existing laws as well as the statutes of the country have to be followed to the fullest. Whenever any point or issue seemed vague or inadequately defined, we brought those before the controllers and spoke up for disposal. Our primary goal was to build a viable institution through concerted efforts. Thus, ten years have passed.

■ **Prothom Alo:** *We would like to know the beginning of bKash.*

■ **Kamal Kadir:** I consider myself as an entrepreneur. Again, I would like to work within the jurisdiction of laws and rules. Before launching bKash, I had an e-commerce site of buying and selling named 'Cell Bazar'. The site provided the customers with the necessary information regarding the products of buying and selling.

But there was no payment arrangement in buying and selling. But people owned personal mobile sets. Speaking easily, the processing power of the Nokia cell phone was the same as that the NASA computer had in 1969. Therefore, the question

was that how to make the best use of this powerful technology. Meanwhile, mobile money transaction process began in Kenya. I spent a good deal of time in Kenya in 2006 and 2009 respectively. On becoming the Governor of Bangladesh Bank, Atiur Rahman, spoke of working for the poor people. Then, Code of Principles was made for financial inclusion. I also began working in this respect on my own.

Earlier, I talked to Sir Fazle Hasan Abed, the founder of the Bank. He took enthusiastic interest in the idea and asked me to use the bank as a platform. From my experience in Kenya, I detected some anomalies in the code of controlling in Kenya. From that count, Bangladesh Bank made clear two things in its code of controlling. These are, for example, security of clients' money, and the visible and clear controlling over the flow of money.

After settling these two issues, Bangladesh Bank told that a bank had to be taken as an Associate Institution.

Then Money-in-Motion LLC along with BRAC Bank made a company named bKash and applied for Licence in 2010. We got licence on April 12, 2010. We started our journey on July 21 in 2011 after one year and two months. Later IFIC bank as a part of the group of World Bank, became the part of bKash in 2013. Next year Bill and Melinda Gates and in 2019 ANT Finance of Alibaba Group became the partner of bKash.

■ **Prothom Alo:** *At the beginning, it was an institution of sending money only. Now all sorts of purchasing and bill payments are possible easily. Life has become far easier. But what is next? What is the future plan of bKash?*

■ **Kamal Kadir:** Think about a Rickshaw-puller, for example, if I tell about future plan. Suppose his rickshaw has been broke down. He needs loan to fix it. If he happened not to have a Bank Account, he will not get loan from any bank. Beyond transaction, to avail this facility, you need to have KOICO.

Since bKash put utmost emphasis on preserving clients' information upon verification, so therefore, having a relation with a bank, bKash can easily provide loan to a rickshaw-puller. Bank has sanctioned this loan but this loan is being reached out to the client through bKash. We are calling this facility NANO loan service launched by bKash. This sort of NANO loan service will be expanded further in future.

In the case of cash in and cash out, 77% of the total earned money is given out to bKash agents. 8.50% is being given to the operators. Our business maintenance, salaries, shopping, technology cost of communication and profits depend on the rest 14.50 percent.

bKash has also started another service jointly with financial institution IDLC. In this service, if any client stays at a remote area, he/she will deposit money through bKash. All things will not be done by bKash. But if bKash as an associate institution can link a client to a financial institution, that will be the very effective arrangement.

■ **Prothom Alo:** *There is mass complaint against bKash of excess transaction cost. What are you thinking about cost reduction?*

■ **Kamal Kadir:** Where there we are getting the scope, we are trying to reduce the cost of cash in and cash out. Now facilities are available for 1500 ATM booths at different banks of the country for drawing money. There is also a scope of using bKash from ATM booths. For this the cost is calculated at 14.90 taka per thousand.

Now, if we can use bKash Apps, we can easily avoid operator's cost. In that case, the Apps cost will stand

at 17.50 Tk. per thousand taka. But when we are transacting through DETA or USSD, the cost stands at 18.50 Tk. per thousand. We are trying to reduce it further.

We actually want that clients do not pay any cash out fee. The best way to do this is to use the money digitally. For example, in the event of bill payments of purchases, there is no cost. But the moment money is being transformed into cash in the hands of digital money agents, cost is needed.

At the moment, there are three lakhs bKash agents across the country. In the case of cash in and cash out, 77% of the total earned money is given out to bKash agents. 8.50% is being given to the operators. Our business maintenance, salaries, shopping, technology cost of communication and profits depend on the rest 14.50 percent.

Even then, we are trying to reduce the cost of the clients. For this, we have launched a new service named 'favorite number'. In this service, a customer can send money to five numbers without cost. We have seen through research, a customer does not usually send money, to not more than five numbers. These numbers can be changed in every month. Many customers are now enjoying this facility. So, the more money a customer will use digitally, the less will be the cost.

■ **Prothom Alo:** *Many new competitors have entered the money market. How do you look upon the competition and the competitors?*

■ **Kamal Kadir:** Competition is a good thing if it is healthy one. We welcome this healthy competition. bKash is second in Bangladesh in opening service. Dutch-Bangla Bank launched this service first. But in the event of problems regarding mobile money transfer service, bKash has taken the lead role in shooting out these problems.

Appointment of agents, training, orientation of the agents as to preventing money laundering, prevention of fraud in transaction—all things have been done by us. We have not seen any institution to undertake anti-fraud campaign in money transaction so far. But fraud and deception are everywhere. We have to continue

10
years
of bKash

Ownership

BRAC Bank,
Money in Motion,
IFC, Bill and Melinda
Gates Foundation and
ANT group of Alibaba group.

Licence: April 12, 2010

Launching: July 21, 2011

Customers



5 crores and 45 lakhs

Females: 42%

Male: 58%

Agents: Around 3 lakhs

Distributors: 300 institutions

Recognition

23rd position among the world's best 50 companies in 'Change the World' list of the Fortune Magazine in 2017

doing works against these.

We had appointed a psychologist from who we have learnt a lot. For example, we must not continue talking with the deceivers and we have to cut the line. People are caught once they continue talking. We have circulated an advertisement in this regard.

We hope that others will come forward to do similar sorts of consciousness building works. We have to abide by the guidelines prepared by Bangladesh Bank, BFIUO, KOICO. In default, the institutional practice grown slowly over the years, will be at risk.

■ **Prothom Alo:** *Ten years have gone. Where do you feel like to see bKash after ten years?*

■ **Kamal Kadir:** I want that bKash will become the inevitable solution for all common people of Bangladesh in mobile money transaction. We want transactions will be easier abiding all rules and regulations.

It may be seen that the transaction will be done the moment the customer takes it before his mouth. Here it will not be visible whether the rules are maintained or not. But

there will be such a system that will accurately do all things.

We want to be one of the major earning sources of the government. We also want to maintain a healthy environment among ourselves. bKash will ensure the best working place for the youth in future. We want to work with many other financial institutions with newer services in the days to come.

Having a relation with a bank, bKash can easily provide loan to a rickshaw-puller. We are calling this facility NANO loan service launched by bKash. This sort of NANO loan service will be expanded further in future.

Editor's Pick


CASHLESS JOURNEY GAINS SPEED IN PANDEMIC

MFS industry needs more attention. A conducive environment is essential for both market players as well as consumers to reap benefits from cashless environment.

FARUK AHMED

Shamsun Nahar, a 30-years old house wife living in Uddomdi under Matlab South Upzila has no bank to receive remittance money sent by her husband from Saudi Arabia every month. But she is not unhappy as she have bKash app.

"I don't need to go bank branch, one kilometer away from my home to withdraw funds after a long queue in front of bank officials. I have bKash app that enables me to get cash quickly from a shop nearby my house", she told The Bangladesh Express.

Last month, when the most of the areas were under lockdown to combat coronavirus, people faced difficulties to maintain their families as most bank branch-

es remained closed. Necessity compels them to use bKash to meet their needs and make necessary financial transactions from their homes without physical contact.

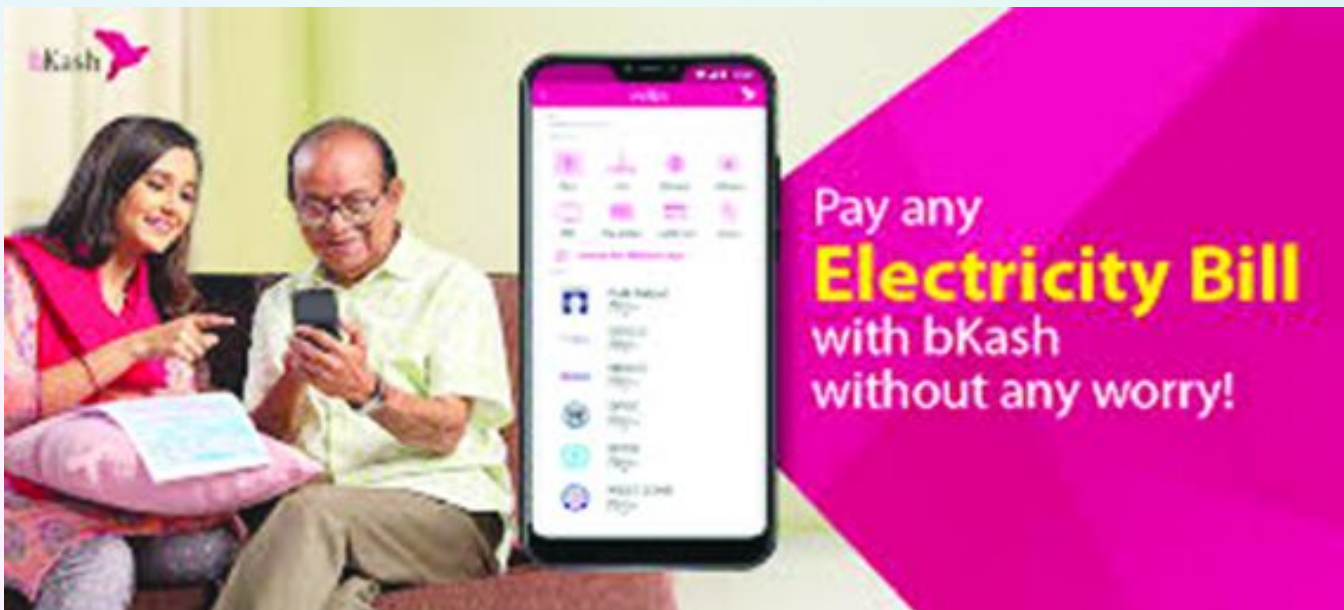
bKash has become a boon to many people now in these pandemic days as it helps them safe and comfortable money transactions without physical contact and even during home quarantine.

In urban areas, people like Nasima Joarder, a widow of 60 aged, residing at her home in Mohammadpur area under the capital city Dhaka see bKash app as a game changer for them as it is helping them to buy food, medicine other essentials and meet their urgent financial needs from their homes.

" I was nervous with cash after hearing that one of my neighbour died from coronavirus attack without going outside from her home. It was apprehended that the virus infected her through cash she handled several times at her home", she said.

"Since then, I have been using bKash app to pay to grocery stores, fishermen and utility bills from my home. My son is living abroad and every day suggested me not to go outside. Digital transactions is rising also in USA in pandemic days", she said quoting her only son living in New York.





"I don't need to go different offices and bank branches as bKash app enables me to pay all utility bills, buy foods and medicines and more importantly transfer cash from my bank accounts without visiting branch or cashbook", Mrs Joarder who have three flats in her house said.

A random survey conducted by Bangladesh Journalists' Foundation For Consumers And Investors (BJFCI) among 300 consumers living in capital Dhaka city shows that women, older consumers and youngsters are finding bKash as the best option to transact money. Most time they are staying at home to maintain lockdown.

Not only youngsters, increased number of women, older people and millennium consumers are now using bKash to buy essentials from their homes. More than 230 consumers say they are buying essential goods through services like Shohoz.com, chaldal.com, Pathao who accept payment through bKash, according to the BJFCI survey.

Millions of people across the country are under maintaining some restrictions to remain safe from deadly coronavirus epidemic. Law enforcing personnel are discouraging people from going out which has created



trouble for many city dwellers to procure daily necessities from markets.

And this has pushed up the transaction volume through mobinancial services (MFS). Total transactions through MFS increased by 12.2 per cent to Tk 71246.88 in May, the highest ever in a single month, according to Bangladesh Bank data.

"More people are using this unique tool to buy foods, medicines, pay utility bills, receive aids and even using in daily shopping through e-commerce platforms," said a Bangladesh Bank (BB) official.

The number of agents increased to 1086018 in May from April's 1061128 while average daily transaction also rose by 8.6% to Tk 2298.29 crore and the number of active account rose 7.9 per cent.

Industry insiders said mobile banking transactions have increased for a number of reasons. Consumers are showing more interest in digital transactions staying at home due to maintaining social distance and restrictions on movement due to Covid-19 spread. Many companies are paying salaries in mobile banking. People are availing many services including credit card bills through mobile banking.

bKash-the leading MFS player in the country has brought people like Shamsun Nahar and Nasima Joarder under government's financial inclusion strategic network offering unique app that enables the users to . Such people for long considered clay pots as banks and manual person-to-person cash transfer as the only way of moving money.

Inclusive digital financial services like bKash have made Bangladesh a role model to the world in terms of creating financial activities at the grass-roots level. In the last few years, MFS have brought over five crore unbanked people under financial services.

Here, the role of the government and consumers' positive attitudes towards e-commerce has accelerated the MFS transactions, central bank officials said noting that govt payment through MFS rose 78.4 per cent, merchant payment 32.3 per cent and utility bill payment increased by 15 per cent during the period.

Elsewhere, this MFS boom in attention and usage is prompting serious interest from venture capitalists. With every facet of business and personal life becoming digitized, there's no shortage of ideas. The latest App Annie report confirms the important part mobile technologies plays as nations continue to battle the COVID-19 pandemic.

App usage, purchasing, and time spent using apps all shot up as the world turned to mobile to hold things together. The report claims VC money is particularly focused on solutions for financial services, transportation, commerce, and shopping - but there's interest in every sector.

An astonishing 26% of total global VC funding is going into mobile-related ventures. In fact, \$73 billion was poured into mobile last year. What this means is that mobile has become the center of the attention economy. In the US, Gen Z, Millennials, and Gen X/Baby Boomers spent 16%, 18%, and 30% more time YoY, respectively, in their most-used apps, the report explains.

Cashless Journey Gaining Speed

The coronavirus outbreak is prompting second thoughts about reaching for cash. So, the journey towards a cashless society has gained speed with MFS.

The reason is the new reality created by the coronavirus pandemic, which has completely changed patterns of consumer psychology forcing them to maintain a distance with others and stay at home in most of the time. The fear of infection from bank notes and ATM booths is accelerating the trend away from cash towards digital payments through mobile payments.

In this pandemic era, cash is making people nervous. Rumours persist that some people have been



shoving banknotes into washing machines to rid them of the virus - taking advantage of the fact that their 'paper' money is made of plastic. This takes money laundering to a whole new level.

So, the journey towards a cashless society has reached at its peak across the globe- especially in China, Europe, the USA and even in Bangladesh. More consumers are using mobile payment tools, plastic cards to buy their foods and goods.

In China, thousands of banknotes were destroyed or disinfected to eliminate the spread of the virus. South Korea followed suit, and in the US, the Federal Reserve has stored banknotes that have come in from Asia before recirculating them back into the economy. Across Europe, many stores are now asking customers to use their debit or credit cards instead of cash.

While banking has shifted towards digital over the past decade, the coronavirus crisis forced this trend to move at warp speed last year.

With people avoiding face-to-face interactions, less people are visiting physical banks and more are moving online. And more people are looking for contactless forms of payment, moving more transactions to peer-to-peer payments.

In a recent study by Chase which asked 1,500 consumers on their use and preferences with banking digitally, results confirmed more than half (54%) of consumers agreed that they use digital banking tools more due to the pandemic





today than they did last year.

The study shows that peer-to-peer (P2P) payments are increasingly being used to send money or to split the cost of bills. People appreciate that these payment solutions make it easy to track spending in a way that's contactless and convenient. And adoption is growing

The study shows: 30 percent of respondents have signed up for P2P platforms in the past six months and nearly half (45%) of longer-term users are using this form of payment more often than they did a year ago. And 13 percent of respondents cited avoidance of paper money and physical cards as one of their top three reasons for using digital payment tools during the pandemic.

In Bangladesh, MFS becomes a boon for people of all walks of lives specially in the pandemic time as some people are afraid of contamination through handling cash most people maintain social distance.

"When the government asked to shut down all shops and offices last week, we were frustrated and stopped production. The situation improved after a few days when customers asked us to deliver food items paying money in advance through MFS", said Sajjad, a restaurant boy living at Malibagh area in the city.

Transaction through MFS is contactless, convenient, low cost, safe and quick. It enables people not only to buy foods and goods from their homes but also pay their utility bills, fees and other necessary payments from their homes. This has brought more people in cashless journey in recent days.

The central bank has also

increased monthly limit of money transfer through MFS to support people meet their needs in this crisis period. A Bangladesh Bank official said contactless payment through MFS has kept the retail drive alive.

More than 15 MFS operators are now facilitating every day millions of people cashless payments worth millions of taka against buying goods, enjoying services and paying utility bills, which is increasing day by day.

"In this time of crisis, MFS has proven to be an invaluable tool for facilitating the flow of money in the economy", said Major General Sheikh Md Monirul Islam (retd), Chief of External & Corporate Affairs Officer at bKash Limited. "Digital payments, once born out of convenience, have become a necessity for some people. Bangladesh Bank has declared MFS as emergency services amidst the ongoing area lockdowns following the coronavirus outbreak".

Is providing its customers one-stop solution for all kinds of fund transfer and payment services. Apart from the regular fund transfer services, bKash is providing uninterrupted payment services for essential utilities like electricity, gas, water, internet, telephone, cable, education and humanitarian activities.

Readymade garment (RMG) factories have been directed to pay all salaries to their employees through MFS accounts to avoid the risk of infection, as cash money is one of the most common carriers of the novel corona virus. "Regardless of whether there's a proven risk, the "psychological factor" of people thinking of cash as "unclean" could change how they choose to pay, according to Major General Sheikh Md Monirul Islam (retd).



"bKash has gone beyond its role as just a MFS provider to fight COVID-19", he said.

MFS Needs More Attention to keep the speed

There are plenty of benefits to going cashless: digital payments are convenient and - in current circumstances - are increasingly necessary. More importantly, however, they are a lot cheaper to process than their cash equivalents.

The most important thing is that mobile payments boost financial inclusion, as more and more individuals are able to open bank accounts online and transact digitally without ever having to enter a physical bank branch - difficult at times like this pandemic era.

But a lot of challenges exist in the way of the journey toward a cashless society. The recent mismanagement in government's aid disbursement through a government patronised MFS suggests that an unhindered



mobile payment services is of utmost essence amidst COVID-19 crisis faced by the whole nation.

A large number of poor people living in Gaibandha district demonstrated recently in front of their Deputy Commissioner's office claiming that they are cheated by a mobile financial service (MFS) operator that failed to disburse government's aids and stipend money to them.

But most of them expressed their gratitude to the Prime Minister Sheik Hasina who gave them funds through Nagad as gifts to stay good in these pandemic days.

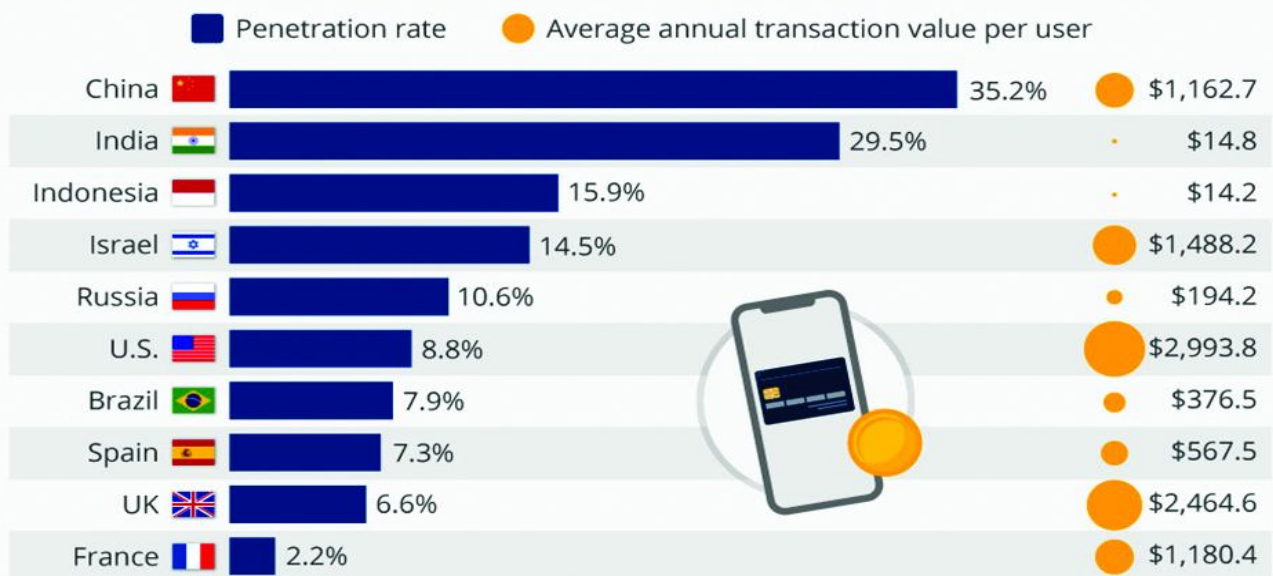
"Sometimes good initiatives face jolt due to bad actors", Sirajul Islam, a

63 aged villager who didn't get his fund.

So, MFS industry needs more attention. A conducive environment is essential for both market players as well as consumers to reap benefits from cashless environment.

China's Mobile Payment Adoption Beats All Others

User penetration in the mobile point-of-sale segment in 2019* (selected countries)



The Mobile POS Payments segment includes transactions at point-of-sale that are processed via smartphone applications (so-called "mobile wallets").
* projected figures, selected countries



Source: Statista Digital Market Outlook



New mobile financial service 'tap' hits market

DF Report

A new mobile financial service (MFS) provider, Trust Axiata Pay, launched business operations on Wednesday July 28 aiming to promote cashless transactions in Bangladesh facilitating customers easy, quick and comfortable transactions with mobile phones.

The brand, styled tap, is of Trust Axiata Digital, a subsidiary of Trust Bank founded in May last year to provide MFS.

Trust Bank owns a 51 per cent stake in the company while Axiata Digital Services Sdn Bhd, Malaysia the rest. Formed under Bangladesh Mobile Financial Services Regulations, 2018, Trust Axiata Digital would operate as a MFS provider and a payment service provider (PSP) in Bangladesh.

Chief of Army Staff General SM Shafiuddin Ahmed, also the chairman of Trust Axiata Digital Limited inaugurated the TAP in an ceremony held at the Trust Bank head office in Dhaka.

"In this technological era mobile financial service or MFS is a very fitting and useful technological tool. To explore the opportunities, we at Trust Bank Limited - a company of the Army Welfare Trust - have partnered with Asian tech giant Axiata Digital Services and to launch the Trust Axiata Pay or 'tap'," he said.

"We will be able to bring this service to the doorsteps of people inshallah," the Army chief expressed his hope after inaugurating the TAP cutting a cake and pressing the inaugural button.

This is the third subsidiary of a bank offering MFS. Previously it was Brac Bank and United Commercial Bank which established bKash and upay respectively.

General SM Shafiuddin Ahmed, chairman of Trust Axiata Digital, announced the launch at a ceremony in Trust Bank's Dhaka head office.



Chief of Army Staff General SM Shafiuddin Ahmed inaugurates the new mobile financial service TAP of Trust Bank recently.

"In this technological era, MFS is a very fitting and useful technological tool. This is why Trust Bank has partnered with Asian tech giant Axiata Digital Services to launch 'tap'," he said.

Humaira Azam, managing director of Trust Bank, said the bank aimed to provide the best banking services to people of the country.

"This is the reason for our partnership with Axiata Group. I believe digital transaction services can reach new heights through this partnership," she said.

Dewan Nazmul Hasan, chief executive officer (acting) of Trust Axiata Digital, said he believed people of the country would welcome this initiative by Trust Bank.

"Trust Axiata Digital Limited will become an icon of trust in mobile banking in the country," he said.

The MFS provider has aimed to promote cashless and universal banking, meaning anytime and anywhere payments and transactions using mobile phones in Bangladesh.

The service will cater to all customers alongside corporate and government payments, such as for merchant shopping, insurance and utility bills and passport fees and allow fund transfers, availing cash from agents, adding money from banks and so on.

Credit card use hits record high

DF Report

Credit card transactions hit an all-time high in June as more people are avoiding cash amid the ongoing coronavirus pandemic and using credit cards to buy products through digital payment channels and e-commerce platforms.

Bangladesh Bank data shows, the amount of credit card transactions increased by 13.25 per cent and stood at Tk 1,934 crore in June, which is 115.46 per cent higher from the June of the last year.

During the first 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 pan-

demic, 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.

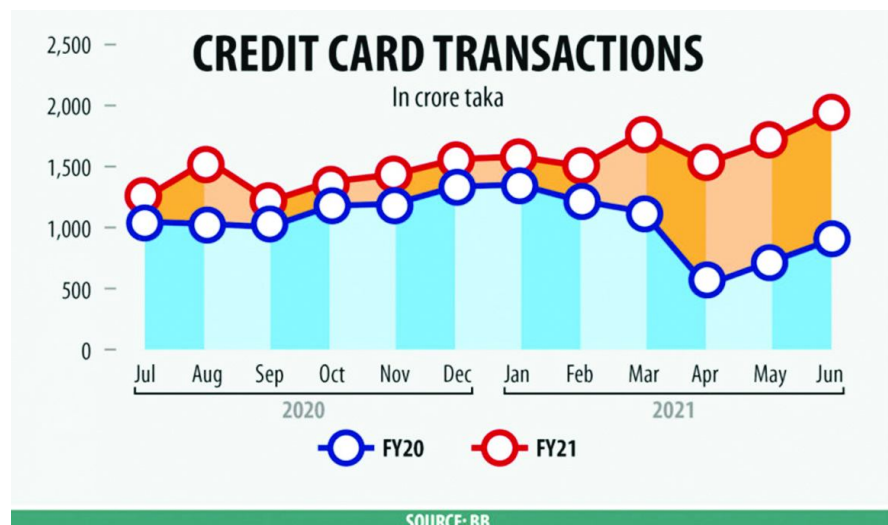
"Digitalisation and an increased tendency to do online transactions rather than handle cash is pushing card transactions higher," he added.

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.



e-KYC vital for digital financial inclusion

E-KYC helps the regulators to ensure financial integrity, while it makes it easier for the clients to access formal financial services

DF Report

The "electronic know your customer" (e-KYC) guideline has pushed the digital financial services forward to increase the financial inclusion in Bangladesh, said speakers at a webinar titled "E-KYC: Digital Solution to Accelerate Financial Inclusion" on 18 August.

"The e-KYC plays a vital role in accelerating digital financial inclusion. It facilitates customer authentication and helps to reduce compliance and operational costs for the financial services providers (FSPs)," said Md Masud Rana, deputy general manager of the Bangladesh Bank, while presenting the keynote paper at the webinar.

"It also helps the regulators to ensure financial integrity, while it makes it easier for the clients at the bottom of the pyramid to access formal financial services," said Masud at the webinar organised by Aspire to Innovate (a2i) in association with Nagad and The Business Standard.

Praising the Bangladesh Bank's formation of e-KYC guideline, Sadat Adnan Ahmad, chief commercial officer of Nagad, said as a result of the guideline, it has become possible to reach the marginalised people with financial services.

"The use of mobile financial services (MFS) is rising because of the e-KYC, accelerating the number of banking people in the country. The guideline is also helping to secure data and minimise the chance of any mistake," he said.

Shyamol Boran Das, chief digital officer of Mutual Trust Bank, said, "Bangladesh is moving forward. However, any digital programme needs a robust public infrastructure and a broader awareness venture.

Bangladesh has been lagging a little bit behind in this regard."

Md Majidul Haque, head of agent and digital banking of Prime Bank, said, "Through forming the e-KYC guideline, the Bangladesh Bank has made the onboarding solution easy. But still there are some issues in the workflow on our end which we are addressing."

Avijit Nandy, project manager of Porichoy, said, "Currently a competition of providing digital services is taking place among the banks. They are coming up with new apps for the people, making digital banking a big platform."



Subhash Chandra Das, chief financial officer of Sonali Bank, said, "Sonali Bank works for mass banking and has to deal with a wide range of people. Because of the vibrant tool like e-KYC, we are now able to compete with the private banks in providing good banking services."

Meanwhile, the digital National Identity Card (smart NID) is providing a big opportunity for advancing the e-KYC.

In this regard, Akhtaruzzaman, system analyst of Election Commission Secretariat, said, "We have the most secured data centre and we are working to collect people's data continuously with accuracy.

"Currently, we are sharing data to 151 organisations. We have the capacity to serve 200 requests per second but currently we are serving 30 requests. So we are using only 15% of our capacity."

He said, "A bulk of our capacity is still remaining unused, so we can increase our service if needed."

Md Ashraf Alam, general manager of the Bangladesh Bank, moderated the programme.

Agent banking gaining popularity in villages

DF Report

Agent banking is gaining popularity among village people as they can enjoy banking services at their door steps without hassles.

Around 3 million marginalised people are now taking banking services from the agent outlets across the country mostly in remote villages. National Consultant for the Digital Access of Financial Services of a2i programme of the government Iqbal Hossain Sohel disclosed this recently.

He said agent banking has become the key point for the rural economy. Deposit mobilisation has received momentum and the remitters are now also opting for the platform largely as the beneficiaries can withdraw funds without visiting any bank branch.

As of July 2021, he told the BSS, marginalised people are getting banking services from a total of 4,470 digital centres across the country. Till July 2021, the total amount of deposit collection stood at Taka 13.7 billion while agent outlets disbursed Taka 19.6 billion in remittance, he said.

Iqbal Hossain Sohel said rural and underserved communities face significant challenges in accessing financial services and they still need to travel a significant distance, spend considerable amounts of money and time to receive financial services as their nearest bank branch is often too far away.

To overcome this situation, he said, a2i has intervened with a digital centre-based agent banking model where existing entrepreneurs of digital centres become bank



agents to offer financial services to hard-to-reach customers.

With the combination of technology and agent network, digital centre entrepreneurs are now capable of providing banking services in rural areas to the marginalised and deprived community, he added.

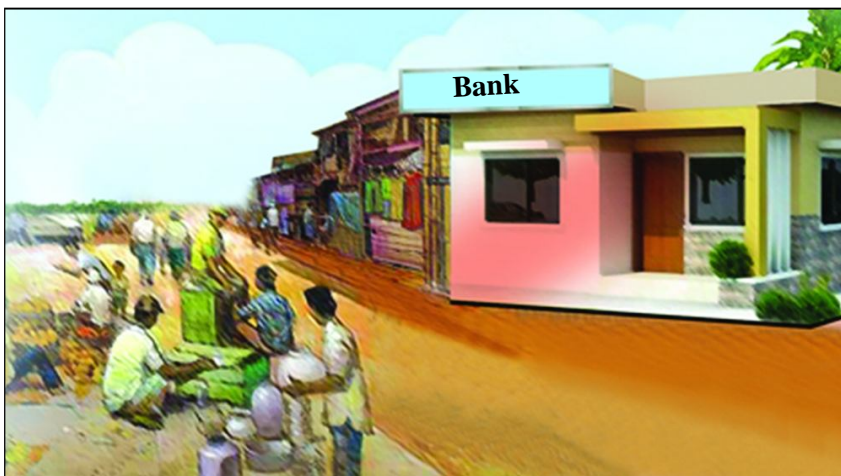
Iqbal Hossain Sohel said the objectives of agent banking are to include the unbanked rural population in the formal banking system and provide access to various financial services through the digital centre.

A2i has introduced the service to save time and money for citizens by offering financial services from the nearest agent points, he added.

Prime Minister Sheikh Hasina from her office and former New Zealand Prime Minister and Global Administrator of UNDP Helen Clark from Char Kukri Mukri jointly inaugurated the Union Information and Service Centre (Digital Centre) across the country through a videoconference on 11 November 2010.

In the continuation of the success of Union Digital Centre in 2013, digital centres were established in all wards of municipalities and city corporations.

About 294 digital services are currently being delivered to the rural people by the union digital centres, said Iqbal Hossain Sohel.



Corporate Social Responsibility In Pandemic

bKash innovative services become lifeline during pandemic

bKash services in pandemic are innovative and pro-people beyond business gains



Fardin Ishrak Ahmed

The COVID-19 pandemic is a humanitarian disaster on a global scale. Societies have been grappling with the effects of the virus on individuals and communities as well as its economic fall-out and financial consequences.

In such a situation, corporate bodies across the world extended their supports to people who are passing very tough time in the pandemics. In Bangladesh, many corporates stood out with their social responsibility programmes to support people staked at homes in lockdown and have been grappling with the effects of the virus.

bKash, being a leading player in MFS sector is also contributing to the process through its services that have become lifeline during pandemic. The services are innovative and pro-people beyond business gains.

Contribution to Healthcare

Covid-19 posed massive pressure on the healthcare sector of country like many others. bKash stepped forward to help the government combat the crisis and handed over 350 ventilators along with 950,000 emergency medical toolkits, arranged by its overseas partner's affiliates Alibaba Foundation and Jack Ma Foundation.

In addition, the largest MFS provider of the country, from its own fund, provided another 30 ventilators and installed oxygen plant to leading hospitals who are on the front line of the Covid treatment.

The ventilators and other equipment were the call of the hour for the country's public and private hospitals and other establishments, which struggled to deal with the

sudden onrush of Covid-19 patients. It was also certainly a relief for the government, health ministry, hospitals and above all, the frontline doctors, nurses and paramedics who had scant resources.

Adding to that, bKash contributed in the construction of a COVID specialized hospital initiated by humanitarian organization, Bidyanondo Foundation. It also provided food aid to 10,000 families who were badly affected by the pandemic.

Facilitating Donation

Addition of 'Donation' button in bKash app has let people help each other during pandemic. And thus it enables users to donate to more than 60 welfare organizations like Bidyanondo Foundation, Obhizatrik Foundation, Quantum Foundation, Shakti Foundation for Disadvantaged Women, Anjuman Mufidul Islam, Bangladesh Thalassaemia Foundation, BRAC, Center for Zakat Management, Dhaka Ahsania Mission, SOS Children's Villages Bangladesh, iccdr,b, National Liver Foundation of Bangladesh, Embassy of the State of Palestine Dhaka, etc.



More than 13pc people lost jobs due to Covid-19 pandemic: BIDS survey. Women are the worst sufferers

Till now, 8.75 lakh customers have donated BDT 29 crore to these organizations which is helping underprivileged people to combat financial crisis during the pandemic.

Awareness About Coronavirus

In collaboration with a2i, bKash had taken initiative in 2020 to help people inform and prevent the Coronavirus by adding 'Corona Info' icon in bKash app enabling them to share and retrieve necessary information through Information Technology.

Registration of Covid Vaccine

During pandemic, customers can find national Covid-19 vaccination registration portal 'Surrokkha' in bKash app. Due to this collaboration between bKash and ICT Division, Covid vaccine has become more available to people.

Salary and Allowance Disbursement

At the onset of the pandemic, Prime Minister of Bangladesh announced cash aid for the extremely Covid-affected populace through mobile wallet. bKash partnered the initiative to disburse cash aid among 2 million beneficiaries through G2P in two phases.

Through rigorous identity verification process, real beneficiaries were assured to receive the money directly and instantly to their wallets. It was carried out at the shortest possible time avoiding intervention of any middleman or having scope of any discrepancy.

This disbursement process was cost effective for the government. bKash also contributed to the initiative by bearing a part of the service charge. The effort was transparent, fast, accurate and affordable.

Besides Prime Minister's cash aid, bKash has also disbursed government stipends among students, stimulus packages of different ministry, salary and allowance of



difference organizations' employees, social safety net allowances, allowance of the Ministry of Disaster Management and Relief, Stipend of Prime Minister's Education Assistance Trust, etc.

RMG Workers' Salary Disbursement

Serving around 54 million users in Bangladesh with wide range of services along with nearly 3 lakh agents and 2.5 lakh merchant points across the country, bKash is the largest mobile financial services provider in the country. The company is helping organizations and people to fight Covid crisis in many ways during this period. Facilitating RMG workers' salary payment was one of them.



bKash worked closely with the government to facilitate the distribution of salary and government incentive to the workers. As most of the workers used to get salary in cash, bKash as an integrated platform helped them collect salaries in their mobile wallets.

During pandemic, around 1.1 million workers from 980 RMG factories received salary in their bKash accounts which was a great relief for them. During this time, bKash has opened accounts of nearly 700 thousand workers following the compliance of central bank and leveraging e-KYC technology. Besides accomplishing this huge responsibility, bKash has also used mass media to create awareness among workers.

Starting from 2015, RMG factories have been relying on bKash to disburse their workers' salaries digitally and the confidence of using bKash for disbursing salary is increasing day by day.

Remittance Disbursement

In the current COVID situation, especially during the month of Ramadan on the eve of Eid-ul-fitr, back in May 2021, bKash has offered 1% cash bonus on top of 2% government incentive on remittance, to ensure more comfort to the expatriates while sending



money to their loved ones through different banking channels. Currently, expatriates are availing the opportunity to send remittance securely their relatives through 9 commercial banks of the country via more than 50 money transfer organizations (MTO).

This cash bonus offered by bKash along with government incentive brought more relief to the expatriates and their relatives in sending and receiving remittance from anywhere 24/7 while staying at home.

Expatriates can send remittance to their loved one's bKash account instantly through online/internet transfer or mobile wallets without going anywhere. The convenient and fast remittance service of bKash is helping them stay safe during the pandemic.

Besides, receivers can Cash Out the money at any time from any nearby agent point instead of wasting time and cost in reaching bank counters. While staying at home, they can also avail various bKash services through their wallets.

Services That Have Become Lifeline During Pandemic

During lockdown, existing users as well as new customers have rushed towards bKash to Send Money to their near and dear ones as banking is time-limited and fewer people have access to formal banking. Mobile recharge has emerged as one of the most used services as well. It helped people remain in home safely.

Pay Bill is another highly used service. bKash has become a trusted tool for every family to pay utility bills of electricity, water, gas, telephone, internet, TV,



credit card, govt. fees, etc. without going outside.

Customers of 29 banks, Visa and Mastercard can now Add Money to their bKash accounts, evading the risk of withdrawing money from bank counter or ATM booth amid the surge in Covid-19 infections.

During the Corona-induced pandemic, Add Money service is giving customers freedom and comfort to avail seamless, convenient, secure and cashless transactions. On average, 1.2 million bKash customers have already been availing Add Money service every month. bKash has added 18 new banks to its Add Money network during pandemic which has taken the customer-bank relationship to a new dimension, coming out of conventional banking.

Apart from Send Money, Mobile Recharge and utility bill payment, a wide range of other services like Transfer Money, online payment for shopping, payment of education and insurance fees, etc. are helping customers to maintain social distancing during pandemic.

বিদেশ থেকে বিকাশ একাউন্টে
১০ হাজার টাকার
বেশি আসলে

১% এক্সট্রা বোনাস*

আরো আছে
২% সরকারি বোনাস

* শর্ত প্রযোজ্য



Fueled by pandemic shifts, MFS is now even more critical

An astonishing 26% of total global VC funding is going into mobile-related ventures.

Shamim Ara

Shamsun Nahar, a 50 aged house wife living in Uddomdi under Matlab South Upzila has no bank to receive remittance money sent by her husband from Saudi Arabia every month. But she is not unhappy as she have bKash app that enables her to get cash quickly.

"I don't need to go bank branch, one kilometer away from my home to withdraw funds after a long queue in front of bank officials. I have has bKash', she told The Bangladesh Express recently.

Not only Shamsun Nahar, millions of people see MFS as a boon to them as it helps them to meet their needs maintain physical distance to remain safe from corona virus attack.

Now from ordinary people to businessmen, mobile transactions are increasing in all cases, including bill payments, shopping, school salaries and government allowances.

Mobile banking transactions have increased for a number of reasons. Consumers are showing more interest in digital transactions staying at home due to maintaining social distance and restrictions on movement due to Covid-19 spread

Bangladesh Bank data shows total transactions through MFS increased by 12.2 per cent to Tk 71246.88 in May, the highest ever in a single month as more people are using this unique tool to buy foods, medicines, pay utility bills, receive aids and even using in daily shopping through e-commerce platforms," said a Bangladesh Bank (BB) official.

And this has pushed up the number of agents to 1086018 in May from April's 1061128 while average daily transaction rose by 8.6% to Tk 2298.29 crore and the number of active account rose 7.9 per cent .

Here, the role of the government and consumers' positive attitudes towards

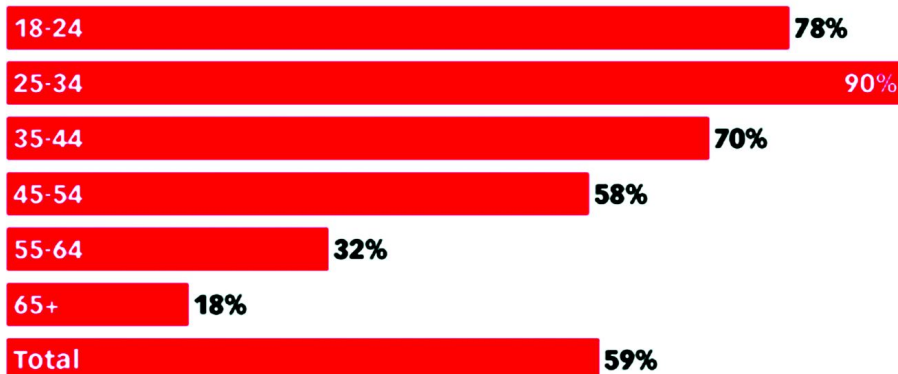
e-commerce has accelerated the MFS transactions, central bank officials said noting that govt payment through MFS rose 78.4 per cent, merchant payment 32.3 per cent and utility bill payment increased by 15 per cent during the period.

Industry insiders said mobile banking transactions have increased for a number of reasons. Consumers are showing more interest in digital transactions staying at home due to maintaining social distance and restrictions on movement due to Covid-19 spread. Many companies are paying salaries in mobile banking. People are availing many services including credit card bills through mobile banking.

bKash-Bangladesh's largest mobile money transfer system has brought people like Shamsun Nahar under government's financial inclusion strategic network. Such people for long considered clay pots as banks and manual person-to-person cash transfer as

US Adults Who Prefer Shopping on Their Mobile Phones, by Age, June 2020

% of respondents in each group



Source: App Annie as cited in company blog, July 1, 2020

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www.eMarketer.com

the only way of moving money.

Inclusive digital financial services like bKash have made Bangladesh a role model to the world in terms of creating financial activities at the grass-roots level. In the last few years, MFS have brought over five crore unbanked people under financial services.

Elsewhere, this MFS boom in attention and usage is prompting serious interest from venture capitalists. With every facet of business and personal life becoming digitized, there's no shortage of ideas. The latest App Annie report confirms the important part mobile technologies plays as nations continue to battle the COVID-19 pandemic.

App usage, purchasing, and time spent using apps all shot up as the world turned to mobile to hold things

together. The report claims VC money is particularly focused on solutions for financial services, transportation, commerce, and shopping - but there's interest in every sector.

An astonishing 26% of total global VC funding is going into mobile-related ventures. In fact, \$73 billion was poured into mobile last year. What this means is that mobile has become the center of the attention economy.

In the US, Gen Z, Millennials, and Gen X/ Baby Boomers spent 16%, 18%, and 30% more time YoY, respectively, in their most-used apps, the report explains.

(The writer is the managing Editor of THE BANGLADESH EXPRESS)

Cryptocurrency trading not allowed at all: BB

DF Report

Bangladesh Bank has once again said that it does not allow holding or trading of any kind of virtual coin or cryptocurrency in the country.

The central bank recently sent a letter to the Criminal Investigation Department of the police that trading of cryptocurrencies cannot be considered apparently as a crime although virtual coins are illegal under the laws of the country.

In a circular and through its website on December 24 in 2017, the Bangladesh Bank asked all to refrain from trading of virtual currency. The banking regulator still does not allow or support trading of any cryptocurrency, such as Bitcoin, Ethereum, Ripple and Litecoin, Bangladesh Bank said in a statement recently.

Cryptocurrencies are a form of digital asset based on a network that is distributed across a large number of computers. This decentralised structure allows them to exist outside the control of governments and central authorities.

In its public notice, Bangladesh Bank said transaction through any virtual currency will not be allowed as per the Foreign Exchange Regulation Act 1947, the Money Laundering Prevention Act 2012 and the Anti-Terrorism Act, 2009.

No one can claim any financial transaction made



through virtual coins, as no legal authority in the world permits such trading, the banking watchdog said in today's statement.

Parties with artificial names conduct these online transactions, where there are high risk of breaching the laws related to money laundering and financial crimes, it added.

That is why no regulator, including Bangladesh Bank, allows cryptocurrency trading, according to the statement.

Cryptocurrencies initially did not take approval from any country, but central banks of some nations such as Japan, Singapore, the United Arab Emirates and the United States have officially recognised them in recent times.

IBBL, Mastercard launch Shariah-based cards

DF Report

Islami Bank Bangladesh Limited (IBBL) has launched Shariah based dual currency Mastercard Titanium and Gold debit, World and Gold credit and prepaid cards.

The dual currency cards feature contactless capabilities which will allow cardholders to more conveniently transact domestically and internationally.

Planning Minister MA Mannan was chief guest at the virtual inauguration ceremony on Sunday last week. Deputy Governor of Bangladesh Bank Ahmed Jamal and Prof Mohammad Gias Uddin Talukder, chairman of Central Shariah Board for Islamic Banks of Bangladesh, were also present as special guests.

Mohammed Monirul Moula, managing director and CEO of IBBL, presided the event.

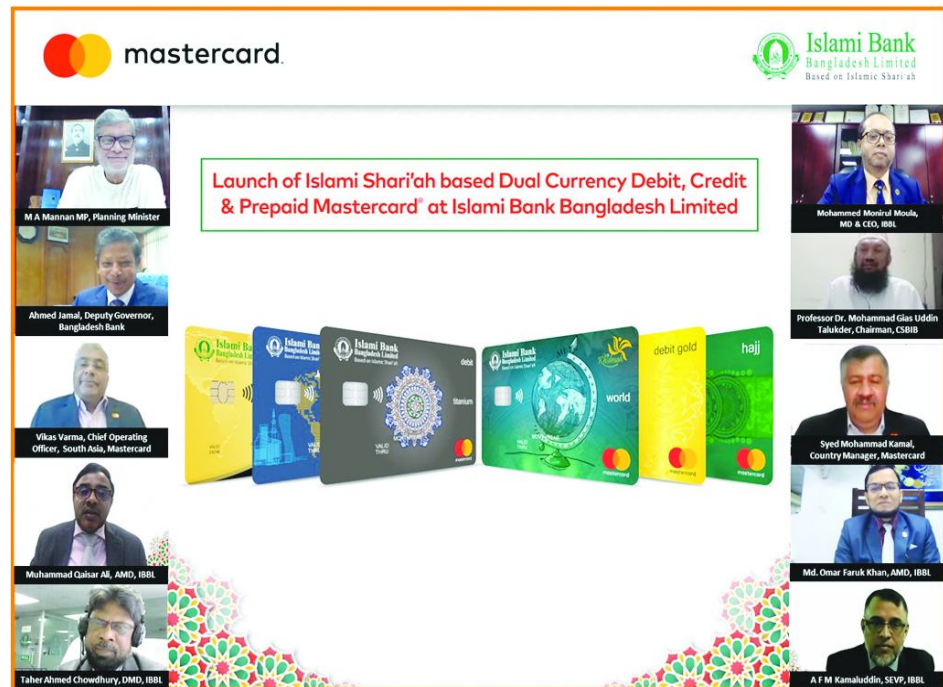
"Our dual currency cards will boost cross-border transactions by enabling greater purchase flexibility for cardholders that shop, dine and transact while overseas, eliminating the need to carry foreign currency while traveling abroad", the CEO said.

"Our collaboration with Mastercard will accelerate digital banking through technology-based payment services and further the financial inclusion by reaching masses across the country", Mohammed Monirul Moula said noting that the product will ensure a more secure transaction system for the customers.

The dual currency cards allow cardholders to avail more secure online payment facilities through two-factor authentication where cardholders will receive an OTP (One Time Password) to verify their online transaction, helping to reduce incidences of fraud.

The cards can also be used to withdraw cash 24 hours per day, 7 days a week at ATMs nationwide and internationally.

The contactless cards are embedded with a secure EMV-enabled chip that allows for a safe, touchless



transaction at any enabled payment terminal or POS (point-of-sale) machine.

EMV cards store data on integrated circuits that create dynamic data every time a cardholder processes a transaction, making it nearly impossible for fraudsters to duplicate or clone the card.

To enjoy all the benefits of the new cards, cardholders should visit their nearest Islami Bank Bangladesh branch to endorse their passport for travel quota entitlement, after which dual currency transactions will be enabled on any existing Mastercard debit, credit and prepaid cards issued by the bank.

To celebrate the launch, Islami Bank Bangladesh Limited and Mastercard are offering exclusive benefits and discounts on purchases made with Mastercard Titanium and Gold debit, World and Gold credit or prepaid cards at Mastercard's network of more than 5,500 partner outlets nationwide. These will include discounts on dining, lifestyle products, travel and stays at hotels and resorts.

The collaboration with Islami Bank Bangladesh is an exciting milestone for Mastercard in bringing best-in-class products that provide flexibility, convenience and security to cardholders, said Syed Mohammad Kamal, country manager, Bangladesh, Mastercard.

foodpanda offers discount on bKash payment again

DF Report

foodpanda, the country's leading online food delivery platform, is again offering discount on bKash payment for ordering foods and groceries.

According to a press release, customers can now avail



up to Taka 120 discount from two food orders on bKash payment throughout the month of August.

They can enjoy a maximum discount of Taka 60 on a

minimum order of Taka 130 from various restaurants on foodpanda. Customers need to use the code 'BKASHFP60' to get this discount on food order while making bKash payment.

A customer can avail this offer twice during the offer period.

In addition, a maximum discount up to Taka 50 on grocery payment is also available during the campaign. Customers have to use 'BKASHFP50' code while ordering minimum Taka 500 worth groceries from pandamart. Customers can avail this offer only once during the offer period.

A huge number of customers have been using digital payment service since bKash payment was added on foodpanda. Home delivery of food or groceries without cash transactions is ensuring extra safety to the customers especially during this pandemic.

bKash offers up to Tk200 cashback on Shohozfood payment

DF Report

Brac Bank's bKash is offering up to Tk200 cashback on food orders from food delivery platform Shohozfood through bKash payment till 30 September.

Customers can get 10% cashback up to Tk100 on each order from Shohozfood. They can avail the offer twice during the campaign period.

To avail the cashback, customers need to pay a minimum of Tk300 through the bKash payment gateway.



bKash introduces reward points with transaction

Customers can enjoy offers using points

DF Report

Now bKash customers can earn reward points with transaction to their own accounts. They can avail different offers including cashback using those reward points afterwards. The more transactions will be made, the more 'bKash Rewards' points will be added to account, making customers' experience affordable and exciting.

bKash always strives to introduce new and innovative services for its customers. On that core principle, it has introduced another unique service 'bKash Rewards' which is the first of its kind in the country's mobile financial services (MFS) sector.

'bKash Rewards' icon has been added next to the logo on the home screen of app. By tapping on the icon, customers can learn about their earned points, position at reward level, cashback amount, offers, point history and other details. All bKash customers are eligible to get reward points and can use their points through bKash app.

Certain amount of points will be added to customers' account through regular use of bKash services like Send Money, Mobile Recharge, Cash in, Cash Out,

Payment, Pay Bill and other services. On app's 'bKash Rewards' option, customers can see how much cashback they will get from their earned points.

Besides, customers can learn about how many points they have received from particular services and how many points they have used by tapping 'Point History' option. A video tutorial on how 'bKash rewards' works is also added in this screen for customers' convenience.

Depending on the earned points, customers will be categorized in six reward levels such as Bronze, Silver, Titanium, Gold, Platinum and Diamond. For each level, customers can enjoy different amount of offers including cashback using reward points.

They can unlock the next levels by earning more points availing bKash services regularly. Customers can also check their current status in the level from progress bar. Customers can also view offers of different levels from the progress bar.

For customer convenience, queries about bKash rewards have been added in 'Frequently Asked Question' option of the bKash rewards screen. Besides, customers can find details about bKash rewards by tapping 'Terms & Conditions' option.



E-commerce strategies boom as banks look to diversify

As low rates squeeze margins, lenders are leveraging tech to expand into a range of non-core digital services.

David Robinson

Despite rising inflation as countries around the world reopen following Covid-19, the continued fragility of the global economy will likely see interest rates remain at ultra-low levels for the foreseeable future as central banks seek to shore up the recovery.

A low-rate environment, however, remains a problem for banks' bottom lines. The average bank earns about 80% of its revenue from interest income, making them hugely reliant on net interest margins - the spread between the rate they lend at and the rate they pay on deposits made - which have been compressed by a decade of ultra-low rates.

This shortfall has pushed some banks to expand into new sectors and offer services that fall outside the traditional banking remit, according to a report by analytics company GlobalData.

"The past few years have seen more innovative institutions make better use of data and technology to personalise their services and integrate marketplaces into their offerings," says Mohammed Hasan, an analyst at GlobalData. "It has enabled them to generate new streams of revenue that are not dependent on interest rates."

The onset of the Covid-19 pandemic has accelerated

this trend as banks seek to cut costs, reduce branch networks and streamline digital operating models. "A digital-first approach provides more opportunity for banks to offer a variety of services and create more personalised products," Mr Hasan says. "Technology has allowed banks to move into a lot of industry verticals, which they were previously unable to."

This shift comes at a time when tech giants such as Facebook, Apple, Google and Amazon have been moving into financial services through product launches, investments and acquisitions. "In many ways it makes sense that some banks are doing the reverse," Mr Hasan adds.

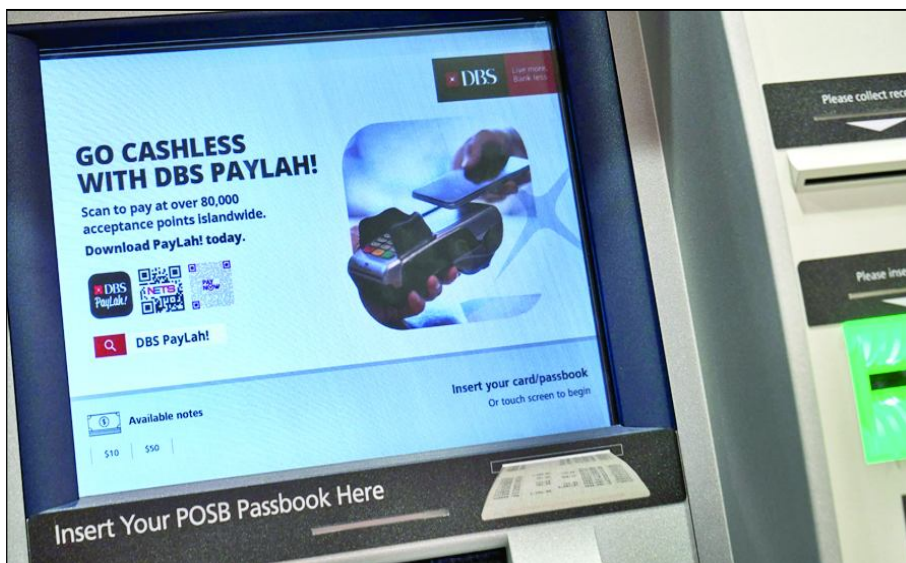
'The Amazon of Russia'

Russia's largest lender, Sberbank, has expanded aggressively into non-core businesses over the past few years, which range from cyber security to online cinema and food delivery.

Its operations now include e-grocer SberMarket and geolocation and mapping service 2GIS; it has even launched its own music-streaming service, SberZvuk. Last year, Sberbank reported \$988m in non-financial services revenue - an increase of 170%. "They want to be the Amazon of Russia," Mr Hasan says.

In 2014, Singaporean lender DBS launched a lifestyle app, 'PayLah!', which allows customers to book taxis, order lunch and buy tickets to a show from a single interface. "The app provides a lot of insight into customers' spending habits, deepening the relationship between the bank and an individual customer," Mr Hasan notes.

The development of similar 'super apps' that integrate different verticals is now a focus at many financial services groups, Mr Hasan says. "The data they provide can help create a complete consumer profile allowing a company to target and advertise its services in a very efficient way," he adds.



DBS is one of several banks that have moved into the auto marketplace space. In 2017, Bank of America launched a digital auto dealership to complement its auto-financing business. The site allows customers to search for used and new vehicles nationwide and then arrange financing online. Bank of America has reported a seven-fold jump in financing applications for auto loans since its launch.

Spain's BBVA, meanwhile, launched Automik in 2019 for car dealers that want to incorporate auto financing into their online platforms. The service - which combines the choice of vehicle and the financing request in the same process - also puts BBVA in a position to develop its auto-loans business, according to GlobalData.

Online real estate offerings

Another growth area is digital real estate platforms. BBVA has also developed an end-to-end service which supports customers looking to purchase a home in

Mexico and provides follow-up services. It mirrors Dutch bank ING's acquisition of Makelaarsland, a digital real estate platform that allows consumers to buy and sell property while saving on broker and other fees related to moving house.

The platform offers ING considerable data on changes in consumer behaviour and the housing market, as well as the opportunity to place its mortgage services in front of the 250,000 visitors the platforms receive every month, the report states.

"Many innovative banks have a similar strategy," Mr Hasan continues. "On platforms like Spotify or Netflix, the content that is pushed out is increasingly tailored to a customer's profile. Banks have traditionally taken a market-based approach to their offerings but that it is changing.

Over the next five years, this shift is going to have significant implications on which banks succeed and which banks get left by the wayside."

bKash reinstate payment gateway for e-commerce firm Evaly

DF Report

bKash, the leading mobile financial services company of Bangladesh recently has re-launched its payment gateway with e-commerce platform Evaly. At the same time, according to Evaly, it was learned that payment now can be made with VISA, Master Card, United Commercial Bank's mobile banking service Upay.

Earlier, on the night of August 16, Mohammad Rassel, managing director, and chief executive of Evaly hinted this in status on his Facebook wall.

Mohammad Rassel said in the Facebook post that from now on the customer will be able to make payment of Evaly through bKash. Payments for Nagad, Upay, Visa MasterCard, and SSL Commerce are also available. Other payment services to be able to recover everything soon.

Confirming the matter, Shamsuddin Haider Dalim, Head of Corporate Communications, bKash, said that bKash's payment gateway has been launched in accor-

dance with Bangladesh Bank's e-commerce payment policy. It has been in effect since 17 August.

Earlier, on July 18, bKash suspended the payment of Evaly. At that time, several banks also suspended their credit, debit, and pre-paid card transactions with Evaly.



Among them were Dutch-Bangla Bank, Prime Bank, Mutual Trust Bank (MTB), BRAC Bank, Bank Asia, Dhaka Bank, UCB, and City Bank. In addition, several suppliers of contracts with Evaly have stopped selling because they have not

paid their dues against vouchers. A number of companies have also issued notices of interdiction purchases on Evaly's gift vouchers.

Launched in 2018, Evaly is a Bangladesh-based e-commerce platform. Evaly's name is at the forefront in terms of lucrative discounts or cashback offers. Despite causing a stir among online shoppers in a short period of time, the company is now at the top of customer suffering and criticism.