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From the Desk of the Editor

Cashless: Strike when the iron is hot

As Eid shopping is in full swing, sparkling illuminations around shopping centres, overcrowded roads and side lanes, and heavy rush in shopping areas are seen in the city. Despite inflation, there was no decline in Eid shopping as citizens prepared themselves.

The good news is that more people this time are now avoiding cash transactions. According to a survey, almost four out of 10 payment transactions in the city's markets were made by digital payment tools like Visa, Mastercard and bKash App over the last week since Eid shopping started to pick up. In the last year's Eid shopping, three out of 10 payment transactions were made which indicates that more people are now moving towards a cashless environment.

This is no doubt good news for Bangladesh which is struggling to achieve its millennium goals where less cash use is essential. The government is also trying to build a cashless society as digital economy will help it to achieve its goals. To accelerate the cashless journey from this less-cash trend, the government can promote people through incentives as it provides to remittance earners. Incentives are necessary to nudge people into using digital payment methods, such as cards and mobile financial services (MFS), so that Bangladesh can achieve its goal of becoming a cashless society.

India recently saw a massive rise in cashless transactions after the country provided incentives under its demonetisation program. Using this example, experts say remittance earnings in Bangladesh rose after the government incentivised the use of formal channels. As people increased the use of cashless transactions amid the Covid-19 crisis, this is the right time to offer incentives to push it further.

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Message from CHAIRMAN

Happy Eid al-Fitr 2022

After observing a month-long fast from dawn to dusk during the holy period of Ramadan, we all Muslims across the world are set to celebrate Eid ul Fitr after the crescent moon is seen within a few days. Eid ul-Fitr is a very important festival in our life and was started by the Prophet Muhammad (pub) himself. It is also known as 'The Feast of Breaking the Fast' and is celebrated by Muslims worldwide to mark the end of Ramadan.

In the first two years, Eid celebration was quite different driven by lockdown in the covid pandemic. This year Muslim communities will make the most of the festival meaningful together. Like the sun that sets at the end of the day, so too will Ramadan come and go, leaving only its mark on our heart's sky. There's a battle going on inside us in Ramadan, and for 30 days Allah gives us the power to win. Eid-ul-Fitr is a day to be grateful to Allah for all his grace upon us.

Let us show forgiveness, speak for justice and avoid the ignorant. May this Eid-ul-Fitr bring love, luck and happiness to your heart!

Eid Mubarak.

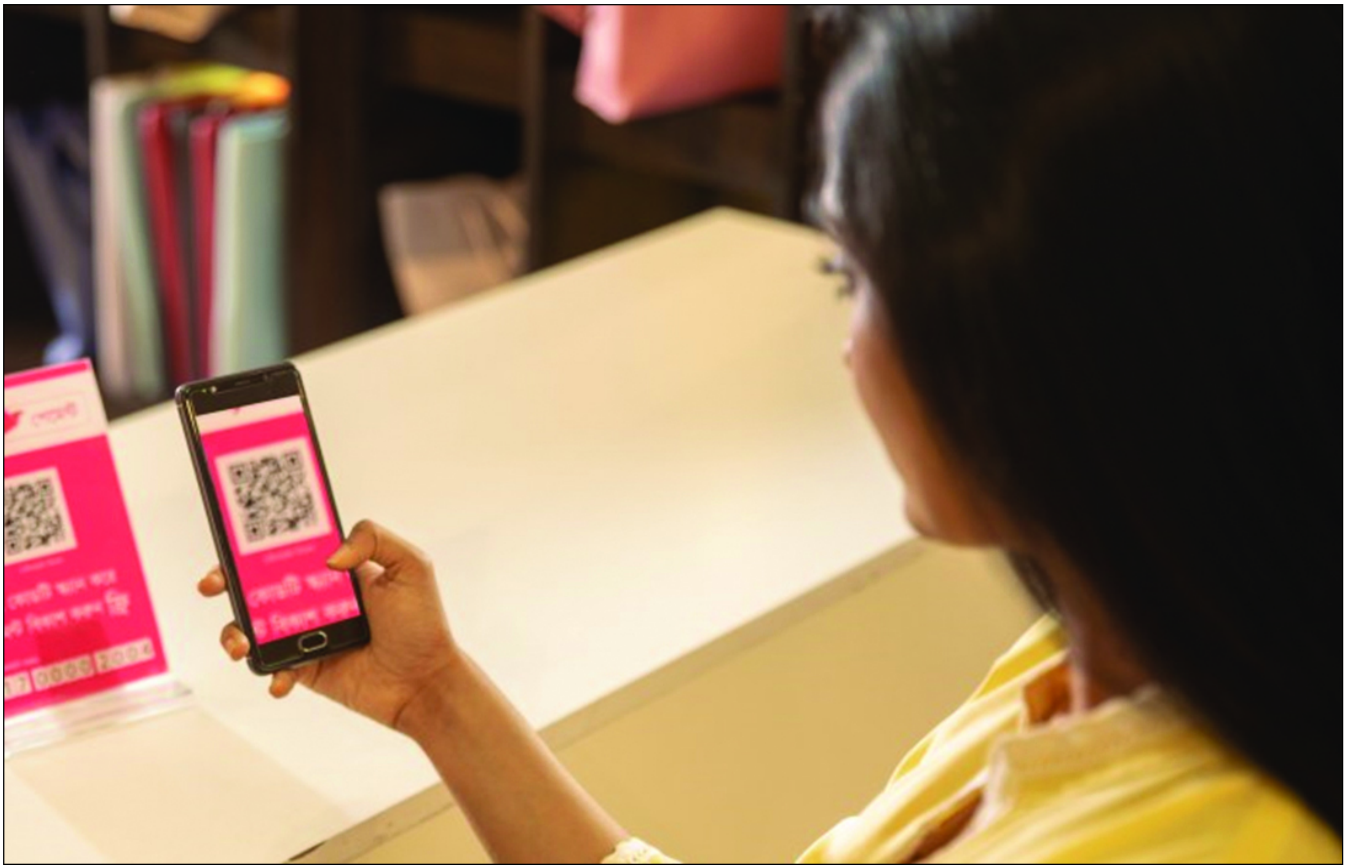
FARUK AHMED

Bangladesh Journalists' Foundation For Consumers & Investors (BJFCI) is the largest platform of senior journalists working in leading dailies of Bangladesh. It's members are working as Editors, Executive Editors, Economic Editors, Business Editors, News Editors, Chief Reporters, Special Correspondents and Senior Reporters/Sub Editors and committed to protect the rights of consumers and interest of inclusive investors through media interventions. BJFCI raises voice for the rights of consumers and promotes growth finance sector, digital innovations and mobile financial services in line with its vision to build a fair financial society for a better Bangladesh with inclusive growth.

Editor's Pick

EID SHOPPING GOING LESS CASH

● Faruk Ahmed



Tania Ahmed, a housewife residing in Dhanmondi residential area under the capital city last Friday completed almost 90% of her Eid shopping spending more than Tk 60,000.00. Most of the payments she made through Visa card and the bKash app.

"We will celebrate the Eid festival in my village home. So, I am under pressure to complete my Eid shopping. Digital payment system helped me to buy products without handling cash and enjoy some cash incentives", she said in a busy shop in Bashundhara City on Friday.

"More than 60 per cent of my payments were made through Visa card and bkash app", Tania Ahmed replied





to a question.

Not only Tania Ahmed, but many consumers are also now preferring to pay through digital channels. The coronavirus outbreak has prompted them to second thoughts about reaching for cash.

Farhana Mishu, a young housewife, residing in the Shahjahanpur area under the capital city Dhaka started shopping with the bKash app in 2021 after hearing that one of her relatives died from a coronavirus attack. The wife of the deceased informed her that her husband might be contaminated by the markets regularly he visited for buying essentials.

"Since then, I have been using bKash app to buy necessary goods from shops and even pay fishermen who supplied fish to my door and utility bills from my home", Mishu said when she was asked to explain her experiences with mobile payment.

Anjuman Ara, a college teacher, and the close neighbour of Mrs. Mishu also expressed the same views. "bKash app is now an indispensable tool for us as without payment we can not live in our society", she said.

Paying for goods and services has never been more convenient than using a mobile payment system. This has created a new group of customers who are not unbanked but feel comfortable shopping with mobile payment. Younger generations, like Fardin Ishrak, are more inclined to reach for a smartphone rather than a wallet when it comes to making payments.

"I use bKash app to purchase goods and foods to enjoy cashback and avoid contamination", said Fardin Ishak Ahmed, a student of North South University while he was busy with Eid shopping on Saturday at the city's Twin Tower shopping mall. "It's convenient, easy, quick and healthy", he explained.

As the holy Eid is knocking at the door, Eid-shopping is picking up day by day across the country from skyrocketing shopping malls to footpaths. This time billions of taka would be spent by Muslim people to buy goods and gifts for their near and dears. A large amount of money would be paid through digital channels.

"Before start shopping, I load up my bKash account as this saves me a lot of trouble with online shopping and the times I run out of cash at stores that do not accept cards", Tomal, residing in Shanti Nagor said. "With bKash app, I feel easy to complete my shopping as most shoppers now accept bKash payment".

Not only in urban areas, people living in rural Bangladesh are also using bKash for shopping from their homes. Omicron outbreak is prompting more people to use mobile payment in meeting their daily buying needs.

EID SHOPPING: LESS CASH

Cash is no longer king. The coronavirus outbreak has prompted second thoughts about reaching for cash. Most salesmen at the shopping malls said more Eid shoppers this year are now avoiding cash.

Almost four out of 10 payment transactions in the city's markets were made by digital payment tools like Visa, Mastercard and bKash App over the last week since Eid shopping started to pick up, according to a survey among 102 salesmen in the city's 6 shopping malls.

In the last year's Eid shopping, three out of 10 payment transactions were made which indicates that more people are now moving towards a cashless environment.

The survey was conducted by the DIGITAL FINANCE team from 15 April to 22 April in Nayapalton, Taltola, Panthopath, Kawranbazar, Bashundhara and Shantinagor areas.

In the pandemic era, people's movement was restricted by lockdown, MFS appeared as a boon for people of all walks of life. Millions of consumers, small traders, retailers and SMEs avoided cash and preferred bKash to pay and receive money keeping physical distance from others.

On the occasion of the upcoming Eid-ul-Fitr, bKash has offered up to 5% instant cashback on payment at more than 6,000 retail shops across the country. This stimulates more shoppers to pay through bKash app, according to the survey.

Most shops of reputed shopping malls accept payments through Visa and Master cards and now accepting



bkashpayments to meet the growing demand from customers.

"I have lost some potential customers as didn't deploy any QR code to accept bKash payment. However, I am accepting direct bkash payment and my sales volume is rising day by day", Monirul Islam, proprietor of Brothers Shop at Twin Tower said.

The Baily Star, a famous shopping mall in Dhaka city at Baily Road, was less crowded with shoppers at noon on Monday. But salesmen of most shops said they are happy with the current sales trends thanks to online shopping by a large number of youngsters.



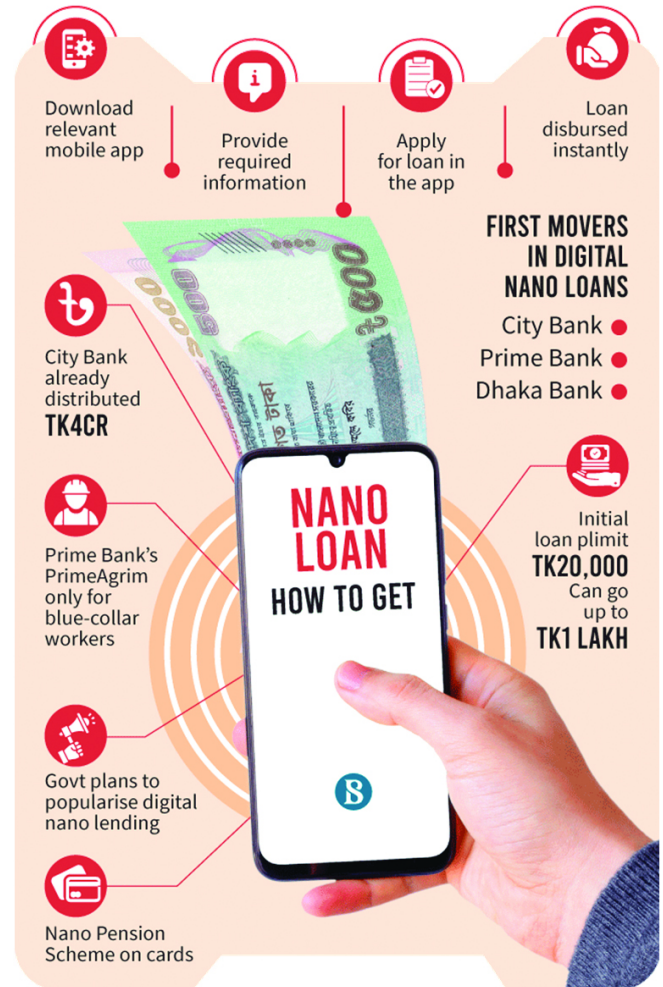
"It's an amazing shopping experience for me", said a salesman with a smile. "Our online sales volume is beyond our expectation", he said.



Since Covid-19 hit the country, commercial banks have been engaged in e-commerce or related online activities after the government slapped lockdown-like restrictions in the wake of the deadly second wave that caused an alarming spike in Covid-19 infections and deaths.

With the upcoming Eid-ul-Fitr in mind, plenty of banks as well as Mobile Financial Services (MFS) providers are providing EMI facilities as well as instant cashback offers to draw people's attention toward cashless options of purchasing.

Complementing an already diversified set of services and products, the country's banking industry is now moving towards product dynamism with nano-lending, which is loaning small amounts without the need for any collateral.



Recently, the City Bank introduced the Digital Nano Loan, targeting small borrowers like cottage, micro, small and medium enterprises (CMSMEs), and even for personal use. Dhaka Bank has offered eRin and Prime Bank has moved to set up a digital loan disbursement system for industry workers.

Dhaka Bank Ltd, BRAC Bank, Mutual Trust Bank Ltd, Bank Asia, Eastern Bank Ltd and Standard Chartered are working on building tie-ups with various merchants to come up with cashback and discount offers on cashless transactions before and after Eid.

bKash Leads the Pick

People spend billions of taka on Eid shopping every year and Bangladeshi people working abroad this time send millions of foreign currencies as remittances to their families mostly living in villages. And banks are delivering remittances quickly through mobile banking channels.

In this race, bKash, the country's leading mobile financial service (MFS) operator with more than 30 million customers across the country is leading the race. Most banks have joined hands with bKash to facilitate their customer's digital shopping, and send receive money quickly for their needs at an affordable cost.

"This time we are experiencing higher volume of transactions through bKash channel. With bKash app, people are buying goods from shops and commercial banks are sending remittance to the recipients living in villages and even in remote haor and chor areas where banks are yet to reach", Shamsuddin Haider Dalim, Head of Corporate Communications of bkash Limited said.

bkash, a Brac Bank subsidiary, is the leading MFS player in Bangladesh with more than 30 millions customers across the country. Rocket of Dutch Bangla Bank and Nagad of Bangladesh Post office are also active in this race.



A large number of poor people living in rural areas are waiting to receive "Eid money from their relatives and social and political leaders through mobile phones. bKash added a 'Donation' icon to its app to make the donation process easier and more systematic. This initiative has enhanced the capacity of the charity organizations to collect donations and enabled the customers to donate more conveniently while sitting at home

amid this pandemic.

When transactions through internet banking, debit and credit card dropped significantly, mobile Banking transactions increased by Tk. 2210.8 crore (3.11%) to Tk. 73393.3 crore in Jan'22 as compared to Dec'21, according to Bangladesh Bank. During Jul'21-Jan'22, mobile Banking transactions increased by Tk. 99663.3 crore (26.63%) compared to the same period of the last year.

In the ongoing Eid shopping, however, the volume of ATM transactions is increasing day by day as more customers are now going less cash transactions. Dutch Bangla bank officials said they witnessed higher transactions through their ATM booths in recent days as more Eid shoppers are buying goods through debit and credit cards.

About 2.86 crore debit, credit and prepaid cards were issued in Bangladesh as of January 2020 with the total value of transactions made through these cards standing at Tk 27,072 crore, as per central bank data.

Digital shopping through mobile banking and plastic cards is now a craze in Bangladesh. This pushed up e-shopping by 30 per cent last year, according to e-Cab association, an association of more than 900 e-shops.

"The number of e-shopping delivery orders was nearly 20,000 a day last year, which is now more than 25,000. "The yearly turnover of the country's online shopping is Tk 8-Tk 10 billion," said the general secretary of e-CAB.

The main reason for this upward e-shopping trend is mobile payment apps which are very easy, convenient, secured, robust very user friendly. Another obvious reason is most people fear carrying cash mostly during festival time as muggers are too active on roads and in front of ATM booths.

The volume of e-commerce in Bangladesh has exceeded Tk 4000 crore in 2021 thanks to the 'state of the art payment services offered by MFS operators like





bKash, Rocket, U-Pay, and i-Pay under a conducive yet stringent regulatory environment. The e-commerce market would reach \$3 billion by 2023 as it is increasing at a rate of 50 per cent every year, according to a study presented in a recent webinar organised by the Dhaka Chamber of Commerce and Industry.

MFS allows consumers to transfer funds, pay bills, store value, make payments and receive foreign remittances via mobile phones-is transforming the lives of individuals and small businesses globally. The ability to access funds anywhere, anytime saves time, improves security and provides a means for saving and managing money more effectively than traditional methods.

From offering services to migrant workers desperate to send wages home, to giving retailers new ways to provide instalment financing, to arming businesses with new cyber security tools, industry experts say the MFS will keep growing in 2022 and onwards.

In this fluctuating economy, purchasing consumer appliances, such as televisions, refrigerators and smartphones, can become difficult. MFS providers usually provide cashback offers as a cost-cutting policy to encourage cashless transactions. As agent points and bank branches are widely available throughout the country, customers can easily add money to their digital wallets and pay their credit card bills simultaneously. Customers can also get discounts from a wide range of stores using mobile payment options



Less Cash to Cash Less: Needs Incentives

Cash is no longer king. The coronavirus outbreak has prompted the people of Bangladesh to second thoughts about reaching for cash. This ongoing Eid shopping is a bright example as more people are now going to less cash. To accelerate the cashless journey from this less-cash trend, the government can promote people through incentives as it provides to remittance earners.

Although the government and central bank have taken numerous initiatives to reduce the use of hard cash, the country still has a long way to go to this end. More than two-and-a-half decades since the inception of "plastic money", cashless transactions only started gaining pace in the last decade while the coronavirus pandemic provided a big boost. As people increased the use of cashless transactions amid the Covid-19 crisis, this is the right time to offer incentives to push it further.

To address the issue, industry experts recommend incentivising cashless transactions so that more people are inclined to give it a try and eventually adopt it for all payments. They suggest the government offer a 5 per cent incentive to boost card transactions. Of the 5 per cent, 3 per cent would go to the cardholder while 2 per cent would be for merchants.

India recently saw a massive rise in cashless transactions after the country provided incentives under its demonetisation program. Using this example, experts say remittance earnings in Bangladesh rose after the government incentivised the use of formal channels.



BB emphasises decoupling corporates from financial institutions

DF Report

Bangladesh Bank governor Fazle Kabir has said most of the troubles in the country's financial sector lie in the fact that corporate entities having business dealings with banks and non-bank financial institutions (NBFIs) also own these.

Such anatomy of the problems perennially troubling the country's financial-sector institutions - including recurring mega-scams - has been done by none other than the central bank governor.

"This is creating problems in many cases," Fazle Kabir says about the unlikely coupling between corporates and banks and NBFIs from which they draw finances.

Speaking at a book-launching programme arranged on Thursday night by Bangladesh Institute of Bank Management (BIBM), he cited as an example of how India had been vexed by this problem and resolved it through enacting a law.

"There was once such a practice in India. They later enacted legislation to stop corporates from owning banks and NBFIs," he told the function, stressing such decoupling of corporate businesses from banks and non-banks.

BIBM faculties penned the book on the development of Bangladesh banking sector after independence, narrating the chronological progress of the sector in the last 50 years.

The BB governor, Fazle Kabir, noted that in the last 50 years, the country's banking sector had come a long way in terms of getting equipped with technology.

"We have made unprecedented advances, especially in mobile and internet banking," he says, adding that research should be done on where the banking sector will go in the next 50 years from now on.

He appreciates that banks have played a key role in trade facilitating and implementing government incentive packages in the past.

The central bank governor mentions that the state-

owned banks do not charge commissions for opening LCs for various government projects.

"If they had taken commissions, it seems that the banks would not have run out of capital."

Of course, the chief banker hastens to add, there is no chance to see it as an excuse for a defaulted loan, though the volume is decreasing now.

There's no such thing as freedom of organization, he says. "The key issue is whether it is being conducted professionally without any interference."



Speaking at the event, Executive Director of Institute for Inclusive Finance and Development (InM) Dr Mustafa K. Mujeri said, "We have to admit that the banking sector has not developed efficiently here."

There are irregularities, mismanagement and government interference in the banking sector."

Mr Mujeri notes that the central bank has its limitations in formulating an independent monetary policy. "The

more the banks and the economy are opened up, the more it will develop," he says.

Former senior secretary Mahbub Ahmed said in the last five decades, there had been a great change and evolution in the supervision, control and reform of the banking sector under the guidance of the central bank.

He mentions that the central bank has also made significant changes in the use of information technology in the supervision system.

"Financial-sector reform is continuing to adapt to the ever-changing environment of the outside world and makes the activities of financial institutions stronger and more dynamic," he says.

Managing Director and CEO at Dutch Bangla Bank Limited Abul Kashem Md. Shirin told the meet that the banking sector would be further developed if it was possible to stop the interference of the board in the management activities.

He notes that with the development of banks in the private sector in the nineties, the crime rate in this sector

has increased. "On the other hand, various laws and regulations have been enacted to prevent these crimes." Mr Shirin reminds that it is banks' responsibility to protect depositors' interests.

"The interests of the depositors are getting violated due to both management and board of the banks," he told the meet. Managing director and chief executive officer (CEO) of Brac Bank Limited and chairman of the Association of Bankers Bangladesh Limited (ABB) Selim RF Hussain said banks' engagement with people had increased in last few decades.

He admits there are challenges and problems but says the country could not have progressed this much with-

out contribution of banks.

Former managing director of Mutual Trust Bank Anis A Khan feels that the story of radical change in the banking sector should be told more.

He says the time has come to implement the concept of Board of Directors and Board of Supervisors in the banking sector.

"If this is implemented, many problems in this sector will be solved," he adds.

Professor (Selection grade) and lead author of the book Shah Md Ahsan Habib spoke on behalf of the authors at the function, presided over by BIBM DG Dr Md. Akhtaruzzaman.

BB prepares for issuing digital bank licence

DF Report

Bangladesh Bank has initiated a move to form regulatory guidelines on the operations of full-fledged digital banks in the country. Once the regulatory guidelines are finalised, the central bank would be ready to issue a licence to operate a digital bank, a top central bank official said.

The regulatory guidelines would be formulated under the Bank Company Act and compliance with all the instructions of the act would be a must for a digital bank, BB officials said. For instance, the paid-up capital requirement for a digital bank would be Tk 500 crore as it is required for a conventional bank. Besides, other capital-related requirements for digital banks would also be the same as conventional banks.

BB high officials said that the desire of the government, as well as similar moves in peer countries, were the two major reasons behind the move. The central bank is working to create a way to enable the customers of a digital bank getting physical currency in case of any emergency.

Digital Bank, also known as Neobank, an internet-only bank or virtual bank, is a type of direct bank that operates exclusively online without traditional physical branch networks.

As per the concept, so far adopted by the Bangladesh Bank, there would be no branch-based service of the digital banks. Instead, the banks will provide services,



including lending and collection of deposits, online.

Not only Bangladesh, but many other countries were also either planning to incorporate the digital bank concept or have already issued a licence to a new bank to operate as a digital bank, BB officials said.

In the south Asian region, Pakistan invited applications from competent entities to apply for licences.

In India, the central bank was in the process of finalising a regulatory framework for awarding digital bank licences.

Many other countries have issued more than one licence for operating as a digital bank.

At present, a total of 61 banks are in operation in the country. Almost all the banks have adopted digital banking systems apart from traditional banking operations.

MARKET UPDATE



- ◆ The number of MFS agents increased by 1.05 % to 11,34868
- ◆ Registered clients increased by 2.29% to 1140.18 lac
- ◆ No of active accounts increased by 6.54% to 437.84 lac
- ◆ Total transactions increased by 3.08% to Tk 73367.52 crore
- ◆ Average daily transactions increased by 3.08% to Tk 2366.69 crore
- ◆ P2P transaction increased by 3.13 % to Tk 20815.44 crore
- ◆ Salary disbursement increased by 7.09% to Tk 2663.62 crore
- ◆ Cash-outut transaction increased by 5.1% to Tk 19730.76 crore
- ◆ Govt payment increased by 697.03% to Tk 908.3 crore

Workers' Remittances

Workers' remittances received from the Bangladeshi nationals working abroad decreased by US\$ 208.44 million (12.23%) in Feb'22 from US\$ 1704.53 million in Jan'22. Workers' remittance in Feb'22 is recorded US\$ 1496.09 million. During Jul'21-Feb'22 workers' remittances decreased by US\$ 3247.10 million (19.46%) compared to that of the same period of the last year.



Card Transactions


Credit Card transactions decreased by Tk. 90.6 crore (4.06%) to Tk. 2138.4 crore in Jan'22 as compared to Dec'21. During Jul'21-Jan'22 Credit Card transactions increased by Tk. 3444.6 crore (34.51%) compared to the same period of the last year. In Jan'22 Credit Card transactions through ATMs/CRM increased by 3.46% and POS and E-Commerce decreased by 6.42% and 5.60% respectively compared to Dec'21.



Debit Card transactions increased by Tk. 344.0 crore (1.41%) to Tk. 24701.0 crore in Jan'22 as compared to Dec'21. During Jul'21-Jan'22 Debit Card transactions increased by Tk. 42539.4 crore (36.03%) compared to


the same period of the last year. In Jan'22 Debit Card transactions through ATMs/CRM and E-Commerce increased by 1.52% and 4.41% respectively and POS decreased by 3.72% compared to Dec'21.

Internet Banking

 Internet Banking transactions decreased by Tk. 1935.7 crore (9.42%) to Tk. 18623.2 crore in Jan'22 as compared to Dec'21. During Jul'21-Jan'22 Internet Banking transactions increased by Tk. 65683.5 crore (128.84%) compared to the same period of the last year.




Mobile Banking

 Mobile Banking transactions increased by Tk. 2210.8 crore (3.11%) to Tk. 73393.3 crore in Jan'22 as compared to Dec'21. During Jul'21-Jan'22 Mobile Banking transactions increased by Tk. 99663.3 crore (26.63%) compared to the same period of the last year.



Agent Banking

 Agent Banking transactions increased by Tk. 2982.6 crore (6.07%) to Tk. 52121.9 crore in Jan'22 as compared to Dec'21. During Jul'21-Jan'22 Agent Banking transactions increased by Tk. 84922.7 crore (39.28%) compared to the same period of the last year.



State-run banks can make services more customer-friendly: BB governor

DF Report

Although state-owned banks have the opportunity to provide customer-friendly services, their services have not yet improved to that great an extent, Bangladesh Bank (BB) Governor Fazle Kabir said on Thursday.

"State banks have shortcomings in debt processing, which need to be overcome. As Sonali Bank holds the leading position in the banking sector, your [officials] ill-treatment of clients will not be acceptable. You must be careful so that no such allegation arises," he said at Sonali Bank's 50th founding anniversary and Independence Day celebrations.

Finance Minister AHM Mustafa Kamal, Finance Secretary Abdur Rouf Talukder, Sonali Bank Managing Director and Chief Executive Officer (CEO) Md Ataur Rahman Prodhan and Bangladesh Bank's former governor Atiur Rahman, among others, spoke on the occasion at the Bangabandhu International Conference Centre in the capital.

They said since the emergence of independent Bangladesh, Sonali Bank has played a leading role in the development of the country's economy and the banking sector. The role of this bank has been appreciated even during the Covid-19 pandemic.

However, microfinance needs to be further enhanced by proper loan processing, said the financial policy-makers and stakeholders.

They called for new financial services and innovations to bring the banking system under automation.

"After the Hallmark incident, there has been a fear in Sonali Bank's loan disbursements. It must be overcome. You tend to avoid giving out loans to keep yourself safe. Again, you give loans to big projects only; that is not acceptable," said Fazle Kabir.

He called upon the Sonali Bank authorities to bring down their defaulted loans.

The governor said the bank has brought down the number of its loss-making branches to 16. "We would expect it to come down to zero quickly," he put it.

There are 61 conventional banks in the country and of them, five are state-run and three are specialised.

AHM Mustafa Kamal said in the last three years, the government has not provided any banks with capital support to reduce their shortfall.

"We will need the cooperation of banks to alleviate hunger and poverty by 2030. This country will be developed with the cooperation of all," he said.

"The average interest rate on bank loans has been brought down from 12.3% to 7.1%. At present, the total loan segment in the banking sector is Tk12.45 lakh crore. Agricultural credit has quadrupled and 11.44 crore people have joined mobile banking," the finance minister added.

At the end of 2021, the total assets of Sonali Bank, which emerged as the largest and leading nationalised commercial bank soon after the liberation of the country, stood at more than Tk170,000 crore. Its outstanding loans are over Tk69,000 crore and defaulted loans amount to 16.35% of



the disbursed credit.

Abdur Rouf Talukder said Sonali Bank's defaulted loans will have to be reduced.

"We do not want to see a decrease in percentage. We would also like to see that it has decreased quantitatively," added the senior secretary to the Finance Division.

Md Ataur Rahman Prodhan said Sonali Bank has played an important role in disbursing loans from the first stimulus package in the pandemic.

Referring to media reports about the bank's capital deficit, he said, "When there is any news about our organisation, it is difficult for us to do business with international banks. We have to spend a lot of money to deal with them."

Mentioning that Sonali Bank is providing low cost services for the development of the country, the CEO said it opened letters of credit worth Tk96,000 crore for the construction of the Rooppur Nuclear Power Plant, which saves the government Tk5,000 crore.

For this service, the state bank has received only Tk20 crore. Besides, the bank is financing various projects in the country at nominal interest, he said, adding "Sonali Bank would not have had any deficit if it had collected regular charges from the government."

Atiur Rahman highlighted the contribution of Sonali Bank in the recovery of the war-torn country. "Sonali Bank has been providing good customer service since

independence. That trend is still going on. State-owned banks were at the forefront of customer service.

Private banks started rolling out in the country in 1982," added the former central bank governor.

He said the state-owned banks are doing the most work in the marginal areas of the country, but they are not getting any publicity.

That is why they have to increase their publicity.

Deputy managing directors, general managers, deputy general managers, branch managers and all levels of officers and employees of Sonali Bank were present on the occasion.

Sonali Bank celebrates golden jubilee

DF Report

Bangladesh Bank governor Fazle Kabir on Thursday asked state-owned Sonali Bank to make all of its branches profitable by focusing on business.

The governor gave the instruction to the bank while addressing at an event organised to mark the Sonali Bank's 50-year anniversary at the Bangabandhu International Conference Centre in Dhaka on the day.

Finance minister AHM Mustafa Kamal, Sonali Bank chairman Ziaul Hasan Siddiqui, finance ministry senior secretary AbdurRoufTalukder, former BB governor Atiur Rahman and Sonali Bank managing director and chief executive officer Md Aatur Rahman Prodhan, among others, attended the event.

Fazle Kabir said that Sonali Bank would have to bring the number of its loss-incurring branches to zero.

The governor suggested making the loan approval process smooth for customers, focusing on non-funded business enhancement and emphasising disbursement of loans to the cottage, micro, small and medium entrepreneurs.

He also instructed the employees of the banks not to behave inappropriately with the customers as they do not have the rights to misbehave with the customers.



Finance minister AHM Mustafa Kamal, Bangladesh Bank governor Fazle Kabir, Sonali Bank chairman Ziaul Hasan Siddiqui, finance ministry senior secretary AbdurRoufTalukder, former BB governor Atiur Rahman and Sonali Bank managing director and chief executive officer Md Aatur Rahman Prodhan, among others, are present in an event marking the Sonali Bank's 50-year anniversary at the Bangabandhu International Conference Centre in the capital Dhaka recently.

Mustafa Kamal said that he has confidence in the country's economy and the banking sector.

He also said that the country's banking sector and economy were performing better compared with those of many other countries.

The finance minister also credited the bank for its contribution towards the country's development in trade, economy and investments.

MTB brings 2nd phase of MEasy: an effortless banking experience

DF Report

Mutual Trust Bank Ltd (MTB) in partnership with i-exceed technology solutions, a global FinTech company for rapid digital banking transformation, has recently launched the second phase of "MEasy" service, a fully-digitised banking service that provides a cutting-edge, advanced, and hassle-free digital banking experience.

MTB brought this revolutionary service with a view to establishing "effortless banking" facilities for all retail customers first ever its kind in Bangladesh.

MTB Managing Director and CEO Syed Mahbubur Rahman has announced the launch of the new MTB digital service at a ceremony held at MTB Centre, the bank's corporate head office in Gulshan, Dhaka.

With this remarkable elevation in banking service sector, customers will be able to bank with MTB wherever and whenever they want and avail array of retail and cards services and products like CASA, DPS, deposits



loans and credit cards, read a press release.

Earlier in 2020, MTB had launched the first phase of this service with the fully digital on-boarding solutions.

Among others, Goutam Prosad Das, deputy managing director and head of Group ICC; Rais Uddin Ahmad, deputy managing director and CAMLCO; Md Shafquat Hossain, head of Retail Banking division; Md Towfiqul Alam Chowdhury, head of Retail Business Retail Banking division; Khalid Hossin, head of Digital Banking Division and Azam Khan, head of Communications department from MTB along with other senior officials were also present virtually at the launching ceremony.

Prime Bank's digital Nano loan service platform 'PrimeAgrim' gains national momentum

DF Report

Prime Bank's Nano loan service platform "PrimeAgrim" has recently been honored with the "Analytics & Artificial Intelligence (AI) Bronze Award" at the Efma-Accenture Banking Awards.

"PrimeAgrim" has gained national momentum with the accolade from Bangladesh Innovation Award 2022, in "Best Innovation - Finance Category", said a press release on Tuesday (22 March).

Prime Bank's Head of Consumer Banking Division and DMD ANM Mahfuz, along with "PrimeAgrim" Product owner and Head of Agent & Digital Banking Md Majidul Haque, received the award from Salman Fazlur Rahman, MP, Private Industry and Investment adviser to the Prime Minister, at the gala event.



"Motivated, we shall keep working to bring even more innovative and customer-centric digital initiatives in the future," said ANM Mahfuz.

The AI driven digital Nano financing platform, "PrimeAgrim", is embedded with artificial intelligence, machine learning and alternative credit to address emergency needs.

It is an end-to-end digital product that assesses customers' credit eligi-

bility and completes disbursement digitally, negating the hassles of document submission to save time and energy.

According to the media release, "PrimeAgrim" is an internationally acclaimed platform which was designed to promote financial inclusion through digital transformation.

Ramadan's essential info now in bKash app RomjaneProtidi

DF Report

Throughout the holy month of Ramadan, bKash app is providing various essential information and services ranging from schedules of Iftar and Sehri, Zakat Calculator, and payment option for donating Zakat to authorized charity organizations, health tips to bKash offers on the occasion of Ramadan and Eid.

The country's largest mobile financial services provider, bKash, has enabled its 60 million customers to access this essential information throughout the month of Ramadan in its app, reads an official press release.

In the 'RomjaneProtidin' section of bKash app, customers can get daily Sehri and Iftar schedules and countdowns, essential tips for staying healthy in Ramadan, Zakat Calculator, names of the organizations receiving zakat through bKash and the facility to pay zakat to those approved organizations.

Besides, anyone can check the existing Ramadan offers of bKash related to Eid shopping, restaurants, health care, etc. from the banner at the bottom of 'RomjaneProtidin' section.



With "Zakat Calculator," customers can easily complete the necessary calculations for paying Zakat. At the same time, they can pay Zakat directly to many organizations through the payment gateway of bKash. Currently, customers can donate zakat to these organizations: Center for Zakat Management, Obhizatrik Foundation, Quantum Foundation, Dhaka Ahsania Mission, Bangladesh Thalassaemia Foundation, As-Sunnah Foundation, AnjumanMufidul Islam, Food For All - Khukumoni Foundation, SOS Children's Villages Bangladesh and MASTUL Foundation.

Bengal Islami Life Ins to use bKash payroll solution

DF Report

Bengal Islami Life Insurance Ltd., will use bKash payroll solution to disburse salaries, commissions and other allowances to their employees.

An agreement has been signed between bKash and Bengal Islami Life Insurance Ltd in this regard recently.

M MMonirulAlam, Managing Director & CEO and Shamsul Islam, CFO of Bengal Islami Life Insurance



Ltd; Ali Ahmmed, Chief Commercial Officer and A.T.M Mahbub Alam, Head of Payroll Business of bKash along with other senior officials of both the organizations were present at the signing ceremony.

Under this agreement, 500 employees of Bengal Islami Life Insurance Ltd will receive partial salary, commission and allowances to their bKash account directly. Gradually, 1500 employees of the company will be brought under this service.

Daraz distributes gifts among the marginalized children

DF Report

To lift the Ramadan spirits of positivity, Daraz Bangladesh has organized an event in collaboration with DNCC titled "Sneher Eid Upohar."

The event took place on April 18 in the DNCC office auditorium, where DNCC Mayor Atiqul Islam distributed 14,000 new clothes to the underprivileged children who are otherwise deprived of the Eid festivities, said a press release.

On the occasion, children ranging in age from two to nine years old were present from different locations in Dhaka.



Up to 20% cashback on bKash payment at 10,000 outlets during Ramadan

DF Report

bKash has come up with cashback offers for its customers like the previous years on the occasion of PahelaBaishakh and Eid-ul-Fitr.

People can get up to 20 per cent instant cashback on bKash payment at around 10,000 outlets of different lifestyle brands, retail shops, super shops, restaurants as well as online marketplaces and f-commerce shops.

They can enjoy the offers through bKash app, USSD code *247# and payment gateway until May 3 this year, bKash said in a statement today.

Customers can avail up to 20% instant cashback by making bKash payment while purchasing various lifestyle products, accessories, clothing, footwear, electronics, restaurant and many more from around 3,000 outlets and 70 online sites.

In each of these two offers, a customer can get a maximum Tk 200 cashback in one day and Tk 300 during the campaign, totaling Tk 400 in one day and Tk 600 during the campaign.

To avail online offer, a customer has to make payment of minimum Tk 300.

On the occasion of Ramadan, PahelaBaishakh and Eid-ul-Fitr, bKash is offering up to 5 per cent instant cashback on payment at more than 6,000 retail shops across

the country.

A customer can avail a maximum Tk 100 cashback. To enjoy this offer, they have to make payment of a minimum of Tk 500.

The mobile financial service provider is also offering cashback coupon at the outlets of leading superstores across the country.

Customers, who will purchase minimum Tk 1,000 worth products through bKash, will receive Tk 100 coupon.

They can avail the offer once a day and five times during the offer.

To receive the offer, customers have to make minimum payment of Tk 300 and the coupons will remain valid for 15 days.

Besides, the customers can also avail 5 per cent, up to Tk 50 cashback while purchasing products from some selected bakeries.

The customers can make payment easily by scanning QR code from bKash app while purchasing products or services.

Besides, they can also use the "Add Money" option in the bKash app to add money to their bKash accounts from 33 banks, Visa and Mastercard issued in Bangladesh instantly.

VEON's Banglalink launches "Health Hub" to provide Bangladesh's first digital health aggregator platform



DF Report

VEON Ltd. (NASDAQ and Euronext Amsterdam: VEON), a leading global provider of connectivity and internet services, announces that its Banglalink mobile operator in Bangladesh has launched Health Hub, the country's first integrated digital health platform.

Introduced as part of Banglalink's MyBL self-care mobile service, Health Hub is a one-stop healthcare platform for Banglalink customers that covers every aspect of an individual's health from initial consultations to medicine planning. Through the platform, users have access to a comprehensive array of affordable digital health services provided by 'Health Hub' partners including Bangladesh's leading healthcare providers Doktorbhai, DocTime, and Pulse.

In a country with dispersed and sometimes difficult to access health services, Health Hub brings together multiple facilities such as booking doctor appointments, video consultations, insurance claims, a personal health tracking tool, home sample collection, and medicine delivery in one digital portal. The Health Hub platform covers all major health needs and enables users to find medical services at substantially lower costs. Banglalink customers will have access to the facilities through exclusive daily, monthly, and yearly

subscription packages.

"Bangladesh is a market with huge potential that is undergoing a transformation through the adoption of digital services. This is digital democratization of health care that opens the way for customers to find better and lower-cost services," explains Erik Aas, CEO of Banglalink.

KaanTerzioglu, Group Chief Executive Officer, VEON, said, "Banglalink's launch of Health Hub is a remarkable initiative as it draws together all the main healthcare providers in the country into a single, accessible digital services that will provide major benefits for the people of Bangladesh. Health Hub also extends the portfolio of digital operator services that VEON offers."

The development of Banglalink's Health Hub builds on VEON's commitment to enhance the lives of its customers by providing best-in-class digital services to its customers. Parallel initiatives, developed under VEON's Digital Operator strategy, include Toffee, the highly successful entertainment application that was initiated 2019 and is now used by 6.4 million people in Bangladesh¹, and JazzCash, VEON's mobile banking service in Pakistan that has 15.2 million customers¹. VEON operates in nine countries serving 220 customers over a population of 680 million people.

Bangladesh is well on track for adopting FinTech for sustainable growth: Dr Salim

DF Report

Bangladesh is well on track for adopting Financial Technology (FinTech) for sustainable growth, said Professor Dr Md Salim Uddin, chairman of executive committee of Islami Bank Bangladesh Limited.

He remarked in an 'Executive Development Programme' organised by Islami Bank Training & Research Academy (IBTRA) on Saturday (2 April) on virtual platform, read a press release.

Mohammed MonirulMoula, managing director and CEO of the bank addressed the programme as chief moderator.

Additional Managing Directors Muhammad Qaisar Ali and Md Omar Faruk Khan addressed the programme as guest participants.

SM Rabiul Hassan, principal of IBTRA presided over the programme. deputy managing directors, chief risk officer, CAMLCO, top executives; head of zones and branch incumbents joined the programme virtually.

Professor Salim said the FinTech ecosystem in Bangladesh has been growing and is expected to grow in the coming years.

The market of digital financial technology in Bangladesh is also growing, he added.

"Bangladesh is trailing in terms of using technology to automate and digitalise financial activities. According to Light Castle Partners, the FinTech industry in Bangladesh enjoys an unsaturated market bursting with opportunities for cutting-edge and innovative financial services. Despite the increasing adoption of Technology, lack of interoperability remains a major concern that obstructs further growth of Digital Financial Service in Bangladesh," he said.

He underscored that infrastructure readiness in access to electricity, mobile network coverage, e-governance and access to digital services are well on track for achieving sustainable growth in Bangladesh.

"We have to importantly focus on access to internet connections, quality and speed, affordability of mobile devices and internet for accelerating the growth," he added.

He stressed on four basic pillars of digital Bangladesh including infrastructure, human capital, financial and

policy readiness for facing 4th industrial revolution.

He highlighted the challenges and opportunities for 4th industrial revolution in banking & financial sector of Bangladesh.

The challenges includes security risks and cyber-crime, building trust & rapport and increased competition while the opportunities are enhanced customer experiences, increased security and efficiency as well as flexibility for FinTech.

He said, "Central Bank Digital Currency-CDBC is increasing rapidly across the world. 87 countries around the world exploring Government Coins while 7 countries fully launched. To cope with these changes, we have to focus on Artificial Intelligence bots instead of call centers, cashless transaction instead of ATM Booths and block-chain to avoid audits. To expedite sustainable growth he stressed on bringing 522 crore unique mobile phone users of the world under the

FinTech through Apps and other platforms."

Professor Salim said, "We have high level of government commitment, supportive regulations and guidelines and Digital Financial Service Lab which shall help to expedite the sustainable growth."

He said that IBBL is working in line with government policies which made this bank sustainable one recognized by Bangladesh Bank.

The Global FinTech Market would reach 32 trillion USD by 2026 and called upon the concerned to develop and arrange high expert committees institutionally and nationally for adopting the changes and development, he added.

In his speech, Mohammed MonirulMoula said that IBBL is working with the year theme of 'Sustainable Growth through FinTech Solution'.

This bank is adopting with latest technologies, he added.

He said the bank has been working to bring financially disadvantaged people under financial services using FinTech.

He called upon all to avail all the financial services of IBBL including modern technology rich services, CellFin app and iBanking.



Digital mortgage battle to erupt as fintechs eye home loans



Anthony Lieu: "I think fintechs are more focused on the client experience."

By Clancy Yeates

As more of Generation Y enters prime home-buying age, it is sparking a new wave of fintech competition in the most lucrative business in Australian banking: mortgages.

For years, banking giants have warned of the threat from technology-based rivals, and much of this has initially focused on payments and consumer credit, such as Afterpay, or Apple's digital wallet.

Now, banks are gearing up for a digital battle in the \$1.9 trillion home loan market, as new players eye off tech-savvy younger customers seeking to buy a home. It is a fight the biggest players can't ignore. Mortgages

dominate the big four banks' loan portfolios, generating industry-wide profits estimated at \$20 billion a year by Evans and Partners analyst Matthew Wilson.

The challenge for banks is that younger clients, such as 31 year-old Anthony Lieu, are increasingly open to doing all of their banking online, giving fintechs an opening.

Lieu, head of marketing at an online law firm, took out a mortgage digitally from an established bank when buying his first home in Rosebery, Sydney. But he said he'd be very open to using a fintech "disrupter" for any future mortgages, and all else being equal, he'd probably lean towards a fintech over a bank.

"I work at an online law firm, so I'm pretty comfortable dealing with service providers online," he says. "I think fintechs are more focused on the client experience. They're a bit more agile and responsive to the needs of what clients are looking for, and now they're targeting a market where people are a bit more savvy online."

His attitude reflects a wider trend that has been accelerated by the COVID-19 pandemic: younger customers are embracing digital finance, whether it is in payments, investing apps, or cryptocurrencies.

Upcoming moves from Afterpay and the neobank Up into home loans show how new players that started in areas such as payments are attempting to pick off younger home buyers, albeit with backing from established banks.

Afterpay plans to start selling mortgages in 2022 through its recently launched banking app that is targeted at Gen Y women (those born between 1981 and 1996) and Gen Z (those born from 1997).

Afterpay's mortgages will be funded by Westpac, but even so, it shows the potential of fintech apps to move into the banks' core territory.

Up, a youth-focused neobank bought by Bendigo and Adelaide Bank in 2021, also plans to start selling home

loans through its app in early 2022. Up was launched in 2018 providing digital accounts - and in November it said it had 40,000 customers saving for a home loan.

Up chief executive Xavier Shay says its mortgage product will aim to win over customers by giving them financial tips - such as a nudge to repay their loan faster if it notices they are saving more than thought. "Right

now, state of the art is you type some numbers into a calculator or maybe make a spreadsheet, and most people don't want to be making spreadsheets," Shay says.

Bendigo-backed Tic:Toc, which will provide technology for Up to approve digital loans, is another example of a fast-growing digital mortgage business - it also relies on Bendigo for funding.

Non-bank lenders such as Nano Digital Home Loans and Athena Home Loans are also eyeing a piece of the action, alongside older businesses such as Loans.com.au, owned by Firstmac.

Athena's co-founder and chief operating officer, Michael Starkey, says about 45 per cent of Athena's customers are Gen Y, and its commissioned surveys have shown 74 per cent of millennials are either "somewhat" or "very" favourable towards using a non-bank

'I think it will happen slowly, and then it will happen fast.'

James Cameron, AirTree Ventures



Up and away, Up chief executive Xavier Shay (second from left) says young people want their mortgage where their money is.

lender.

With other digital businesses like REA Group's realestate.com.au also targeting home loans, Starkey argues there's an opportunity for the business to make finance more "embedded" in the wider process of buying a home.

Nano's co-founder and chief executive Andrew Walker argues COVID-19 has accelerated the shift to digital applications, arguing digital home loans are "rapidly becoming the norm".

"If you look at the global data, you'll see that Australia is far behind the rest of the world, where currently less than 3 to 5 per cent of mortgages are originated digitally, compared to 30 per cent in the US," Walker says.

"We originally anticipated it to be 3-5 year market shift, but we now believe that it will take place over the next 12 - 18 months."

Not everyone is convinced that digital home loans are set to take over.

Given the complexity and high stakes of taking out a home loan, mortgage brokers arrange a large share of new loans, and some survey data suggests even young digital-savvy customers still want to deal with a human when taking out a loan.

A 2020 survey by Finder.com suggested more than half of Gen Y and Gen Z still wanted to visit a branch for a mortgage. The surge in house prices in recent years has also made it even harder for many younger customers to break into the property market.

But in any case, there is little doubt that digital home lending is emerging as a key battleground in banking - just as approval processes were a critical issue for lenders in 2021.

At their full-year results, each of the big four banks were busily talking their moves to make mortgage lending more digital and faster, with both Commonwealth Bank and ANZ Bank talking up the prospect of a 10-minute mortgage in 2022. A spokeswoman for CBA, the country's biggest bank, says the lender will launch its digital loan in the first half of the year.

In the longer term, experts predict even more sweeping changes to mortgage lending from "open banking," a system that allows consumers to securely share their financial data when applying for a loan.

James Cameron, a partner at AirTree Ventures (which has invested in Athena), says in 10 years' time taking out a loan could be as simple as answering a few questions on a smartphone: your name, some proof of identity, the amount you want to borrow, and the property's address.

"I think it will happen slowly, and then it will happen fast," Cameron says of the disruption in mortgages. "The good banks will be able to keep up with these trends," he says.

Technology giants such as Apple and Google are also lurking in the background, as they muscle into the payments market through their digital wallet apps.

There is a question mark over how these global behemoths might use their enormous customer reach and

huge amounts of customer data to target other parts of the banking business - including lending - in the long term. Afterpay's future owner, US fintech giant Block, is another example of a foreign tech-based giant that could play a bigger role in the Australian market.

The intentions that giants such as Apple have in banking are unclear, but they would be formidable competitors if they sought to gain a bigger slice of the banking market beyond payments.

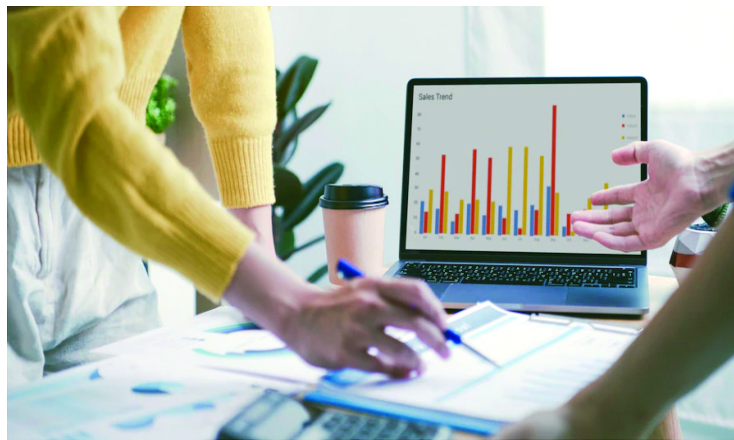
The government has signalled it wants tech players in banking to be appropriately regulated, with Treasurer Josh Frydenberg couching a late 2021 shake-up in payments regulation as an issue of national sovereignty. "If we do not reform the current framework it will be Silicon Valley that determines the future of our payments system," Frydenberg said in December.

Even so, it is clear that as digital finance takes off, the banks are only going to face growing competition from technology-based players. And while that could be challenging for bank shareholders, it could be better news for customers.

Ashurst partner Nicholas Mavrakis says that as long as there is a "level playing field" on the regulatory front, the overarching trend of technology-based competitors moving into finance is welcome, and will help make the market more competitive.

"You can't stop big tech and fintech from coming into the Australian market. It's exciting, it's good for competition," he says.

Courtesy: The Sydney Morning Herald



ASIAMONEY

bKash: Putting innovation and financial inclusion first



Masayoshi Son's SoftBank fund is the latest big-name investor in bKash.

BY WILLIAM PESEK

Fintech firm bKash has revolutionized Bangladesh's payments industry in the 11 years since it was founded. But its CEO still has more tricks up his sleeve.

You know a company has made it when its name becomes a verb.

At home, Bangladeshi fintech sensation bKash has achieved the status accorded globally to

Google, Hoover and Skype. While 60 million Bangladeshis, or 36% of the population, use the platform, the calibre of investors saying "bKash me" impresses even more.

The mobile financial services firm that CEO Kamal Quadir founded in 2011 has long been the nation's pre-



Kamal Quadir: The artist who became a fintech guru

mier investment.

In 2013, it received a seal of approval from the World Bank's International Finance Corp. A year later, the Bill & Melinda Gates Foundation took a stake. In 2018,

Jack Ma's Ant Group became a shareholder. And in November 2021, Quadir's team won the backing of the world's most-watched and often savviest venture capital player: SoftBank

bKash



Group's Vision Fund.

Masayoshi Son's SoftBank taking a 20% stake "means we're building a textbook company," Quadir tells Asiamoney. It "validates our dedication and relentless efforts these last 10 years and places its trust on the potential of a well-regulated fintech space".

Unlocking The Transformative Power Of Mobile Money

By Ashley Olson Onyango, Head of Financial Inclusion, GSMA



During the last decade, rapid digitisation has revolutionised the financial industry globally, through the advent of innovative services such as mobile banking apps or seamless transfer options. Driving this trend in low- and middle-income countries, where over a billion people remain unbanked, mobile money has helped millions of unbanked people access financial services for the first time, tackling over-reliance on cash. Expanding from 134 million accounts back in 2012 to 1.35 billion last year - a more than tenfold increase - mobile money has evolved from a niche money transfer offering to a mainstream service that is financially empowering hundreds of millions around the globe. Since the early adoption and rapid growth of mobile money in East Africa, mobile money has branched out from its epicentre in sub-Saharan Africa to the rest of the world. Through this period, the industry has continued to innovate and has seen significant growth.

From B2C to B2B: The advent of diversification

A key feature of the industry's progress in the past years has been mobile money's rapid diversification beyond its key traditional use case: person-to-person transactions (for example transferring money to family and friends). Most notably, 2021 saw the mobile money industry become instrumental in helping small businesses operate more efficiently and improve the customer experience. Mobile money-enabled merchant payments almost doubled in value from 2020, reaching

a global average of \$5.5 billion in transactions per month.

The urgency to digitalise all aspects of day-to-day life at the start of the pandemic catalysed the number of businesses accepting and receiving mobile money payments, thanks to efforts from mobile money providers and regulators. Since then, thousands of businesses, both physical and online, have started using mobile money to continuously drive prosperity and customer growth. Despite this growth, there is substantial room for growth in mobile money-enabled online payments as many merchant payments in Africa remain offline.

The proliferation of financial inclusion



Since the onset of the pandemic, mobile money has helped women and other under-served communities in a variety of ways, from sending funds to families in need, to paying for essential bills and services. Ultimately, if women can access and use mobile money on par with men, they can flourish, bringing benefits to their households, as well as to the mobile industry and the economy.

Since the onset of the pandemic, mobile money has helped women and other under-served communities in a variety of ways, from sending funds to families in need, to paying for essential bills and services. Ultimately, if women can access and use mobile money on par with men, they can flourish, bringing benefits to their households, as well as to the mobile industry and the economy.

Despite the progress made so far however, women in LMICs are still less likely than men to own a mobile money account, with considerable gender gaps in a significant number of mobile money markets (71% in Pakistan, 68% in India, 52% in Bangladesh, and so on).

But why exactly is this? Understanding the gender gap and barriers at different stages of the mobile money customer journey is critical to informing action: from mobile phone ownership to mobile money awareness, account ownership, and regular use. To begin with, women are seven per cent less likely than men to own a mobile phone, with some regions having an even

greater gap. Beyond this, other barriers such as lack of awareness of mobile money and lack of perceived relevance, knowledge, and skills should be addressed to encourage equal access.

What is next for mobile money on the continent?

Looking back on the last year, the mobile money industry has seen significant growth, experienced vast diversification, and empowered financial inclusion. Behind the numbers and milestones within the mobile money industry are hundreds of millions of people participating in a more inclusive digital economy. But even so, more can be done to unlock the benefits of mobile

money even further, driving not just financial access, but financial health.

Making mobile money widely available and more beneficial to all, particularly for the underserved, requires a holistic approach: appropriate corporate strategies and investments and conducive policy and regulatory changes, with a focus on all barriers along the customer journey. This year the mobile money industry hit a milestone number of transactions and with continued collaboration between businesses, governments, operators, and the mobile industry as a whole, the benefits of mobile money will continue to expand and reach the remaining unbanked populations - delivering lasting impact to the world's most vulnerable.

Nano Loans under 4 minutes: Bringing smiles to thousands!

THE BUSINESS STANDARD

Sumaiya Akhter is an RMG worker. She has been working with Ananta Companies Ltd. for two years. Sumaiya supports a family of three. She earns enough to support herself, her younger brother and her grandmother who reside in the village. However, every now and then emergency needs appear and Sumaiya finds it difficult to manage all her expenses.

Sumaiya recently got to learn about PrimeAgrim from her work. PrimeAgrim is an AI-based instant digital nano loan platform that allows her to take instant loans. So when she was faced with the challenge of accumulating funds to pay for her younger brother's school tuition fees, uniform and stationery expenses, she turned to PrimeAgrim for help. Sumaiya applied for a nano loan on PrimeAgrim app and got the desired amount to her Prime Bank account in an instant. With the help of PrimeAgrim she was able to pay for her younger brother's educational expenses. Sumaiya can now easily pay off the loan upon getting the salary and keep track of her interest expenses.

Like Sumaiya, PrimeAgrim has brought smiles to the faces of more than a thousand RMG workers in their time of need. PrimeAgrim is a collateral-free, instant 'Digital Nano Loan' initiative of Prime Bank for the

Sumaiya Akhter is an RMG worker. She has been working with Ananta Companies Ltd. for two years. Sumaiya supports a family of three. She



Blue-collar workers of Bangladesh. Any worker with a specific salary range can avail loan up to 30% of their respective salary amount. This groundbreaking initiative enables the customers to apply and avail of loans within a few seconds through the PrimeAgrim App. This service is available 24/7 irrespective of banking hours, making PrimeAgrim a much-needed instant financial support.

PrimeAgrim takes away the hassle of the traditional lengthy borrowing process. Customers can avail of this loan through digital credit assessment. PrimeAgrim's AI-driven digital nano financing platform has machine learning and alternative credit scoring that enables loan sanction in a few seconds. As a part of Prime Bank's long-term strategy, PrimeAgrim is a step towards ensuring financial inclusion for the unbanked population. This initiative represents a major milestone in promoting the vision

for a 'Digital Bangladesh'.

PrimeAgrim is already attracting global attention. For this innovative initiative, Prime Bank has received the Bronze under Analytics & Artificial Intelligence (AI) category at the prestigious Efma-Accenture Banking Innovation Awards-2021. PrimeAgrim started piloting on 8 November, 2021 in the RMG sector with Ananta Companies Ltd. Since pilot, PrimeAgrim has disbursed more than 1,000 loans to garment workers. Prime Bank plans to expand the services to workers of other sectors and ensure financial inclusion of mass people.