

# Star BUSINESS

Livestock traders and farmers are eyeing big sales of sacrificial animals ahead of Eid-ul-Azha, but ongoing inflationary pressure remains a challenge



Story on B4

## Only 10% of planned economic zones get off the ground in a decade

Beza now plans to set up 100 industrial enclaves by 2041 instead of initial deadline of 2030

JAGARAN CHAKMA

Only 10 economic zones (EZs) have become operational since the Bangladesh Economic Zones Authority (Beza) rolled out its massive industrialisation plan in 2015, raising questions about whether its goal of setting up 100 enclaves will be materialised on time.

The board of the Beza has approved a total of 97 EZs over the past decade. Of them, 68 zones will be set up by the government and 29 by the private sector, with the initial deadline set at 2030.

The deadline was later pushed back to 2041 since executing such a high number of projects will take a considerable amount of time in a country where time over-runs are commonplace and acquiring land is complex, which delays implementation.

Of the 10 economic zones, two are government-run – Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Chattogram, the Shreehatta Economic Zone in Sylhet – and eight are private.

The private EZs are City Economic Zone, Meghna Industrial Economic Zone, Meghna Economic Zone, Hoshendi Economic Zone, Abdul Monem Economic Zone, Bay Economic Zone, Aman Economic Zone, and East West Economic Zone.

In the two state-run zones, 13 companies are already producing goods: 11 factories have been built in BSMSN and two units have been set up in Shreehatta, according to Beza documents.

Besides, infrastructure development work for 36 factories is underway at the government EZs. Among them, 25 will be set up at BSMSN, four in Shreehatta, five in Jamalpur, and two in the Japanese Economic Zone.

The Beza has so far given approval to 29 private EZs, with 12 enclaves granted final licences and 10 awarded pre-qualification certificates. Of the final licensees, eight have gone into operation.

A total of 17 factories are under construction in the private economic zones.

Shaikh Yusuf Harun, executive chairman of the Beza, does not think that there has been slow progress in implementing EZs.

“Ten zones are already operational, and the number will go up to 29 within the next two to three years.”

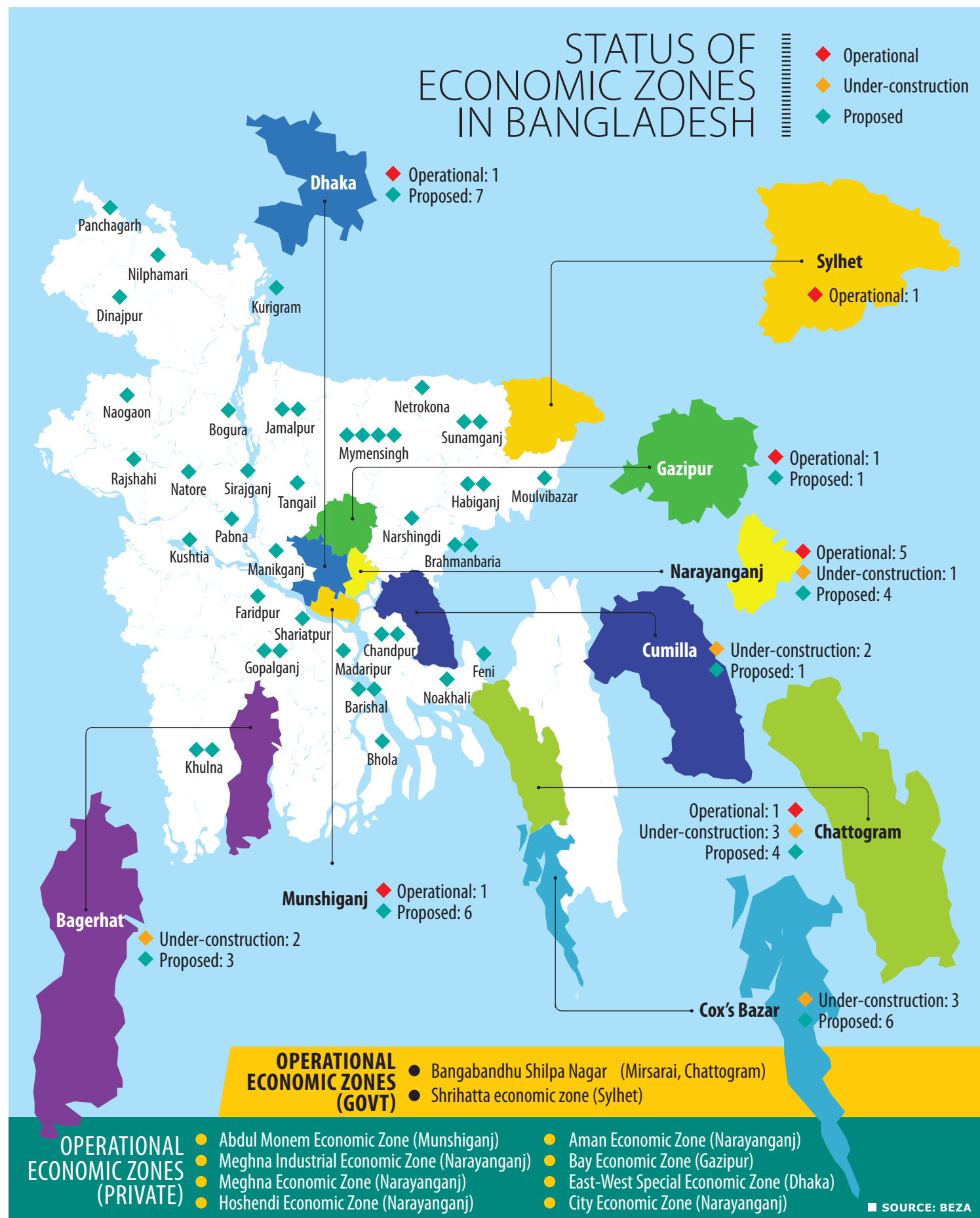
He said the Beza has revised its target to set up 100 EZs by 2041 from 2030 initially since implementing an economic zone project takes time.

“We will be able to make at least 38 EZs operational by 2030.”

Harun said they have been successful in generating a significant number of jobs, particularly in the manufacturing and service sectors.

Anwar Hossain, an economist at Development Design Consultants Limited, an engineering consulting firm, has been involved in providing feasibility consulting services to many government infrastructure and development projects.

READ MORE ON B3



## Turnover at Dhaka bourse declines to 5-month low

STAR BUSINESS DESK

Shares listed on Dhaka Stock Exchange (DSE) faced another major setback yesterday with the daily market turnover falling to a five-month low.

Turnover is the total value of shares changing hands on a day, giving an indication of the amount of trading activity.

It amounted to Tk 306 crore, dropping 30.42 percent from that on the previous day.

The textiles sector dominated the turnover chart, accounting for 13.61 percent.

Shares of Alif Industries were traded the most, contributing 1.3 percent to the turnover, or Tk 14 crore.

Block trades constituted 10.9 percent of the turnover.

**DSEX, the benchmark index of the prime bourse, dropped 50.35 points, or 0.95 percent from that on the day before**

A block trade is a large, privately negotiated securities transaction which is arranged away from public markets to lessen the effect on the security's price.

At the end of the day, the DSEX, the benchmark of the country's prime bourse, dropped 50.35 points, or 0.95 percent from that on the day before.

It finally stood at 5,228.53, the lowest in over three years.

Likewise, the DSES, the index that represents Shariah-based firms, fell 13.59 points, or 1.18 percent, to 1,138.96.

The DS30, the index that comprises the best blue-chip shares, dipped 16.79 points, or 0.89 percent, to 1,869.93.

Mutual fund, telecom and travel and leisure sectors closed in the positive while information technology, ceramics and non-bank financial institution (NBF) in the negative.

READ MORE ON B2

## IMF's \$1.15b 3rd tranche likely in late June

STAR BUSINESS REPORT

Bangladesh may receive \$1.15 billion in the third instalment of the International Monetary Fund's (IMF) loan in the last week of June, which will give a much-needed relief to the country's dwindling foreign exchange reserves.

The proposal for the third tranche will be placed at the executive board meeting of the Washington-based lender for approval on June 24 or June 25, said an official of the Bangladesh Bank.

On Sunday, Finance Minister Abul Hassan Mahmood Ali told reporters that Bangladesh would get the instalment by June.

He made the comments after a meeting with IMF Executive Director Krishnamurthy Venkata Subramanian at his secretariat office.

In January last year, the IMF approved the \$4.7 billion loan. Bangladesh has received more than \$1 billion in two instalments.

In order to facilitate the release of the third tranche, an IMF team led by Chris Papageorgiou completed the programme's second review last month. It reached a staff-level agreement with the government on the policies needed to complete the second review.

The IMF will disburse the third instalment as per the fulfilment of the conditions set for December 2023. Except the forex reserve target, Bangladesh has met all conditions.

In December, the central bank was supposed to maintain net international reserves of \$17.78 billion. It fell short by more than a billion dollars.

READ MORE ON B3

## Treasury bond yields climb to 15-year high

Bank deposits, lending rates are also rising

MD MEHEDI HASAN

The interest rate of treasury bonds recently jumped to a 15-year high of 12.75 percent, indicating that government borrowing will become costlier in the months ahead.

The previous highest yield of government bonds was an average of 13 percent in 2009.

The development comes following a hike in the interest rate of treasury bills, which have risen to a record 12 percent as the government increased its borrowing from internal sources to meet the budget deficit.

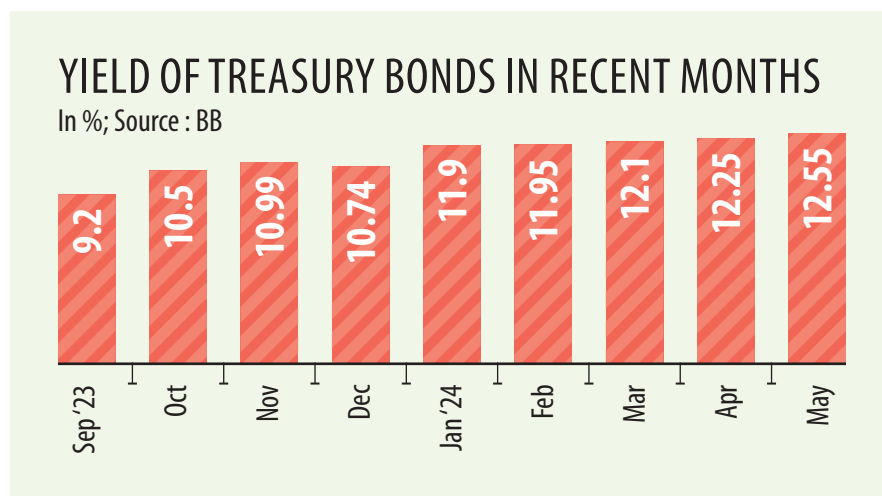
Besides, deposit and lending rates at banks also started increasing after the Bangladesh Bank scrapped the Six-months Moving Average Rate of Treasury Bills (SMART) formula to make interest rates fully market-based.

The central bank left the fixed interest and foreign exchange rate regime in favour of a market-based system as per the conditions for a \$4.7 billion loan from the International Monetary Fund (IMF).

As such, the SMART formula, which was in place since July 2023, was officially removed on May 8.

The banking regulator also increased the policy rate by 50 basis points to 8.5 percent to make money costlier and tame the high inflationary pressure.

These initiatives have raised the yields of treasury bills and bonds while also driving up bank deposits and lending rates, according to several bankers.



The interest rate, or yield, of treasury bonds now ranges from 12.05 percent to 12.75 percent while it was 8.03 percent to 8.80 percent in May last year, central bank data showed.

The interest rate of treasury bonds that mature within two years of purchase stands at 12.05 percent while those with a five-year tenure yield 12.40 percent as quoted at separate auctions this month.

The yield of treasury bonds with a 10-year maturity period is 12.55 percent, while it is 12.65 percent for those which will mature in 15 years and 12.75 percent for those maturing in 20 years.

The government is using these securities to borrow heavily from commercial banks as the regulator

stopped printing money to avoid fuelling inflation at the start of the ongoing fiscal year.

Inflation has stayed above 9 percent for the past 20 months.

During the July-May period of fiscal 2023-24, net government borrowing from the banking sector stood at Tk 50,899 crore, central bank data showed. The government borrowed Tk 70,558 crore from commercial banks and repaid Tk 19,659 crore to the central bank.

“The money market is facing pressure owing to the government's tight fiscal situation,” said Mohammed Nurul Amin, a former chairman of the Association of Bankers Bangladesh.

READ MORE ON B3

## Loans, deposits rise in Islamic banks despite liquidity crisis

STAR BUSINESS REPORT

Outstanding loans and deposits both increased in 10 full-fledged local Islamic banks in February this year although six of them have been facing severe liquidity crisis for more than a year.

Outstanding loans at the 10 banks stood at Tk 455,525 crore, up by Tk 6,452 crore from a month earlier, according to the latest data of the Bangladesh Bank.

At the same time, deposits in those banks hit Tk 380,066 crore, up by Tk 4,762 crore from January.

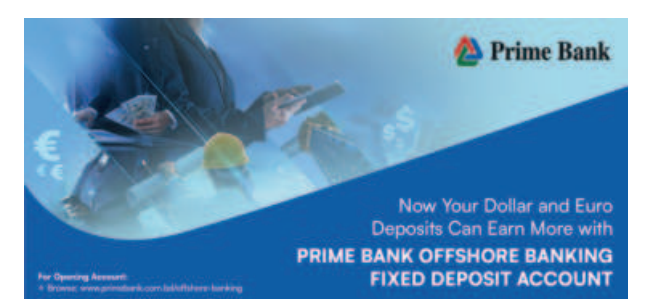
Massive loan irregularities have been taking a huge toll on six Islamic banks: Islami Bank Bangladesh, Social Islami Bank, First Security Islami Bank, Union Bank, Global Islami Bank and ICB Islamic Bank.

The rest four—Al Arafah Islami Bank, Standard Bank, Exim Bank and Shahjalal Islami Bank—have been doing comparatively well, industry insiders said.

The money being added in the form of interest has also played an important role for the increase in Islamic banks' outstanding loans and deposits in February, experts said.

Despite being in a bad shape, the problematic six are still disbursing loans, which is fuelling the outstanding loans at Islamic banks, they added.

The six have been facing shortfalls in cash reserve ratio and statutory liquidity ratio for a long time along with being hit by a deficit at their current accounts with the central bank.





## Six MFIs sign deals with bKash

STAR BUSINESS DESK

bKash recently signed agreements with six microfinance institutions (MFIs) to avail the services of instalment payments for their loan and savings schemes.

The MFIs are the Society for Social Service (SSS), the Development Initiative for Social Advancement (DISA), Social Advancement Through Unity (SATU), Pally Bikash Kendra (PBK), Uttara Development Program Society (UDPS), and Bangladesh Fellowship Foundation (BFF).

Ali Ahmmed, chief commercial officer of bKash, penned separate agreements with the chief executives of these

organisations at a hotel in the capital, according to a press release.

Mahbulul Haque Bhuiyan, acting executive director of SSS, Md Shahid Ullah, chief executive of DISA, Mirza Sakif Hossain, deputy director of SATU, Khaleeda Shams, deputy CEO of PBK, AFM Akhter Uddin, chief executive of UDPS, and John Das, executive director of BFF, attended the signing ceremony.

The service will cater to more than 5 lakh microfinance customers.

MFI customers can pay loan instalments and deposit savings in a few simple steps from the microfinance payment option in bKash app or by dialling USSD code \*247#.



Ali Ahmmed, chief commercial officer of bKash, poses for photographs after signing separate agreements with six microfinance institutions at a hotel in the capital recently. PHOTO: BKASH

## Rashid elected as president of BPCCI

STAR BUSINESS DESK

Humayun Rashid, managing director and CEO of Energypac Power Generation, was recently elected as president of the Bangladesh Philippines Chamber of Commerce and Industry (BPCCI) for a two-year term (2024-26).

Building on the success of the previous board of directors, Rashid will help reinforce Bangladesh's positive image among ASEAN countries and maintain strong relationships with respective embassies, said a press release.

Expressing his gratitude, Rashid said: "I am humbled to assume the role of president at BPCCI and am eager to work together with my peers to fortify the business ties between Bangladesh and the Philippines."

"With joint efforts and dedication, we can head towards our shared vision of promoting innovation and propelling economic growth," he added.

Rashid's election comes at a pivotal moment as the BPCCI seeks to solidify Bangladesh's ties with ASEAN countries.

His leadership will be crucial in representing Bangladeshi business interests and fostering greater engagement with ASEAN markets, thereby enhancing economic cooperation and mutual understanding.



Ziaul Hasan Siddiqui, chairman of Sonali Bank, presides over the bank's 17th annual general meeting at its head office in Dhaka yesterday. PHOTO: SONALI BANK

## Sonali Bank holds its 17th AGM

STAR BUSINESS DESK

Sonali Bank yesterday approved a financial statement, the balance sheet director's report and auditors' report along with a profit and loss account for the year that ended on December 31, 2023.

The approval came at the 17th annual general meeting (AGM) at the bank's head office in Dhaka, the bank said in a press release.

Ziaul Hasan Siddiqui, chairman of the bank, presided over the meeting,

where Md Azimuddin Biswas, additional secretary to the Financial Institutions Division, attended as a representative of the Ministry of Finance.

ABM Ruhul Azad, Daulatunnaher Khanam, Molla Abdul Wadud, Mohammad Kaykobad, Md Matiur Rahman, Abul Kalam Azad, and Gopal Chandra Ghosh, directors of the bank, were present.

Among others, Md Afzal Karim, chief executive officer of the bank, and Tauhidul Islam, company secretary, were also present.

## Premier Bank, NEC Money Transfer sign deal on remittance services

STAR BUSINESS DESK

Premier Bank recently signed a remittance service agreement with NEC Money Transfer Limited, a Bangladeshi-owned fintech-based remittance transfer company.

Mohammad Abu Jafar, managing director and CEO of the bank, and Ikram Farazy, chairman of NEC Money Transfer, penned the deal at the bank's head office in the capital's Banani, said a press release.

Under this agreement, the bank will

be able to disburse the hard-earned remittances of non-resident Bangladeshis and expatriates living in different parts of the world, especially the UK, Italy, South Africa, the UAE, Australia, Canada and other EU countries.

Syed Md Hasib Reza, first vice-president and head of the bank's NRB and foreign remittance division, Anower Farazy Emon, chairman of Farazy Hospital, and Md Osman Goni, country manager of the remittance transfer company, were present.



Mohammad Abu Jafar, managing director and CEO of Premier Bank, and Ikram Farazy, chairman of NEC Money Transfer, shake hands and exchange signed documents of an agreement at the bank's head office in the capital's Banani recently. PHOTO: PREMIER BANK

## Southeast Bank provides financial aid to farmers thru PAGE Development Centre

STAR BUSINESS DESK

Southeast Bank recently provided financial assistance to grassroots level farmers across the country from the bank's corporate social responsibility (CSR) fund to help their cultivation and facilitate purchases of agri-based machinery.

The financial assistance was channelled to farmers through PAGE Development Centre, a non-government development organisation.

A cheque was handed over to Md Yunus, executive director of the NGO, at the bank's head office in Dhaka, the bank said in a press release.

Nuruddin Md Sadeque Hossain, managing director of the bank,



Md Yunus, executive director of PAGE Development Centre, receives a cheque of financial aid from the officials of Southeast Bank to distribute among grassroots farmers at the bank's head office in Dhaka recently.

attended the programme. Md Masum Uddin Khan and Abidur Rahman Chowdhury, deputy managing

directors of the bank, along with other senior officials from both organisations were also present.

## Eastern Bank, Grand Sylhet Hotel & Resort sign deal on service benefits

STAR BUSINESS DESK

Eastern Bank recently signed an agreement with Grand Sylhet Hotel & Resort.

M Khorshed Anwar, deputy managing director and head of retail and SME banking of the bank, and Syed Yameenul Huq, executive assistant manager and in charge of sales and marketing of the resort, penned the deal in Dhaka, according to a press release.

Under the arrangement, the bank's cardholders will enjoy special benefits at the luxury hospitality property in Sylhet. Farzana Qader, senior manager of retail alliance at the bank, along with officials from both organisations were also present.



M Khorshed Anwar, deputy managing director and head of retail and SME banking of Eastern Bank, and Syed Yameenul Huq, executive assistant manager and in-charge of sales and marketing of Grand Sylhet Hotel & Resort, pose for photographs after signing an agreement in Dhaka recently. PHOTO: EASTERN BANK

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAY 29, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 76	-2.86 ↓	.74 ↑
Coarse rice (kg)	Tk 48-Tk 52	-3.85 ↓	2.04 ↑
Loose flour (kg)	Tk 40-Tk 50	5.88 ↑	-20.35 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 145-Tk 150	-1.67 ↓	-18.06 ↓
Potato (kg)	Tk 48-Tk 55	3.00 ↑	32.05 ↑
Onion (kg)	Tk 70-Tk 75	11.54 ↑	0
Egg (4 pcs)	Tk 48-Tk 52	21.59 ↑	3.09 ↑

SOURCE: TCB

Government of the People's Republic of Bangladesh  
Office of the Executive Engineer  
Manikganj PWD Division  
Manikganj.  
[www.pwd.gov.bd](http://www.pwd.gov.bd)

Memo No-1377 Date : 28/05/2024

**e-Tender Notice e-Gp Tender (OTM)**

e-Tender is invited in the e-GP System Portal <http://www.eprocure.gov.bd>

SL. No.	Tender ID & Reference No	Name of Work	Last Selling Date & Time	Opening Date & Time
01.	992526, Office of the SE memo no-1734 date: 26-05-2024	Special repair and renovation of conference room of Manikganj 250 bed General Hospital during the year 2023-24	09-Jun-2024 14:00	09-Jun-2024 15:00

This is an online Tender. Where will be accepted in the national e-GP Portal and no offline/hard copies will be accepted To submit e-Tender, registration in the national e-GP System Portal <http://www.eprocure.gov.bd> is required.

The fees for downloading the e-tender documents from the national e-GP System portal have to be deposited online through any e-GP registered bank's branches within due time.

Further information and guideline are available in the Nationale-GP System portal and from e-GP help desk([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)) or (email: [ee\\_manik@pwd.gov.bd](mailto:ee_manik@pwd.gov.bd)) and call to 02-996610401) Interested person can be communicated with the undersigned during office hours.

(Sharmin Aktar)  
Executive Engineer  
Manikganj PWD Division  
Manikganj.

GD- 888

## Turnover at Dhaka bourse declines

FROM PAGE B1 In its market update, BRAC EPL Stock Brokerage said a negative performance was staged by most of the sectors which account for large amounts in market capitalisation.

Market capitalisation shows how much a company is worth as determined by the total market value of all outstanding shares.

The NBF1 sector experienced the highest loss of 2.22 percent, followed by engineering (2.11 percent), food and allied (1.79 percent), pharmaceuticals (1.29 percent), fuel and power (0.82 percent), bank (0.16 percent) and telecommunication (0.32 percent).

BRAC Bank, Linde Bangladesh, Gramenphone, Pubali Bank, Power Grid Company of Bangladesh, Khulna Printing and Packaging, Bata Shoe Company (Bangladesh), Shahjalal Islami Bank, Midland Bank and Keya Cosmetics made gains.

Beximco Pharmaceuticals, British

American Tobacco Bangladesh, Square Pharmaceuticals, Beacon Pharmaceuticals, Lafarge-Holcim Bangladesh, Khan Brothers PP Woven Bag Industries, Kohinoor Chemicals, Best Holdings, Orion Pharma and Olympic Industries suffered losses.

**The NBF1 sector experienced the highest loss of 2.22 percent, followed by engineering, food and allied, pharma, fuel and power, bank and telecom**

Out of the 396 scrips that changed hands, 286 saw declines, 64 edged up and 44 did not see any price movement.

Chittagong Stock Exchange saw a similar trend as the Caspi, the main index of the port city bourse, dipped 155.79 points, or 1.02 percent, to close at 15,084.56.

**PADMA OIL COMPANY LIMITED**  
(An Enterprise of Bangladesh Petroleum Corporation)  
4, Strand Road, Sadarghat, Chattogram

**2<sup>nd</sup> Corrigendum Notice**  
For

International Tender for Installation of Terminal Automation System for Main Installations of Three Oil Marketing Companies Padma Oil Company Limited (POCL), Meghna Petroleum Limited (MPL) and Jamuna Oil Company Limited (JOCL) at Patenga, Chattogram, Bangladesh, on Turnkey Basis, Tender Ref. 856.10.901.24

This is for information of all concerned that due to some unavoidable circumstances following amendments of serial number 18, 19, 20, 23 and 30 of the Tender notice published in "The Daily Financial Express" dated 05/03/2024, "The Dainik Samokal" dated 05/03/2024 "The Dainik Jugantor" dated 06/03/2024 and "The Daily Star" dated 06/03/2024 and websites of Bangladesh Public Procurement Authority (BPPA), BPC, POCL, MPL, JOCL shall be amended as follows:

Sl. Nos.	Description	Existing	Amended
18	Tender Last Selling Date	04/06/2024 up to 1400 Hrs.	11/06/2024 up to 1400 Hrs.
19	Tender Closing Date and Time	Date (dd/mm/yyyy) 05/06/2024 Time 1430 Hrs.	Date (dd/mm/yyyy) 12/06/2024 Time 1100 Hrs.
20	Tender Opening Date and Time	Date (dd/mm/yyyy) 05/06/2024 Time 1530 Hrs.	Date (dd/mm/yyyy) 12/06/2024 Time 1230 Hrs.
23	Eligibility of Tenderer	(b) The minimum specific experience of Tenderer from the client in similar to the proposed plant and services in at least 02 (Two) contracts of similar nature*, complexity and methods/ construction technology successfully completed within the last 10 (Ten) years with a value of at least USD 60 (Sixty) million out of which each shall not be less than USD 20 (Twenty) million or one contract with a value at least USD 60(Sixty) million in USA / UK / Canada / Japan / South Korea/ Australia/ New Zealand/ MENA Countries /EU Countries/ China/CIS Countries. In case of new installation, process unit of Oil and Gas Industries the value of the work done for automation portion shall be clearly mentioned in experience certificate.	(b) The minimum specific experience of the Tenderer from the client in similar to the proposed plant and services in maximum 04 (Four) contracts of similar nature*, complexity and methods/ construction technology successfully completed within the last 10 (Ten) years with a value at least USD 60 (Sixty) million in USA/ UK/ Canada/ Japan/ South Korea/ Australia/ New Zealand/ MENA Countries /EU Countries/ China/CIS Countries. In case of new installation, process unit of Oil and Gas Industries the value of the work done for automation portion shall be clearly mentioned in experience certificate.
30	Tender Security amount in Taka	USD 2.5 (Two point Five) Million	USD 2.5 (Two point Five) Million or BDT 290 (Two hundred and Ninety) Million.

All other terms and conditions of the Tender notice shall remain unchanged.

(6"x3)

(MD. FARUK HOSSAIN MAHMUD)  
Assistant General Manager (Engineering & Planning)  
Strand Road, Sadarghat, Chattogram, Bangladesh  
Telephone: +880233360430, Fax: +8802-33367347  
e-mail: hamimu138@yahoo.com, gm.projects@poel.gov.bd  
dgm.enp@poel.gov.bd, farukmahmud80@gmail.com

GD-894



# WB to give \$400m loan, \$300m grant for Rohingya, hosts

STAR BUSINESS REPORT

World Bank (WB) yesterday approved two projects totalling \$700 million to provide basic services and build disaster and social resilience for both the displaced Rohingya population in Bangladesh and the host communities.

Of the amount, \$407.50 million is in the form of a loan and the remaining \$292.50 million a grant, according to a WB appraisal document.

The \$407.50 million loan will be the first of its kind by the global lender since the onset of the Rohingya crisis.

The loan will have an interest rate of two percent and a repayment period of 30 years, including an eight-year grace period, said an Economic Relations Division official.

According to a WB press release, the lender provided \$590 million in grants since the onset of the Rohingya crisis.

The two projects are underpinned by the lessons learned through the previous interventions, as well as learnings from forced displacement crises around the world, it read.

According to the WB appraisal document, the financing has been a critical complement to the humanitarian response, which has been declining.

An annual "Joint Response Plan (JRP) for the Rohingya Humanitarian Crisis", managed by the Bangladesh government and United Nations partners, coordinates financing for critical humanitarian services for the displaced Rohingya population and host communities.

The 2023 JRP needed \$876 million but was able to gather only 49 percent of it as of December 2023, says the document.

This led to a reduction in food assistance provided by World Food Programme, for which an estimated 78 percent of the displaced Rohingya population did not have sufficient food in 2023.

Earlier in November 2022, it was estimated to be 44 percent.

The press release says the WB has helped the displaced Rohingya



Rohingya refugee children walk along the road at Balukhali camp in Cox's Bazar. The World Bank provided \$590 million in grants since the onset of the Rohingya crisis.

PHOTO: REUTERS/FILE

population and host communities on disaster preparedness, basic infrastructure, social protection, collaborative forest management, and income generation opportunities for the host communities.

"We greatly appreciate the Government of Bangladesh's generosity in supporting nearly one million Rohingya people. We also recognise the enormous pressure placed on the host communities," said Abdoulaye Seck, World Bank country director for Bangladesh and Bhutan.

Nearly one million Rohingya have fled violence in Myanmar to Bangladesh since 2017, making it one of the largest forced displacement crises in the world.

"With the crisis entering its seventh year, long-term planning and sustainable solutions have become critical, while also addressing short-term, urgent needs," the WB said.

"We are fully committed to supporting the Government of Bangladesh to address this complex crisis and support the wellbeing of both the Rohingya and host communities," it said.

Of the two projects, one is a

\$350 million Inclusive Services and Opportunities for Host Community and Displaced Rohingya Population (ISO) Project and the \$350 million Host and Rohingya Enhancement of Lives Project (HELP).

The ISO Project will build on active investments in livelihoods and essential health, nutrition, family planning, gender-based violence response and prevention services for at least 9,80,000 people in the Rohingya and host communities.

The project will prioritise investment in human capital development, with the aim to support the education of 3,00,000 Rohingya children under the age of 12.

"The protracted displacement crisis that the Government of Bangladesh is addressing is ultimately a challenge about supporting people, whether they are in the host community or in the displaced Rohingya population," said S Amer Ahmed, World Bank task team leader for the ISO Project.

"The ISO Project will be supporting vulnerable households in both communities to invest, protect, and use their human capital through

support for temporary work, training, education, child protection, primary healthcare, nutrition, family planning, and gender-based violence response and prevention services," he said.

The HELP will improve access to basic services and enhance the resilience of at least 6,45,000 people in the Rohingya and host communities.

Project activities will encompass urgently needed investments in water, sanitation, and hygiene, climate resilient roads, renewable energy, and multipurpose disaster shelters - underlying foundations critical to supporting productive livelihoods.

The project will also focus on building skills for operations and maintenance at both the government and community levels, aiming for a dual benefit of infrastructure sustainability and longer-term skills development.

"...The Rohingya people continue to live in extremely congested settlements and have minimal access to basic services. The host communities are also deeply impacted, with continued additional pressure on limited resources," said Swarna Kazi, World Bank task team leader for HELP.

# FBCCI suggests direct shipping route with Sydney

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) has suggested creating a direct shipping route between Chattogram and Sydney to reduce logistical costs and enhance competitiveness as part of efforts to boost bilateral trade.

The FBCCI also sought investment from Australian entrepreneurs and proposed signing a comprehensive economic partnership agreement or a regional trade agreement between the two nations for greater market access.

FBCCI Vice-president Joshoda Jibon Debnath made the calls during a seminar on "Strengthening bilateral trade and investment between Bangladesh and Australia", held at the Four Seasons Hotel in Australia's Sydney yesterday.

The seminar was hosted by the FBCCI in association with the High Commission of Bangladesh in Canberra, Australia and was supported by the Consulate General of Bangladesh in Sydney.

At the event, the apex trade body of Bangladesh also reaffirmed its commitment to provide all kinds of support to Australian investors to set up their businesses in Bangladesh.

The FBCCI vice-president highlighted the potential of enhanced Bangladesh-Australia cooperation across key sectors, including pharmaceuticals, IT services, agricultural technology, renewable energy, and education.

He proposed a joint research and development fund for biotechnology, ICT, and renewable energy, as well as vocational training programmes and education to drive innovation and economic growth.

In his speech, Stephen Kamper, minister for small business, land and property of New South Wales (Australia), described the advantages of doing business in Australia.

He highlighted the opportunities and potential for setting up businesses in New South Wales and encouraged Bangladeshi investors to invest in Australia.

STOCKS	
DSEX ▼	CASPI ▼
0.95%	1.02%
5,228.53	15,084.56

COMMODITIES	
Gold ▼	Oil ▲
\$2,347.14	\$80.55
(per ounce)	(per barrel)

# UK retail sales bounce back Treasury bond yields climb

REUTERS, London

British retail sales bounced back in May after a slump in April that could have been caused by the timing of Easter and bad weather, while prices charged by shops pointed to the weakest inflation in nearly four years, according to industry data.

The Confederation of British Industry's (CBI) monthly retail sales balance, a gauge of sales versus a year ago, recovered to +8 this month after tumbling to -44 in April.

More retailers felt sales were normal for the time of year than at any other time in the past eight months, the CBI said.

British consumers are recovering some of the spending power lost to the surge in inflation although official data published last week showed retail sales in April slid by far more than expected as heavy rain kept shoppers away.

The CBI's measure of selling price inflation was its slowest since August 2020 and was below its long-run average with expectations of only a slight pick-up in June.

Earlier on Tuesday, the British Retail Consortium said its measure of shop prices showed the weakest increase in two-and-a-half years this month, welcome news for the Bank of England as it considers when to cut interest rates.

As the country's revenue earnings are not growing in line with expenditures, it has become fully dependent on the banking system for funding to meet the budget deficit.

"The higher bank borrowing at an elevated interest rate will increase the government's interest expenditure."

## DEPOSITS, LENDING RATES ON THE RISE

Bankers say they are now raising the deposit rates to attract funds and pushing up lending rates.

For example, NRB Bank is marketing a deposit scheme with an interest rate of more than 14 percent.

Likewise, a growing number of banks suffering from liquidity shortages are offering interest rates ranging from 10 to 14 percent on their deposit products.

In March, the highest deposit rates at private commercial banks were between 8 percent and 9.50 percent.

Most banks also opted to increase their lending rates after the withdrawal of the SMART formula.

Now, consumer loans have an average interest rate of 15.50 to 16 percent while that of SME loans is 15 percent and industrial loans is 13.50 percent. However, the rates vary from bank to bank.

Md Shafiul Azam, managing director of Modhumoti Bank, told The Daily Star the banks offering high interest on deposits are experiencing liquidity shortages.

"The central bank has allowed banks to revise their interest rates once each month. We have to raise the interest because we are not getting deposits at lower rates."

# IMF's \$1.15b 3rd tranche

FROM PAGE B1

This prompted the IMF mission to lower the target.

The government has brought in some critical reforms to address macroeconomic imbalances, including the realignment of the exchange rate, the adoption of a crawling peg regime, and the full liberalisation of retail interest rates.

In 2022, Bangladesh turned to the global lender after its forex reserves

plunged to a critically low level amid higher import bills, leading to a sharp depreciation of the taka and an unprecedented level of inflation, hurting the poor and derailing the economic growth trajectory.

The reserves have fallen to \$18.4 billion recently from \$41 billion accumulated in August 2021, according to the IMF's balance of payments and investment position manual.

Syed Akhtar Mahmood, a former lead private sector specialist at the World Bank Group, praised the idea of EZs as effective since there is land scarcity in Bangladesh and the country is looking for well-planned industrialisation.

He suggested providing land only to investors who have good intentions of setting up factories. "Otherwise, genuine investors will not get the land when they need it."

Mahmood said the Beza should implement EZs in phases instead of going after all of them simultaneously.

"This is because if all EZs are implemented concurrently, none of them will be executed properly since there is an involvement of a huge amount of funds."

M Masrur Reaz, chairman of the Policy Exchange Bangladesh, a think-tank, said delay is usually seen when an EZ moves to the operational stage following the identification of a site given the nature of the project.

"Land acquisition is critical as it is scarce in the country. This delays the implementation of the projects."

The former economist of the International Finance Corporation said the Beza has gained experience in the last one decade and knows about the opportunities and bottlenecks.

"There will not be much delay if the Beza puts the experience to good use when implementing the projects."

The Beza has received \$28.75 billion worth of investment proposals from companies at home and abroad. The actual investment stood at \$6.05 billion between 2020 and June 30 last year.

According to a report of the agency, the operating zones have employed around 60,000 people. Some 7,000 are working in government-owned zones and 53,000 in private zones.

Products worth \$14.47 billion were produced in 10 EZs in the last fiscal year of 2022-23, it said.

# Only 10% of planned economic zones

FROM PAGE B1

He said the Beza has invested heavily in developing EZs nationwide, so it is time to operationalise them by establishing factories and recovering the investments.

"This is crucial for Beza's sustainability," he said, adding that the Beza has made important strides in attracting foreign investments and producing goods for international markets over the last decade.

Anwar Ul Alam Chowdhury Parvez, president of the Bangladesh Chamber of Industries, said the authorities should develop the sites first before offering plots to investors.

"Otherwise, if investors go there, they will suffer because of a lack of necessary infrastructure in the zones."

**গণপ্রজাতন্ত্রী বাংলাদেশ সরকার**  
বাংলাদেশ পুলিশ  
কমান্ড্যান্ট (পুলিশ সুপার) এর কার্যালয়  
ইন-সার্ভিস ট্রেনিং সেন্টার, সিলেট।  
দরপত্র বিজ্ঞপ্তি- ০১/২০২৪-২০২৫ তারিখ-২৯/০৫/২০২৪ খ্রি।

"The Public Procurement Act-2006 & The Public Procurement Regulations-2008" এর প্রবিধান অনুযায়ী ২০২৪-২০২৫ অর্থ বৎসরে ইন-সার্ভিস ট্রেনিং সেন্টার সিলেট এর জন্য নিম্নবর্ণিত মালামান সরবরাহের জন্য প্রকৃত বাংলাদেশী ঠিকাদার/ব্যবসায়ি সরবরাহকারী কর্মপ্রতিষ্ঠান এর নিকট সিডিউলে উল্লিখিত শর্তানুযায়ী সীলমোহরকৃত খামে প্রতিযোগিতামূলক দরপত্র আহ্বান করা যাবে।

ক্রমিক নং	সম্ভাব্যক সত্তা ও উদ্দাহার বিবরণী	অন্যান্য সরবরাহের ক্ষমতা ও মেয়াদতার বিবরণী
১.	মন্ত্রণালয়/ বিভাগ	যন্ত্রপাতি মন্ত্রণালয়/জননিরাপত্তা বিভাগ।
২.	সংস্থা	বাংলাদেশ পুলিশ।
৩.	দরপত্র সম্পাদনকারী প্রধান	কমান্ড্যান্ট (পুলিশ সুপার), ইন-সার্ভিস ট্রেনিং সেন্টার, সিলেট।
৪.	দরপত্র আহ্বানের সূত্র ও তারিখ	"দরপত্র আহ্বান-০১/২০২৪-২০২৫", তারিখ-২৯/০৫/২০২৪ খ্রি।
৫.	দরপত্রের পদ্ধতি	উন্মুক্ত দরপত্র (OTM)।
৬.	বাজেট ও তহবিলের উৎস	২০২৪-২০২৫ অর্থ বৎসরে পুলিশ হেডকোয়ার্টার্স হইতে অর্থ বরাদ্দ প্রাপ্ত সাপেক্ষে।
৭.	দরপত্র প্রাক্কলন নম্বর	০১/২০২৪-২০২৫ অর্থবছর।
৮.	দরপত্র বিজ্ঞপ্তি প্রকাশের তারিখ	০১/০৫/২০২৪ খ্রি. এর মধ্যে যেকোন দিন।
৯.	দরপত্র উন্মুক্ত বিক্রয়ের শেষ তারিখ	২২/০৫/২০২৪ খ্রি. (০৯:০০ ঘটিকা হইতে ১২:০০ ঘটিকা পর্যন্ত সরকারী ঘুটতি দিন ব্যতীত)।
১০.	দরপত্র জমা প্রাপ্তির সর্বশেষ তারিখ ও সময়	২২/০৫/২০২৪ খ্রি. ১২:০০ ঘটিকা পর্যন্ত।
১১.	দরপত্র বাস্তব খোলার তারিখ ও সময়	২২/০৫/২০২৪ খ্রি. ১২:০০ ঘটিকা। দরদাতা অথবা তাহার প্রতিনিধির সম্মুখে যদি কেহ উপস্থিত থাকেন। দরপত্র বাস্তব খোলা হবে।
১২.	দরপত্র মূল্যায়নের তারিখ ও সময়	০১/০৬/২০২৪ খ্রি. ১২:০০ ঘটিকা।
১৩.	দরপত্র দলিলাদি বিক্রয়কারী অফিসের নাম ও ঠিকানা	কমান্ড্যান্ট (পুলিশ সুপার) ইন-সার্ভিস ট্রেনিং সেন্টার, সিলেট/কমান্ড্যান্ট(অতিরিক্ত ডিআইজি), আরআরএফ, সিলেট/ডিআইজি, রেঞ্জ অফিস, সিলেট।
১৪.	দরপত্র গ্রহণকারী/অফিস	কমান্ড্যান্ট (পুলিশ সুপার) ইন-সার্ভিস ট্রেনিং সেন্টার, সিলেট।
১৫.	দরপত্র খোলার স্থান	কমান্ড্যান্ট (পুলিশ সুপার) ইন-সার্ভিস ট্রেনিং সেন্টার, সিলেট।
১৬.	দরপত্র দাখিল প্রাক্কলন সত্তা এবং পিপিআর মোতাবেক দরপত্র প্রাক্কলন সত্তা	পিপিআর-২০০৮ এবং সংশোধনী মোতাবেক দরপত্রের সাথে নিম্নবর্ণিত দাপিলিক কালজপত্রের ১ম শ্রেণীর প্রাক্কলন সত্তা কর্তৃক সত্যায়িত করে দাখিল করতে হবে। যথা-(ক) হালনাগাদ নবায়নকৃত ব্যবসায়িক ঠিকার ট্রেড লাইসেন্স (খ) যে কোন তফসিলকৃত বাণিজ্যিক বাণিজ্যিক হতে বিগত এক বছরের আর্থিক স্বচ্ছলতা সনদপত্র ও বাণিজ্য হিসাব বিবরণী (গ) টিআইএন নম্বর সনদিত হালনাগাদ পরিশোধিত আয়কর সনদপত্র (ঘ) ভ্যাট রেজিস্ট্রেশন সার্টিফিকেট (ঙ) ন্যাশনাল সনদপত্র (চ) প্রতিনিধির ক্ষেত্রে ক্ষমতা অর্পণকারী (ছ) দরদাতার কাগজ তালিকাভুক্ত নম্বর যথেষ্ট/অস্বীকারনামা ১ম শ্রেণীর সরকারি কর্মকর্তা কর্তৃক প্রত্যাশিত করে দাখিল করতে হবে (জ) সন্যাতোলা রসিদ ০২(ইউ) কপি পাসপোর্ট সাইজের সত্যায়িত ছবি (ঝ) সিল্পের কারণে অভিজ্ঞতার সনদপত্র।
১৭.	লট নং	দরপত্র তফসিল (সিডিউল) এর নং(অক্ষরযোগ্য)
১.	প্রশিক্ষণ সামগ্রী ও প্রশিক্ষণার্থীদের খাবার সরবরাহ।	চাহিদা অনুযায়ী ১০০০/- ৫০,০০০/- (পঞ্চাশ হাজার টাকা)
২.	ব্যবহার্য ব্র্যান্ড সরবরাহ।	চাহিদা অনুযায়ী ১০০০/- ২৫,০০০/- (পঁচিশ হাজার টাকা)
৩.	অন্যান্য মনিহারি সামগ্রী সরবরাহ।	চাহিদা অনুযায়ী ৭৫০/- ১৫,০০০/- (পনের হাজার টাকা)
৪.	শাস্ত্রবিধন সামগ্রী সরবরাহ।	চাহিদা অনুযায়ী ৭৫০/- ১৫,০০০/- (পনের হাজার টাকা)
৫.	কম্পিউটার সামগ্রী সরবরাহ।	চাহিদা অনুযায়ী ৫০০/- ১০,০০০/- (দশ হাজার টাকা)
৬.	কম্পিউটার মেসেজ সরবরাহ।	চাহিদা অনুযায়ী ৫০০/- ৫,০০০/- (পাঁচ হাজার টাকা)
৭.	মোটরসান মেসেজ সরবরাহ (ডেইলি/পেইন্টিং সহ অন্যান্য কাজ)	চাহিদা অনুযায়ী ৫০০/- ১০,০০০/- (দশ হাজার টাকা)
৮.	মোটরসানের কীচামাল ও খুচরা যন্ত্রপাতি সরবরাহ।	চাহিদা অনুযায়ী ৭৫০/- ১৫,০০০/- (পনের হাজার টাকা)
৯.	অন্যান্য যন্ত্রপাতি ও সরঞ্জামাদি সরবরাহ।	চাহিদা অনুযায়ী ৭৫০/- ১৫,০০০/- (পনের হাজার টাকা)
১০.	ভাড়া যানবাহন সরবরাহ।	চাহিদা অনুযায়ী ৭৫০/- ১৫,০০০/- (পনের হাজার টাকা)
১১.	আসবাবপত্র সরবরাহ।	চাহিদা অনুযায়ী ৫০০/- ৫,০০০/- (পাঁচ হাজার টাকা)
১২.	ক্রীড়া সামগ্রী সরবরাহ।	চাহিদা অনুযায়ী ৫০০/- ৫,০০০/- (পাঁচ হাজার টাকা)
১৮.	দরপত্র আহ্বানকারী কর্মকর্তার নাম	ফাহুদী পুরকায়স্থ
১৯.	দরপত্র আহ্বানকারী কর্মকর্তার পদবী	কমান্ড্যান্ট (পুলিশ সুপার)
২০.	দরপত্র আহ্বানকারী কর্মকর্তার ঠিকানা	ইন-সার্ভিস ট্রেনিং সেন্টার, সিলেট।
২১.	দরপত্র আহ্বানকারী কর্মকর্তার সচিব মেয়াদোত্তীর্ণ মাধ্যম	মোবাইল-০১৩২০-২২৪৯৮।
২২.	বিশেষ শর্তাবলী:	
ক)	নির্দিষ্ট সময়ের পর আর কোন দরপত্র গ্রহণ করা হবে না।	
খ)	দরপত্রের উল্লিখিত যে কোন আইটেমের পরিমাণ বৃদ্ধি বা কমানোর বিষয়ে কর্তৃপক্ষের ক্ষমতা রয়েছে।	
গ)	কোন কারণ নশনো ব্যতিরেকে কর্তৃপক্ষ যে কোন দরপত্র গ্রহণ বা বাতিল করার ক্ষমতা সংরক্ষণ করেন।	

(ফাহুদী পুরকায়স্থ)  
 বিপি-৭৫০৬১১০৮  
 কমান্ড্যান্ট (পুলিশ সুপার)  
 ইন-সার্ভিস ট্রেনিং সেন্টার, সিলেট।  
 মোবাইল-০১৩২০-২২৪৯৮০  
 E-mail: comistestylhet@police.gov.bd

GD-890



## Samsung workers' union announces first strike

AFP, Seoul

A major union representing tens of thousands of people at South Korean tech giant Samsung Electronics said Wednesday that workers will go on strike for the first time, potentially threatening key global semiconductor supply chains.

A spokesperson said union members, around 20 percent of the company workforce, would use annual leave to strike for one day on June 7, leaving the door open for a potential general strike down the road.

Samsung Electronics is one of the world's largest smartphone makers and also one of the only companies globally to produce high-end memory chips used for generative AI, including top-of-the-line AI hardware from industry leaders such as Nvidia.

Management at the firm, the world's biggest

**Management at the firm has been locked in negotiations with the union over wages since January**

producer of memory chips, has been locked in negotiations with the union over wages since January but the two sides have failed to narrow their differences.

"We are declaring a strike in the face of the company's neglect of labourers," the National Samsung Electronics Union said at a live-streamed news conference.

"We have tried to solve the issue through dialogue," said the union, which represents more than 28,000 people.

"Responsibility for all collective action from now lies squarely on the company. We are declaring our stance in the face of the company's neglect and interference in our peaceful struggle so far," it said.

The strike, if it goes ahead, would be the first walkout by workers at the South Korean tech giant.

Union president Son Woo-mok said the union had accepted the pay raise proposed by the company but was asking for one additional holiday plus "a transparent system to measure the performance bonus based on the sales profit". "The company is not hearing us and they are not communicating from our last negotiation session," he said.



PHOTO: AHMED HUMAYUN KABIR TOPU

Bulls are seen feeding at a farm in Pabna sadar upazila. Livestock traders and farmers across Bangladesh are busy fattening their animals in hopes of higher sales ahead of this year's Eid-ul-Azha. However, ongoing inflationary pressure in the country could curtail their profits.

# Sacrificial animal traders eye big sales ahead of Eid

But sustained inflationary pressure could cut their profits

AHMED HUMAYUN KABIR TOPU, Pabna

Livestock traders and farmers in Bangladesh are eyeing big sales of sacrificial animals centring this year's Eid-ul-Azha, but their dreams of hefty profits may be thwarted by ongoing inflationary pressure.

According to officials of the Department of Livestock Services (DLS), the number of sacrificial animals prepared this year exceeds the expected demand.

Around 1.3 crore sacrificial animals have been prepared across the country, with 52 lakh being cows and bulls, 1.6 lakh buffalos, 68.5 lakh goats and 7.67 lakh lambs, said Md Shariful Haque, deputy director of the DLS.

"About 1.25 crore sacrificial animals were prepared for the last Eid-ul-Azha while an additional 4.44 lakh were prepared this year in anticipation of higher sales," he added.

Haque informed that while 1.041 crore animals were sacrificed last year, the DLS expects the demand to be at least 10 percent higher this year.

But although the demand for sacrificial animals has increased, the prevailing inflationary pressure could curtail people's purchasing capacity and thereby reduce profits, said Md Imran Hossain, president of the Dairy Farm Owners Association.

"The sale of sacrificial animals



depends on the socioeconomic condition. Many people have lost their purchasing ability due to heightened inflation in recent times, which calls into question their ability to pay the expected prices," he added.

Against this backdrop, Imran urged the government to stop animal imports for the sake of local farmers.

"We have enough sacrificial animals in the country. So, if livestock from India or other neighbouring countries do not come in the Eid market, then local farmers will get the expected prices," Imran said.

And although sales of sacrificial animals have yet to begin at the field level, wholesale traders and big farms are already busy selecting their best livestock for the Eid market.

Still, the delay is significant as it marks a change from the

tradition where most sacrificial animals are sold from the field level to wholesalers a month ahead of the major religious festival for Muslims.

"We are yet to see the expected number of customers in the wholesale market," said Saiful Islam, president of the Dairy Farm Owners Association in Pabna.

Saiful had fattened 30 cows and bulls in anticipation of Eid sales but most of the animals had remained unsold as of Sunday as he was not getting the expected prices.

"The production cost per maund [37 kilogrammes] can reach up to Tk 28,000 each month for excessive feed and maintenance costs, but wholesalers are reluctant to pay more," he added.

On the other hand, Raju Ahmed, a livestock trader of Jalalpur village in Pabna, said he

fattened 32 cows and bulls and already sold 25 to wholesalers in Dhaka for a handsome price.

"Each animal sold for Tk 8-10 lakh on average while the biggest cow, weighing approximately one tonne, sold for Tk 26 lakh last week," he added while saying that he expects to sell the rest in another week.

This correspondent also found that most traders and farmers are preparing more middle and small size livestock this year considering the current market conditions.

"It cost up to Tk 18,000 each month to fatten livestock this year while it was Tk 16,000 last year. This is because feed prices have soared, with each 50-kilogramme bag now costing a minimum of Tk 200," said Md Raju, a farmer of Ramkharua village in Sirajganj.

Also, higher labour costs, utility bills and other expenditures have increased the burden on farmers, he added.

So, considering these excessive costs, livestock weighing more than five maunds will be sold for Tk 28,000 per maund while the price of smaller animals will be Tk 30,000 per maund, said Pabna Dairy Farm Owners Association President Islam.

According to him, Pabna and Sirajganj are the country's biggest hubs for raising and trading sacrificial animals centring Eid-ul-Azha.

## Why is national logistics policy vital for Bangladesh?

M MASRUR REAZ

The national logistics policy for Bangladesh can play a pivotal role in developing a world-class, technology-driven, cost-optimised and time-efficient logistics ecosystem. With its strategic position within South Asia, Bangladesh could establish itself as a central nexus for road, sea, and air transportation through the well-developed and comprehensive logistics policy, which has the potential to enhancing local and international trade and investment competitiveness.

Bangladesh aims to achieve an upper middle-income status by 2030 followed by high income status by 2041. To reach this ambitious goal, Bangladesh requires seamless trade connectivity, robust infrastructure, and increased export and logistics efficiency.

Logistics is a vast, complicated, and multidimensional space. It comprises all modes of freight transportation and related infrastructure, ports, land ports, storage, and warehousing facilities, as well as third-party logistics services, such as freight forwarders. Despite this, the logistics sector of Bangladesh existed without any common framework until recently, making the sector haphazard, costly, and without efficient coordination.

The new logistics policy providing a national framework and a national vision comes with the promise of making the logistics sector more efficient, transparent, and hassle-free to induce robust economic growth.

A collaborative effort among stakeholders from the private and public sector, the National Logistics Policy 2024 is a testament to home-grown and inclusive policy making. Effective leadership and timely coordination by the Prime Minister's Office, and active collaboration with stakeholders helped in gaining a comprehensive understanding of the challenges and opportunities within the logistics sector.

Given that Bangladesh is an export-oriented economy, the national logistics policy has an important role to play in improving the logistics infrastructure and achieving high export targets. As Bangladesh transits from its least-developed country (LDC) status, the erosion of the duty-free regime in the European Union, the country's largest export destination, will increase the cost of exports to the EU by 8.16 percent and may make Bangladesh's products less appealing.

However, the cost reduction through an efficient logistics sector can help Bangladesh retain its export competitiveness post-LDC graduation. The World Bank found that the cost of logistics in Bangladesh is between 4.5 percent and 48 percent across different sectors, exceeding those of other trading partners and neighbouring countries.

The new logistics policy has the potential to bring down time and cost of trade, facilitating a sophisticated logistics sector that will boost Bangladesh's ability to tackle forthcoming tariff imposition post-LDC era and maintaining global competitiveness. The formulation of the policy clearly addresses the needs of the businesses which were long overdue. A well-developed logistics sector through successful implementation of the policy has the potential for turning Bangladesh into a global logistics hub and boost exports significantly.

A World Bank analysis indicates that by reducing the logistics expenses by 1 percent, it is estimated that the export demand for Bangladeshi goods could rise by up to 7.4 percent. Other initiatives, such as raising the minimum speed to 40km/hr and reducing the dwell times at ports by one day can increase the exports by 3.7 percent and 7.4 percent, respectively.

The key activities for implementing the policy include establishing multidimensional logistics hubs, economic zones, international corridors, and seaports, land ports, river ports and airports. Implementation of the policy will also require facilitating private participation in logistics infrastructure and services, effective coordination among the regulatory bodies, government-private sector collaboration, and user-friendly policy development for swift border clearance.

There is no doubt that a strong logistics infrastructure is a gateway for Bangladesh to develop itself as a vibrant, high-income nation. While the formulation of the National Logistics Policy 2024 is clearly a milestone for the logistics industry, it needs to be well-executed for it to be a game-changer.

The author is chairman of Policy Exchange Bangladesh.

## S&P upgrades outlook on India's sovereign rating

REUTERS, Mumbai

S&P Global Ratings raised India's sovereign rating outlook to 'positive' from 'stable' while retaining the rating at 'BBB-', saying on Wednesday the country's robust economic expansion was having a constructive impact on its credit metrics.

"We expect sound economic fundamentals to underpin the growth momentum over the next two to three years," S&P said, adding that regardless of the election outcome, it expected broad continuity in economic reforms and fiscal policies.

India's marathon national election lasting six weeks, the world's largest, is in its final stage with votes scheduled to be counted on June 4, and investors are gearing up for Prime Minister Narendra Modi securing a third term in office.

The rating agency's positive outlook on India is predicated on its robust economic growth, pronounced improvement in the quality of government spending, and political commitment to fiscal consolidation, it said.

"We believe these factors are coalescing to benefit credit metrics," S&P analysts wrote in a note.

The Indian rupee was off its day's lows while the benchmark 10-year bond yield eased three basis points to 6.99 percent after the outlook upgrade.

India's weak fiscal settings had always been the most vulnerable part of its sovereign ratings profile, S&P said.

Elevated fiscal deficits, a large debt stock and interest burden persist, but the government is prioritising ongoing consolidation efforts, it added.

## IMF lifts China growth forecast but warns on industrial policy

AFP, Beijing

The International Monetary Fund on Wednesday raised its yearly growth forecast for China, but warned that Beijing's industrial policy risks a "misallocation" of resources and could harm trade.

The world's number-two economy has been battered in recent years by a long-running debt crisis in the property market, which accounts for a quarter of gross domestic product, while weak consumer spending and persistent deflation are also dragging on growth.

But there are some signs of recovery: growth beat forecasts in the first quarter of the year, which Beijing described as a "good start".

And the IMF said Wednesday that those figures and "recent policy measures" to lift the economy had allowed it to raise its growth forecast for the year to five percent - in line with a target set by authorities in March.

The Fund had initially projected 4.6 percent expansion, adding that it welcomed steps in recent weeks to boost the property market.

"The ongoing housing market correction, which is necessary for steering the sector towards a more sustainable

path, should continue," it said.

But, it added that "a more comprehensive policy package would facilitate an efficient and less costly transition while safeguarding against downside risks".

It also warned Beijing's strong

support for strategic industries risked a "misallocation" of resources and trade blowback.

"Scaling back such policies and removing trade and investment restrictions would raise domestic productivity and ease fragmentation

pressures," the latest report said.

Beijing has faced growing pressure in recent months to curb industrial "overcapacity", with the United States warning excessive state subsidies could flood global markets with cheap goods.

A meeting of finance ministers and central bankers from the Group of Seven world powers this month saw them vow to present a "united front" against China's alleged unfair trade practices and industrial overcapacity.

In the medium term, IMF Deputy Managing Director Gita Gopinath told a news conference in Beijing, "growth is expected to slow to 3.3 percent due to ageing demographics and slower productivity growth".

She also pointed to "significant fiscal challenges, especially for local governments", adding "sustained fiscal consolidation over the medium term is needed".

This month, Beijing cut the minimum down payment rate for first-time homebuyers and suggested the government could buy up commercial real estate - some of its most ambitious moves yet to lift the property market out of an unprecedented debt crisis.

No details were provided on how many houses would be bought.



PHOTO: REUTERS/FILE

Employees work on the production line of American company Kids II Inc at a factory in Jiujiang, Jiangxi province, China. IMF warned Beijing's strong support for strategic industries risked a "misallocation" of resources and trade blowback.