



A dejected Khandkar Abu Bakkar Siddique shows how his chili plants dried up and shrivelled following recent rains and floods which damaged the roots. Even though the waters have receded, there is no way to recover the Tk 1 lakh he has already invested in cultivating the plants on 50 decimals of land at Holokhana village in Kurigram sadar upazila. The photo was taken yesterday afternoon.

PHOTO: S DILIP ROY

# Bangladesh lags comparable countries in skills: expert

STAR BUSINESS REPORT

Bangladesh lags behind comparable countries with regard to skills of its human resources, hurting its global competitiveness, while generation of quality employment is insufficient for its development aspirations, said an expert yesterday.

“If we want to create or leverage new opportunities for employment generation, skills upgradation is a must,” said M Masrur Reaz, chairman and CEO of Policy Exchange Bangladesh.

He made the remarks while presenting a keynote speech at a seminar organised by National Skills Development Authority (NSDA) in the capital’s Agargaon in observance of “World Youth Skills Day”.

Bangladesh ranked 96th as per a Global Skills Report 2024 of Coursera while Vietnam stood 54th and India 87th.

For Bangladesh, it is critical to increase investment, diversify exports and explore new sectors, said Reaz.

## BANGLADESH IN GLOBAL SKILLS INDEX, 2024

Global Rank	Country	Business Skills	Technology Skills	Data Science Skills
1	Switzerland	100%	100%	100%
2	Japan	96%	99%	99%
3	Germany	93%	96%	97%
54	Vietnam	58%	58%	48%
87	India	11%	33%	30%
94	Bangladesh	22%	12%	16%

SOURCE: GLOBAL SKILLS REPORT 2024, COURSERA

“Without the skills improvement, we will not attain the economic growth necessary for Vision 2041,” he said.

Global trends are fast shifting in this era of artificial intelligence, creating challenges alongside offering many new job opportunities, such as in the green economy, he said.

“If the country’s youth workforce does not prepare by gaining the necessary

competence keeping pace with the changing job market, Bangladesh is likely to miss out on reaping potential benefits,” said Reaz.

“Although Bangladesh has adopted National Skills Development Policy-2020, we still need to develop long-term skills strategies in line with economic growth strategies and drivers,” he added.

Reaz also urged to take up initiatives to address the existing skills gaps and training needs of different sectors.

Speaking as the chief guest, Kamal Abdul Naser Chowdhury, education and cultural affairs adviser to the prime minister, also underscored the need for enhancing the skills of the youths of Bangladesh.

“It is necessary to provide skills training to the youth in the technology profession suitable for the present time by eliminating the skills gap and making them suitable for the labour market at home and abroad by re-skilling and up-skilling,” he said.

Prof Muhammed Alamgir, chairman (additional charge) of University Grants Commission, emphasised on signing memorandums of understanding with universities to create a skills ecosystem and formulating an action plan accordingly.

Nasreen Afroz, executive chairman of the NSDA, delivered the welcome speech.

## Locals bar start of works for Patuakhali EPZ

### Demand compensation against land acquisition

SOHRAB HOSSAIN, Patuakhali

Locals on Saturday barred the initiation of land development for an export processing zone (EPZ) at Patuakhali sadar upazila demanding compensation for land acquired by the government.

Around 150 people staged the protest at Pachakoralia mouza of Auliapur union.

One of them, Md Shafiqul Islam Bhashani, told The Daily Star that 12 acres of his land had been acquired.

“I submitted related documents at the Deputy Commissioner’s (DC) office for compensation but the payment is being delayed under various pretexts,” he said.

Patuakhali EPZ will be set up on 410.78 acres of land of around 1,200 people who all submitted their documents at the DC office for compensation, confirmed Humayun Kabir, chairman of the union parishad.

Bangladesh Export Processing Zone Authority (BEPZA) gave the compensation totalling Tk 262 crore to the Patuakhali DC for disbursement nine months ago, said the project director, Shafiqul Islam.

Asked, Patuakhali DC Noor Qutubul Alam said the disbursement was delayed for a manpower shortage and they would address the issue soon.

Scheduled to be implemented by Bepza by June 2026, the project will cost Tk 1,443 crore, of which Tk 334 crore would come from Bepza and the rest from the government.

There are currently eight EPZs in Bangladesh, namely the Chittagong EPZ, Dhaka EPZ, Mongla EPZ, Ishwardi EPZ, Cumilla EPZ, Uttara EPZ, Adamji EPZ and Karnaphuli EPZ.

STOCKS		
	DSEX ▲	CASPI ▼
	0.03%	0.18%
	5,484.96	15,632.04

COMMODITIES		
	Gold ▲	Oil ▲
	\$2,411.7	\$82.46
	(per ounce)	(per barrel)

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▲ 0.18%	▼ 2.45%	▲ 0.06%	▲ 0.09%
	80,664.86	41,190.68	3,499.89	2,974.01

## Foreigners working in Bangladesh

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Economic Zones Authority (Beza), the Bangladesh Export Processing Zones Authority (Bepza), the NGO Affairs Bureau and some ministries grant permits to foreign nationals to work on projects.

For example, as of June 2024, the Bepza has issued over 1,800 permits for foreign nationals to work inside export processing zones, while the Beza gave its consent for 1,350 applications.

Nationals from India secured the highest number of work permits at 3,159 from the Bida in FY23, followed by those from China (2,339), Sri Lanka (759), and Belarus (727).

Industry insiders say foreigners were hired based on their skills and on their past records of being industrious as they can contribute to outstanding outcomes for industrial development.

Mohsina Yasmin, executive member of the Bida, said the rise was not all that bad as the professionals were meeting the skills gap in the national workforce of the industrial sector, abiding by the laws of Bangladesh and paying taxes.

“We provide work permits as per the guidelines for skilled technicians and managerial level positions as they can help generate skills for our manpower,” she told The Daily Star recently.

Yasmin pointed out that the Bida issued work permits solely to those foreign nationals who were engaged in Bida-registered industrial projects, commercial offices and other organisations.

The agency does not maintain the data relating to the total number of foreign workers in Bangladesh, she added.

Abdul Matlub Ahmad, president of the Indo-Bangla Chamber of Commerce and Industry, said Bangladeshi investors, especially in the garment and automobile sectors, usually hire highly skilled Indian engineers and managers.

“Besides, there are a lot of Indian

entrepreneurs of small and medium enterprises who avail long-term work permits instead of short-term visas for having to regularly travel to Bangladesh.”

Ahmad said he had also hired six highly skilled Indian engineers for his Nitol Niloy Group to develop the skills of local engineers and managers.

He acknowledged that the investors prefer to hire such skilled professionals as they contribute to business growth and expansion.

“On the other hand, industries are expanding through foreign direct investments and joint ventures with local investors, all of which require skilled manpower.”

Mohammed Amirul Haque,

**Nationals from India secured the highest number of work permits at 3,159 from the Bida in FY23, followed by those from China (2,339), Sri Lanka (759), and Belarus (727).**

managing director of Premier Cement Mills, said investors hire foreign professionals to train local managers and engineers but at the end of the day, this was not always realised.

“So, investors have continued to depend on foreign professionals. However, in some cases, it is better to hire local professionals than foreigners.”

If investors get skilled professionals locally, the outflow of funds in the form of remittances will reduce, which will help the economy.

Foreigners working in Bangladesh sent home \$137 million in 2022, World Bank data showed although analysts believe the exact figure would be much higher since many people from other nations are employed in the country without valid permits.

In 2020, the Transparency International Bangladesh (TIB) said an estimated \$3.1 billion was siphoned away every year by foreign nationals employed in the country.

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, said the yearly increase in the number of foreign nationals indicate that the labour market of Bangladesh offered flexibility and satisfaction.

“However, a continuous rise of foreign nationals in the industrial sector was a clear indication that the local graduates and professionals are not as skilled as the foreigners.”

“Even though local professionals can be hired at a lower pay, investors recruit foreign professionals offering high remunerations due to their professionalism and skills.”

The economist also said this trend raises questions and sends a negative impression about the knowledge being imparted by the educational institutions in the country.

Moazzem suggested building skilled manpower by ensuring quality education to reduce dependency on foreign nationals and to reduce pressure on the forex reserve.

Ferdaus Ara Begum, chief executive officer of think tank Business Initiative Leading Development, blamed the skills gap in the local workforce and a lack of quality education at the tertiary level.

Besides, public university graduates tend to leave the country after gaining skills as they do not get the facilities as per their expectations although the government spends a huge amount of money on their education, she alleged.

Ferdaus Ara also said there were allegations that some foreign nationals come to Bangladesh without job visas and work on a temporary basis.

“It is really tough to identify these temporary workers who come under tourist visas.”

## Local credit card use

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departmental stores increased to Tk 1,401 crore in May from Tk 1,390 crore in the previous month.

Similarly, there was rise in purchases at retail outlets, utilities, drugs and pharmacies, cash withdrawals, fund transfers, as well as for transportation, business, professional, and government services.

BB data showed a reduction in transactions related to clothing, marking a significant drop from the previous month. This underscores the nature of consumer behaviour

and the variability across different spending categories, according to the BB report.

Md Abu Bokar Siddik, head of cards at Mutual Trust Bank PLC, said consumers spend higher amount through credit cards in Ramadan and ahead of Eid-ul-Fitr.

This year, the fasting month began in mid-March and ended in the middle of April.

“Therefore, we saw a spike in expenditures through credit cards in the two months and subsequent decline in the following months. However, transactions increased in

June,” he said, adding that appetite for credits is growing.

In Bangladesh, there were 24.69 lakh credit cards in use as of April this year, almost doubling from the 13.6 lakh seen five years ago.

Credit card users making purchases abroad totalled Tk 456 crore in May, showing a slide of 9.94 percent, the central bank’s report said.

Similarly, transactions through credit cards issued by foreign entities but utilised in Bangladesh declined to Tk 169 crore from Tk 199 crore, a fall of 14.67 percent.

## India’s June exports rise 5.4%

REUTERS, New Delhi

India’s goods and services exports likely rose 5.4 percent year-on-year to \$65.47 billion in June, driven by a pick-up in orders that could push total exports to \$800 billion in the current fiscal year ending in March 2025, the trade secretary said on Monday.

Merchandise imports in Asia’s third-largest economy rose 5 percent to \$56.18 billion in the same month, reflecting a pick-up in domestic demand for industrial machinery and gold imports.

Merchandise exports were up 2.6 percent on year to \$35.2 billion in June.

The goods trade deficit narrowed to \$20.98 billion in June from \$23.78 billion in May. Analysts had expected a deficit of \$21.5 billion, according to a Reuters poll.

“India’s total exports in the first quarter of 2024/25 have crossed \$200 billion and, if this trend continues, we hope this fiscal year’s exports cross \$800 billion,” said Trade Secretary Sunil Barthwal, releasing the monthly trade figures.

He said growth in merchandise exports was driven by engineering, electronic goods and pharmaceuticals, and that the April-

June quarter posted a record high in exports.

India’s goods and services exports rose to \$778.2 billion in fiscal 2024, and the government expects total exports could touch \$1 trillion by 2030.

The government also estimated services exports in June at \$30.27 billion and imports at \$17.29 billion, compared with \$29.76 billion and \$16.74 billion in May.

China’s economy grew much slower than expected in the second quarter,

India’s central bank releases the services trade figures after a one-month lag, while the commerce ministry releases its estimates a fortnight earlier, along with merchandise trade data.

Finance Minister Nirmala Sitharaman, who will present the annual budget on July 23, could announce tax incentives to boost exports of items such as farm products, pharmaceutical products, and digital services among others, exporters said.

India’s economy, which grew 8.2 percent in fiscal 2024 - the fastest pace among major economies - is estimated to grow close to 7 percent in fiscal 2025.