

Star BUSINESS

Private investment as a percentage of Bangladesh's gross domestic product (GDP) has been declining for the past three years.



Story on B4

Committee formed to find BB deputy governors

STAR BUSINESS REPORT

The interim government has formed a three-member search committee to find appropriate candidates for deputy governors of Bangladesh Bank (BB).

The committee is led by former comptroller and auditor general Mohammad Muslim Chowdhury, according to Financial Institutions Division (FID) under the finance ministry.

Two other members are former BB chief economist Mustafa K Mujeri and Nazrul Huda, a member of the BB board of directors.

Badre Munir Firdaus, joint secretary to the FID, will work as a member secretary for the committee, according to a notification.

The interim government formed the search committee following the resignation of two deputy governors yesterday

The interim government formed the search committee following the resignation of two deputy governors — Khurshid Alam and Kazi Sayedur Rahman — yesterday amid protests following the fall of the Sheikh Hasina-led Awami League government last week.

On Friday, BB Governor Abdur Rouf Talukder also resigned and the interim government accepted his resignation on Sunday.

Currently, the deputy governor Nurun Nahar has been serving as acting governor for daily routine work.

The interim government is likely to hire the governor as soon as possible, according to a finance ministry official.

Several banks are clinically dead: CPD

PROBLEMS IN BANKING SECTOR (As per CPD)

- Several banks are clinically dead
- Performance of some banks deteriorated following hostile takeovers
- Some Tk 92,261cr was embezzled in 24 major banking scams in 15yrs
- NPLs rose to Tk 182,295cr as of 2024 from Tk 22,481cr in 2009
- Up to \$67b was laundered abroad illegally between 2007 and 2014*
- Bankruptcy Act only covers individuals
- Bad loans are rescheduled repeatedly
- Banks have weak internal control and risk management
- *As per Global Financial Integrity

RECOMMENDATIONS

- Repeated rescheduling of default loans must stop
- Appointment of board members of state banks should be depoliticised
- An individual or group should not be allowed to own more than one bank
- Banks on the verge of collapse should be allowed to shut down
- Autonomy of the BB should be upheld
- Financial Institutions Division should be closed down
- Bank accounts of wilful defaulters should be frozen

OBSERVATIONS REGARDING BB AND FINANCE MINISTRY

- BB does not make independent decisions
- BB governors helped vested groups in the last 15yrs
- Finance ministry influences hiring of state banks' directors

STAR BUSINESS REPORT

Several banks in Bangladesh are clinically dead but are being kept alive through bailouts, said Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD).

Banks on the verge of collapse should be allowed to shut down, Fahmida said while presenting a paper at a media briefing, titled "Bringing discipline back to the banking sector immediately", organised by the think-tank at its office in the capital yesterday.

The CPD organised the briefing just a few days after an interim government was sworn in following the fall of Sheikh Hasina led Awami League government in the face of a mass uprising on August 5.

Fahmida said some third and fourth-generation banks that were awarded licences during the Awami League's 15 years in power are now ailing.

"Additionally, several previously good banks have experienced an unfortunate decline in their performance after hostile takeovers by crony capitalists," she said.

For example, Islami Bank Bangladesh was debilitated after S Alam Group took over the bank and took out about Tk 30,000 crore in loans.

Similarly, state-run Janata Bank lent Tk 10,000 crore to Anontex Group, violating the single borrower exposure limit.

"If a single borrower gets so much money, then what will other clients get?" she questioned.

These ailing banks are being kept alive by injecting public money, Fahmida said, adding that it would be better to let such lenders die.

The CPD also said that around Tk 92,261 crore was embezzled through 24 major banking scams between 2008 and 2023.

Several previously good banks have experienced an unfortunate decline in their performance after hostile takeovers by crony capitalists

Fahmida Khatun
Executive director of CPD

The amount is equivalent to 12 percent of Bangladesh's national budget for FY24, or about 2 percent of the country's gross domestic product for FY23.

According to the brief, the banking sector, a vital pillar of the economy, is suffering from vulnerability manifested through high loan defaults. It added that the previous

government regrettably did not keep its commitments to safeguard the banking sector.

Speaking about the autonomy of the central bank, Fahmida said the Bangladesh Bank does not make independent decisions about its operations or the formation and implementation of the monetary policy.

She said the autonomy of the central bank should be upheld in line with the Bangladesh Bank Amendment Bill 2003, adding that the Financial Institutions Division (FID) of the finance ministry should be scrapped to strengthen the autonomy of the central bank.

The CPD added that the mandate of the FID directly contradicts the Bangladesh Bank Order, 1972 since it allows the FID to exercise its authority in the governance of the central bank.

According to the Bangladesh Bank (Amendment) Act, 2003, any new governor or deputy governor should not be a current or former government official. But this rule is not followed in practice in the country, the brief added.

In the last 15 years, the governors of the Bangladesh Bank helped vested quarters, either by ignoring existing rules or changing the laws to favour them, Fahmida said, adding that such instances should be investigated and governors concerned should be held accountable.

READ MORE ON B3

Khairul, Shibli commissions ruined market

Say stock brokers

STAR BUSINESS REPORT

The stock market was ruined over the last 14 years during Prof M Khairul Hossain and Prof Shibli Rubayat-ul Islam's tenures at the helm of the securities regulator as they engaged in unprofessional and illegal activities, according to the DSE Brokers Association of Bangladesh (DBA).

DBA President Saiful Islam made the allegations against the former chairmen of the Bangladesh Securities and Exchange Commission (BSEC) during a press conference at the Dhaka Club yesterday.

Islam said the two professors had been running the BSEC since 2011, but the market had not seen any development during their 14 years at the helm. Instead, they had brought people's confidence to its nadir.

He added that they had not only failed to ensure transparency, good governance and accountability, but also could not curb insider trading or other forms of stock manipulation. They were also unsuccessful in bringing good companies to the market.

"Moreover, they were involved in irregularities," Islam said.

Most companies listed over the last 14 years are poor performers and were approved despite the Dhaka Stock Exchange's (DSE) objection.

He alleged that the BSEC threatened the DSE, saying it would use the powers afforded to it under Section 2CC of The Securities and Exchange Ordinance to bind them.

Section 2CC gives the securities regulator huge power, stating that the BSEC's orders will supersede any other order.

"Irregularities and corruption in the name of approval of IPOs were concerning under the Khairul and Shibli commissions," Islam said.

Along the same vein, several companies listed

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STOCKS	
DSEX ▲	CASPI ▲
1.39%	0.72%
5,932.27	17,157.54

COMMODITIES	
Gold ▲	Oil ▲
\$2,441.59	\$77.66
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.07%	▲ 0.56%	▼ 0.81%	▼ 0.14%
79,648.92	35,025.00	3,235.38	2,858.20

Businesses want fast restoration of law and order

STAR BUSINESS REPORT

Businesspeople want law and order to be restored fast and safety and security be ensured for the resumption of their trade soon under the new interim government led by Nobel laureate Prof Muhammad Yunus.

Business was affected a lot during the latest spells of violence and curfew and the entrepreneurs now want to get down to brightening the country's image.

A whitepaper needs to be published on how the latest export, import and other economic data was miscalculated and ways to prevent a recurrence, businesses said.

On top of it, the interim government needs to defer Bangladesh's status graduation from a least developed to a developing nation so that trade benefits can be availed until trade and businesses gain some strength.

The demands came at a views-exchange meeting organised by the Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association (BGAPMEA) at the Sonargaon hotel in Dhaka on the current situation of export-oriented businesses.

Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association, moderated the meeting, which was attended by a group of businesspeople from different sectors, especially garment and textile entrepreneurs.

Shams Mahmud, managing director of Shasha Denims, said Bangladesh does not need the status graduation right now as the trade benefits as a least developed country are required for preferably 10 more years.

Shafiqullah Chowdhury, vice president of the Exporters Association of Bangladesh, said safety concerns and a lack of confidence were the main challenges in business now.

There are fears that goods could be looted while being transported between ports and factories while foreign buyers are

READ MORE ON B3

Bangladesh's credit rating depends on political stability: Moody's

STAR BUSINESS REPORT

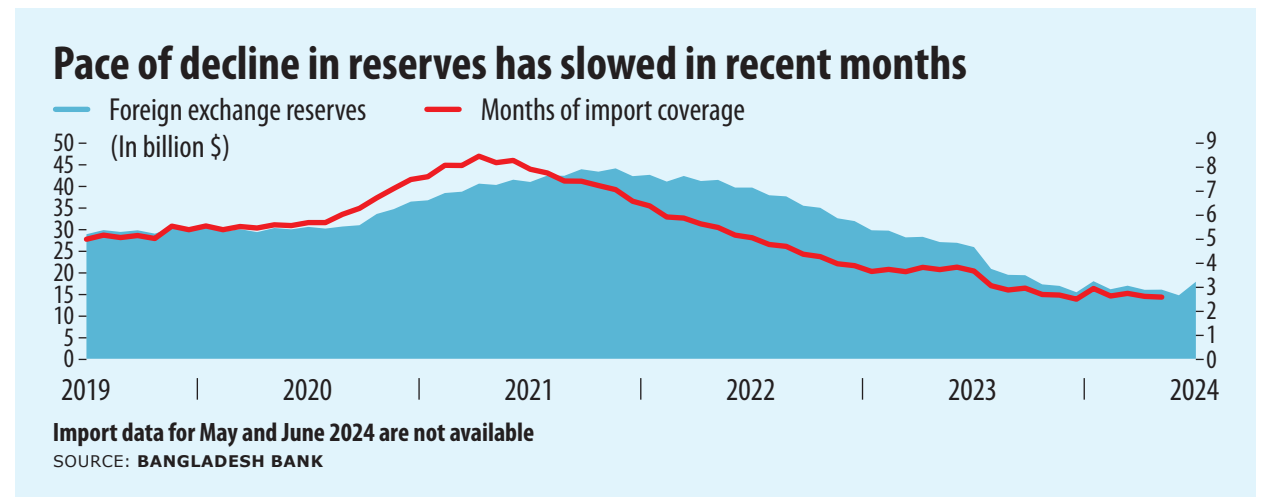
Bangladesh's credit rating will depend on maintaining political stability and the interim government committing to structural reforms, said US ratings agency Moody's.

The agency said credit ratings might worsen if prolonged political or social unrest derails progress on structural reforms and dampens growth or if the interim government deviates from its commitments to structural reforms.

The observation was issued on August 8, when an interim government led by Nobel laureate Prof Muhammad Yunus was sworn in after a mass uprising toppled the Sheikh Hasina-led government.

"It is unclear whether the political and social unrest will subside following Hasina's departure and questions remain over the formation of the interim government headed by Yunus, an economist who founded microfinance institution Grameen Bank," Moody's said.

"We expect short-term disruptions in remittance and financial flows as risk-averse individuals, investors,



and companies pause in repatriating or investing their capital in Bangladesh amid the heightened political uncertainty, weakening the government's external position," it added.

It said a reduction in remittances would in turn reduce banks' foreign currency liquidity, which accounts for a significant portion of banks' liquid assets.

The Moody's views come more than a week after S&P Global downgraded Bangladesh's long-term sovereign rating from BB- to B+ amid deadly protests over the quota-based hiring system for government jobs.

Some 551 people, including students, died as of August 7 amid clashes that saw law enforcers open fire on protesters.

Moody's said Bangladesh's economy

may grow 5.5 percent to 6 percent in FY25. But inflationary pressure since mid 2022 persists, which has led to a curb in domestic consumption and a decline in real wages, it added.

Prolonged social unrest could continue to weigh on domestic consumption, which accounted for about 66 percent of the country's GDP in the past five years.

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16218
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Foreign airlines lose interest in China as domestic carriers expand abroad

REUTERS, Seoul

Chinese airlines are gaining market share on international routes, industry data shows, as foreign rivals are deterred by weak China travel demand and rising costs and extended flight times because of the need to avoid Russian airspace.

Foreign airlines, led by Western carriers such as British Airways and Australia's Qantas Airways, are pulling services or opting not to restart flights to China after the pandemic, whereas Chinese airlines are expanding overseas operations.

The proportion of international flights to and from China operated by the country's carriers is higher than before COVID-19 grounded much of global aviation and continues to rise.

British Airways said on Thursday it would halt flights from London to Beijing for a year from late October for commercial reasons and last month suspended one of its twice daily London-Hong Kong flights for the same period.

Since the outbreak of war in Ukraine in 2022, Chinese carriers have continued to take shorter northern routes to Europe and North America over Russia's vast airspace.

In contrast, airlines in Europe, the US and other countries have been banned from Russian airspace by Moscow or their own governments or choose not to overfly out of safety concerns.

That has expanded the cost advantage held by Chinese airlines and allowed them to take a larger share in the international market at a time when fierce competition on domestic routes has put pressure on ticket prices and profitability.

"Typically Chinese carriers have anything up to 30 percent lower costs than their international rivals," said John Grant, senior analyst at travel data firm OAG. "Chinese airlines are desperate for hard currencies and have embarked on a wide-ranging expansion."

British Airways' four days a week Beijing-London flight takes around 2-1/2 hours longer than China Southern's daily flight on the same route it launched



The photo shows a COMAC C919 aircraft, China's first domestically produced large passenger jet, before it was formally handed over to China Eastern Airlines.

PHOTO: AFP/FILE

last year, according to flight tracker Flightradar24.

British Airways will continue daily London Shanghai flights and in May relaunched a codeshare with China Southern.

Virgin Atlantic said last month it would drop its London Shanghai service indefinitely from the end of October due to longer flight times.

British Airways and Virgin Atlantic will be able to use the valuable London Heathrow takeoff and landing slots for other routes that may be more profitable.

Qantas cited half-empty planes and low demand for China travel when it suspended Sydney-Shanghai flights in July, while Asian carrier Royal Brunei Airlines pointed to "market conditions" as the reason for suspending twice-weekly Beijing flights from October.

Chinese airlines including China

Southern, China Eastern and Air China in July operated 90 percent of the number of international flights they were operating in July 2019, according to Cirium schedule data analysed by Reuters.

Foreign carriers operated only 60 percent of pre-pandemic flights, indicating a retreat.

For example, the only non-stop flights between Mexico and China are from Chinese airlines after Aeromexico did not resume links after the pandemic. Aeromexico did not respond to a request for comment.

Lufthansa CEO Carsten Spohr said last week the group's weakness in Asia stemmed not from a lack of economic opportunities, but from "overcapacity provided by Chinese carriers".

But in the Middle East, where China has been building ties, Dubai's Emirates has fully restored capacity to China, Kuwait

Airways has increased frequencies and Bahrain's Gulf Air in May started flights for the first time to two Chinese cities.

China's international traffic has been growing since pandemic-related restrictions were lifted at the start of 2023, but it has recovered more slowly than in other countries due to a faltering economy and a turn toward domestic travel.

In July, there were 23 percent fewer flights out of China than in the same month in 2019, Cirium data shows.

Some flights to and from China have been held up by political issues. Passenger flights between India and China did not resume at all after the pandemic due to a border dispute.

Flights between China and the United States are at about a fifth of 2019 levels after a bilateral air services agreement was suspended in 2020.

Rupee slips to record low

REUTERS, Mumbai

The Indian rupee slipped to its weakest closing level on Monday, pressured by a decline in its Asian peers while likely intervention by the Reserve Bank of India ensured the currency did not weaken more.

The rupee closed at 83.9725 against the US dollar, after closing at 83.9550 in the previous session. The currency hovered in a narrow range between 83.95 and 83.97 during the session.

The RBI likely sold dollars to limit further depreciation in the currency, traders said.

Most Asian currencies fell 0.1 percent to 0.8 percent while the dollar index edged lower to 103.1.

Traders expect the rupee to be rangebound ahead of the release of closely-watched US consumer inflation data on Wednesday, which is expected to shape expectations of when the Federal Reserve may begin to ease policy rates.

Interest rate futures are currently pricing in about 100 basis points (bps) worth of rate cuts over 2024, starting in September.

"Given a still resilient US economy... and ongoing uncertainty over the upcoming US elections in November, there could still be further repricing of rate-cut expectations," MUFG Bank said in a note.

Dollar-rupee forward premiums slipped, with the 1-year implied yield down 2 basis points at 2.02 percent.

While far forward premiums should move higher over the medium term, it would be better to wait for a dip towards 1.95 percent to initiate a fresh paid position, a foreign exchange trader at a private bank said.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (AUG 12, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 78	0	2.22 ↑
Coarse rice (kg)	Tk 50-Tk 54	4.00 ↑	4.00 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-16.67 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 145-Tk 155	0	-7.69 ↓
Potato (kg)	Tk 52-Tk 60	-7.44 ↓	47.37 ↑
Onion (kg)	Tk 110-Tk 120	2.22 ↑	43.75 ↑
Egg (4 pcs)	Tk 48-Tk 52	5.26 ↑	-13.04 ↓

SOURCE: TCB

Oil extends gains for fifth session

REUTERS, London

Oil prices rose for a fifth consecutive session on Monday, extending gains from the previous week's more than 3 percent rise, as US recession fears eased while geopolitical tensions in the Middle East supported prices.

Brent crude futures were up 73 cents, or 0.9 percent, to \$80.39 a

barrel by 0812 GMT, while US West Texas Intermediate crude futures rose 88 cents, or 1.2 percent, to \$77.72.

"Support is coming from last week's better-than-expected US data which eased fears of a US recession," IG markets analyst Tony Sycamore said.

"There is also a great deal of anxiety about when Iran might look to avenge Israel's assassination of

key Hamas and Hezbollah leaders. Feels like a matter of when - not if."

Iran and Hezbollah have vowed to retaliate for the assassinations of Hamas leader Ismail Haniyeh and Hezbollah military commander Fuad Shukur. "The market is still waiting for Iran's response," ING's head of commodities research Warren Patterson said.

Government of the People's Republic of Bangladesh

Local Government Engineering Department
Office of the Executive Engineer
District: Bhola
www.lged.gov.bd

Memo No. 46.02.09.00.000.14.006.24.2430

Date: 12.08.2024

e-Tender Notice No. 06/2024-25

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of:

Sl. No.	Upazila	Package No.	T-ID No.	Name of scheme	Method	Last date of receiving
GOBM (Re-Tender)						
1.	Bhola Sadar	LGED/Bhola/GO BM/23-24/W-28	1006791	(a) Rehabilitation of Doskhali Bridge-Chandraprashed-Janal Baparir Shop-Mir Bazar (Bisso Road) Road from Ch. 00m-2900m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509184087] (b) Rehabilitation of Bheduria Bangla Bazar-Char Pata Bheduria via Hazir Hat Road from Ch. 00m-1010m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509184012]	OTM	11/09/2024 Till 12:00pm
2.	Bhola Sadar	LGED/Bhola/GO BM/23-24/W-29	1006792	(a) Rehabilitation of Hatner Hat-Arujan Ali Khayghat Road from Ch. 00m-2050m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509184036] (b) Rehabilitation of Utar Beduria High School Jungiala Khayghat Road from Ch. 00m-1500m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509185016]	OTM	11/09/2024 Till 12:00pm
3.	Bhola Sadar	LGED/Bhola/GO BM/23-24/W-31	1006793	Rehabilitation of Kheyaghat Bridge-Sher-e-Bangla RPS-Nazir Majee Khayghat Road from Ch. 00m-4700m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509184044]	OTM	11/09/2024 Till 12:00pm
4.	Bhola Sadar	LGED/Bhola/GO BM/23-24/W-32	1006794	Rehabilitation of Charkali-Majeer Hat Road from Ch. 00m-3080m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509184042]	OTM	11/09/2024 Till 12:00pm
5.	Bhola Sadar	LGED/Bhola/GO BM/23-24/W-33	1006795	Rehabilitation of East side Velumia Bazar-Nazir Mazi Kheya Ghat Road from Ch. 00m-3000m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509184056]	OTM	11/09/2024 Till 12:00pm
6.	Bhola Sadar	LGED/Bhola/GO BM/23-24/W-34	1006796	Rehabilitation of Paranganj-Pangashia FRB road to Talukder Char Bridge via Guptamunshi-Char Algi-Talukder Hat Road from Ch. 00m-4200m under Bhola Sadar Upazila, District-Bhola. Road ID No. [509185108]	OTM	11/09/2024 Till 12:00pm

This is an online tender where only e-Tender 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 registered bank branches up to Date: 10/09/2024 till 17.00pm. Further information and guidelines are available in the National e-GP System Portal and e-GP help desk (helpdesk@eprocure.gov.bd).

Mohammad Ibrahim Khalil
Executive Engineer
LGED, Bhola
E-mail: xen.bhola@lged.gov.bd

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

OFFICE OF THE EXECUTIVE ENGINEER
EDUCATION ENGINEERING DEPARTMENT
PABNA



Memo No-37.07.7600.00.07.033.24.31

Date: 12/08/2024

INVITATION FOR TENDER.(IFT) No-04

e-Tender is invited in the National e-GP system Portal (<http://www.eprocure.gov.bd>) for the procurement of the following works under EED Pabna As mentioned below.

Sl. No	Tender ID	Name of work.	Last date and time of selling Document	Last date and time of Security Submission	Tender Opening Date/Time
1.	1002916	Manufacturing and Supplying Furniture for Pabna Polytechnic Institute, Sadar, Pabna	28-Aug-2024 15:00	29-Aug-2024 12:00	29-Aug-2024 15:00

This is an online Tender, where only e-Tender 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. Further information and guidelines are available in the National e-GP system portal and from e-GP help desk (helpdesk@eprocure.gov.bd). The Procuring Entity reserves the right to accept or reject any or all tenders without assigning any reason what so ever.

(Signature)
12-08-2024
(Dipok Kumar Mondol)
Executive Engineer
Education Engineering Department
Pabna.

GD-151

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

মহাশয় ও প্রাণিসম্পদ মন্ত্রণালয়
মেদিনা ফিশারিজ একাডেমি
মহাশয় বন্দর, চট্টগ্রাম

দরপত্র বিজ্ঞপ্তি

দিনিয়ার-২০০৮ এর বিধি ৩১(৪) এর অস্বাক্ষরিত নকল আবেদন করা যাবে।

০১	অফিস/বিভাগ	মহাশয় ও প্রাণিসম্পদ মন্ত্রণালয়
০২	ক্রমিক/সংখ্যা	মেদিনা ফিশারিজ একাডেমি, চট্টগ্রাম।
০৩	দরপত্র আবেদনকারী	অধ্যক্ষ, মেদিনা ফিশারিজ একাডেমি, চট্টগ্রাম।
০৪	প্রকৃতির/সেফট	উদ্ভুক্ত দরপত্র পদ্ধতি।
০৫	তারিখ ও বাত	জারি
০৬	দরপত্র বিজ্ঞপ্তি নম্বর	৩৩.০৭.০০০০.০০২.০৭.০৪৮.৮৯-২৮২, তারিখ: ১২ আগস্ট-২০২৪ ইং
০৭	যে সমস্ত অফিস হইতে দরপত্র দাখিল পাওয়া যাবে	দরপত্র সিডিউল নির্ধারিত হারে নান্দ টাকায় (অফেরতযোগ্য) অফিস চলাকালীন সময়ে মেদিনা ফিশারিজ একাডেমি, চট্টগ্রাম হতে সংগ্রহ করা যাবে।
০৮	দরপত্র গ্রহণকারীর কার্যালয়ের নাম ও ঠিকানা	মেদিনা ফিশারিজ একাডেমি, মহাশয় বন্দর, চট্টগ্রাম।
০৯	দরপত্র বিক্রয়ের তারিখ ও সময়	১৩/০৮/২০২৪ হতে ২৭/০৮/২০২৪ ইং তারিখ, বিকাল ৪.০০ ঘটিকা পর্যন্ত।
১০	দরপত্র দাখিলের তারিখ ও সময়	২৮/০৮/২০২৪ ইং তারিখ, দুপুর ১২.০০ ঘটিকা
১১	দরপত্র বাত বাতিলের তারিখ ও সময়	২৮/০৮/২০২৪ ইং তারিখ, দুপুর ১২.০০ ঘটিকা
১২	দরপত্রের ব্যয়ভাড়া	পার্বসিক প্রকিউরমেন্ট বিধিমালা ২০০৮ এবং সলিডারি কার্ভের অন্য প্রণীত দরপত্র দাখিল কর্তৃক শর্তাবলী পূরণকৃত সরবরাহকারী প্রতিষ্ঠান।
১৩	যোগাযোগের মাধ্যম	মেদিনা ফিশারিজ একাডেমি, মহাশয় বন্দর, চট্টগ্রাম।
১৪	দরপত্র আবেদনকারী কর্মকর্তার পক্ষে	টেলিফোন নং ০২৩৩৪৪৪৫০০৭
১৫	দরপত্রের প্রতি বিদেশি নির্দেশাবলী	ক) পার্বসিক প্রকিউরমেন্ট বিধিমালা ২০০৮ এর বিধি বিধান মানতে বাধ্য থাকবে। খ) কর্তৃপক্ষ কোন কারণে দরপত্রের ব্যয়ভাড়া হতে কোন কিছয়ে সকল দরপত্র গ্রহণ/বাতিল করার ক্ষমতা সংরক্ষণ করেন। গ) দরপত্র সংক্রান্ত কোন বিষয়ে নিম্নস্বাক্ষরকারীর অফিস চলাকালীন সময়ে জানা যাবে। ঘ) দরপত্রের বাতিল/সংশোধন (২০২৪-২৩ অর্থ বছর) ট্রেন্ড শাইটলেস, টায়ার সেমেন্ট প্রিন্সিপাল সনসনাল, ডায়ালিট্রনিক্সের সনদ সন্যায়িত করণ এবং দরপত্র সিডিউলের অন্যান্য শর্তাবলী অস্বীকারী চুক্তি অগ্রাহ্য করে দরপত্রের সহিত অস্বীকারী দাখিল করতে হবে। ঙ) দরপত্র দাখিলের চাহিদাকৃত কাগজপত্রাদির প্রত্যেক নমুনা এবং নির্দিষ্ট স্থানে দরপত্রকে অবশ্যই স্বাক্ষর করতে হবে।

GD-152

মোহাম্মদ হাসান
ক্যাটেন বিএন
অধ্যক্ষ

Russia tops Opec+ oil output quota

REUTERS, Moscow

Russia exceeded its July oil production quota agreed with the Opec+ group of producers, the energy ministry said on Friday, but pledged to abide by it and to compensate for the excess output.

Output fell in July versus June but exceeded its output target by 67,000 barrels per day due to one-off supply schedule issues, the ministry said.

Its production levels in August and September should compensate for this, it said. Its allotted quota including voluntary cuts is 8.98 million bpd for June to September.

According to the International Energy Agency, Russia's June output stood at 9.22 million bpd, down from 9.24 million bpd in May.

Opec estimated Russia's June production at 9.14 million bpd, down by 114,000 bpd from May.

The energy ministry also said that Russia would compensate for its overproduction since April in October-November and March-September 2025.

Deputy Prime Minister Alexander Novak said in July that there had been no friction with Opec+ participants over Moscow exceeding its production quotas.

Stocks fall after a four-day gaining streak

STAR BUSINESS REPORT

The indices of Bangladesh's stock markets fell yesterday thanks to the profit-taking investors, snapping a four-day gaining streak since the formation of an interim government following a roller-coaster month.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), slumped 83.63 points, or 1.39 percent, from that on the day prior to close at 5,932.28.

Two other indices at the country's premier bourse witnessed also the declining trend.

The DSES, the index for the shariah-based firms, slipped 14.46 points, or 1.12 percent to 1,270.81 and the DS30, the index that represents blue-chip companies, lost 30.82 points, or 1.41 percent to 2,153.54.

The day's turnover decreased 43.14 percent from the previous day before closing at Tk 1,143 crore.

The banking sector dominated the turnover chart, accounting for 22.72 percent of the day's total market turnover.

Grameenphone was the most traded share with a turnover of Tk 113.1 crore.

Shares of 53 companies advanced, 337 declined and 16 remained unchanged on the trading floor of the DSE.

Fareast Finance & Investment topped the gainers' list with a rise of 10.87 percent.

Ring Shine Textiles, Atlas Bangladesh, Pragati Life Insurance, Islamic Finance & Investment and The Dacca Dyeing & Manufacturing Company that fared well.

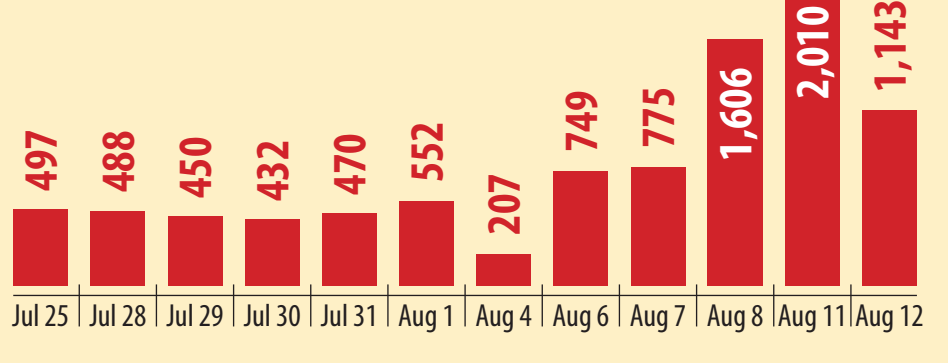
Social Islami Bank, Keya Cosmetics, Apollo Ispat Complex, AB Bank and First Finance were also on the gainers' chart.

Central Pharmaceuticals and SBAC Bank shed the most, losing combinedly 6 percent.

Bangas Ltd, Monno Ceramic Industries, Islami Insurance Bangladesh, Beximco

Stocks turnover in the last two weeks

In crore taka; SOURCE: DSE



Pharmaceuticals, Rangpur Foundry suffered losses.

Oimex Electrode, Aziz Pipes, Kay & Que Bangladesh, The IBN SINA Pharmaceutical Industry and Libra Infusions were also on the losers' chart.

Telecom and life insurance were the only two sectors that closed on a positive note yesterday while ceramics, services & real estate and engineering became the top three sectors that closed in the negative territory.

Negative performance was posted by most of the large-cap sectors, according to the daily market update by BRAC EPL Stock Brokerage.

Engineering experienced the highest loss of 2.66 percent, followed by fuel & power 2.38 percent, non-banking financial institutions 2.05 percent, pharmaceuticals 1.57 percent, bank 1.41 percent, food & allied 1.31 percent and telecommunication 2.77 percent respectively.

Shares of large-cap and blue chip stocks such as Islami Bank Bangladesh,

Grameenphone, IFIC Bank, Robi Axiata, Keya Cosmetics, Pragati Life Insurance, United Commercial Bank, Delta Life Insurance and Unilever Consumer Care performed well.

But none of them recorded double-digit growth yesterday's trading session.

Islami Bank Bangladesh and Grameenphone, however, logged the highest growth, rising 6.68 percent and 6.16 percent respectively, according to the website of LankaBangla Financial.

Square Pharmaceuticals, BAT Bangladesh, BRAC Bank, Beximco Pharmaceuticals, Eastern Bank, Renata, LafargeHolcim Bangladesh, City Bank, Pubali Bank and Beacon Pharmaceuticals displayed lacklustre performance in index movers.

The Chittagong Stock Exchange also saw a similar downward trend as the All Share Price Index of the port city bourse went down by 124.91 points, or 0.72 percent, to settle at 17,157.55.

China consumer prices hit five-month high

AFP, Beijing

Chinese consumer inflation rose more than expected in July to hit a five-month high, data showed Friday, providing some much-needed positive news on the world's number-two economy.

The reading comes as authorities struggle to kickstart activity among the country's army of consumers, with officials last week issuing a set of directives aimed at boosting buying.

The 0.5 percent increase in the consumer price index -- the main gauge of inflation -- was sharply up from the 0.2 percent seen in June and marked the sixth straight month of rising, according to the National Bureau of Statistics (NBS).

China endured a period of deflation between October to January, when sliding prices of goods and services heightened worries of an economic slowdown. July's reading -- which beat forecasts in a survey by Bloomberg -- represents the fastest rise in consumer prices since February, when the figure increased 0.7 percent year-on-year.

Beijing has said it wants annual economic growth this year of around five percent, a target considered ambitious by many experts as the country is also laden by prolonged debt crisis in the real estate sector, and high youth unemployment.

To help the economy the People's Bank of China has cut interest rates this year, and ING's Lynn Song predicted more could be in the pipeline.

"Conditions are in place to see inflation trend a little higher in the coming months but it should not impede further monetary easing," he said in a note.

"With low inflation and weak credit activity, domestic factors continue to favour further monetary policy easing. We continue to look for at least one more rate cut this year with the potential for more if global rate cuts accelerate."

The NBS also announced Friday that the producer price index -- which measures the cost of goods as they leave factory gates -- fell 0.8 percent, a 22nd straight month of decline. Bloomberg had forecast it to drop 0.9 percent.

Several banks

FROM PAGE B1

Questions were also raised about why the central bank governor went into hiding after the fall of the government.

CPD Distinguished Fellow Prof Mustafizur Rahman said all countries have central banks, but none have a separate agency to control the central bank.

"We must give autonomy to the central bank. If it is accountable to the parliament, then there is no need for a separate organisation like the FID," he added.

The CPD recommended a goal-specific, time-bound, transparent, unbiased, inclusive and independent banking commission be formed to bring transparency to the sector. It also recommended strengthening the Bangladesh Financial Intelligence Unit to combat money laundering.

CPD Research Director Khondaker Golam Moazzem said separate commissions similar to the banking commission can be formed for the capital market and insurance sector.

Bangladesh's credit rating

FROM PAGE B1

However, a modest recovery in merchandise exports would balance this risk in the second half of 2024.

Moody's said a prolonged shutdown of businesses would weigh on their and individuals' ability to repay loans, increasing the risk of non-performing loans (NPLs).

"A loss of confidence among retail depositors, prompting them to withdraw their deposits as a safeguard against potential bank failures or economic downturns, could also strain banks' liquidity."

It said a reversal of bank reforms on tightening loan classifications to accelerate NPL recognition from 2024 or reduced reform momentum to strengthen the banking sector would be kicking negative for Bangladesh's banking

system.

Moody's said the government has made progress over the past year on structural reforms to address external vulnerabilities and liquidity risks despite a structurally weaker

Moody's said a prolonged shutdown of businesses would weigh on their and individuals' ability to repay loans, increasing the risk of non-performing loans (NPLs).

external position than before the pandemic, with lower reserve buffers as well as high inflation and youth unemployment.

Citing the disbursement of the third tranche of

a \$4.7 billion loan by International Monetary Fund (IMF) in June this year, it said Bangladesh's progress included the implementation of a formula-based fuel price adjustment mechanism for petroleum products, liberalisation of the reference lending rate, tightening of banks' overdue loan classifications and the introduction of a crawling peg regime.

"The crawling peg regime is a transitional step towards greater exchange rate flexibility to restore external resilience," it said, adding that the Bangladeshi taka lost 6.3 percent of its value against the US dollar following the introduction of the crawling peg in May this year, narrowing the gap between the official and black-market rates. "While the country's

external position and liquidity pressures were high before the protests, some metrics have been improving marginally," said Moody's, adding that monthly remittances rose since the beginning of this year, amounting to more than \$2 billion each month from January to June 2024 from \$1.3 billion in September 2023.

The US ratings agency also said the monthly current account balance went into a surplus since the beginning of the year because of import restrictions.

"The national financial account remains in deficit because of lower trade credit inflows amid reluctance in repatriation of export earnings and taka depreciation pressures," it said, adding that the pace of decline in reserves slowed in recent months.

Businesses want

FROM PAGE B1

asking whether normalcy had returned for work orders to be placed with factories, he also said.

Kabir Ahmed, president of the Bangladesh Freight Forwarders Association, said he felt he could speak freely now and not be persecuted as the Sheikh Hasina-led government was no longer in power.

Air freight charges for cargo destined for European destinations have gone up to \$7 per kilogramme for different reasons, he said.

It may go up to \$8 soon whereas it was around \$3.5 to \$4 even a few days ago, Ahmed also said.

Abbar Hossain Sayem, president of the Bangladesh Apparel Youth Leaders Association, said some 48 young entrepreneurs expressed solidarity with the student movement and now they could witness the wind of change.

"Let us work together. Everyone is optimistic about Yunus. This is the time to revive the image of the country," he also said.

Abdullah Hil Rakib, vice-president of the Bangladesh Garment Manufacturers and Exporters Association, said the trade body formed a group with the help of workers to ensure safety amidst the absence of police in industrial zones.

M Shahadat Hossain Sohel, chairman of the Bangladesh Terry Towel and Linen Manufacturers and Exporters Association, said unlicensed buying houses should be listed to restore discipline in the garment buying business.

BGAPMEA Mohammad Shahriar said the customs and bond processes need to be streamlined. Abdul Awal Minto, former president of the Federation of Bangladesh Chambers of Commerce and Industry, said they would help the interim government hold a free and fair election for the country.

BANGLADESH ELECTION COMMISSION
OFFICE OF THE REGIONAL ELECTION OFFICER
SYLHET REGION, SYLHET.
Email: reosylhet@gmail.com, Phone: 02997700765

INVITATION FOR TENDER (OTM)

Memo No: 17.07.0000.000.11.001.24- 451 Dated : 12/08/2024

1	Ministry/Division	Bangladesh Election Commission
2	Agency	Election Commission Secretariat
3	Procuring Entity Name	Regional Election Officer, Sylhet Region, Sylhet
4	Procuring Entity District	Sylhet
5	Invitation for	Procurement of Non-Consulting Service (Physical service)
6	Invitation Ref No	REO/SYL/NCS-1/2024
KEY INFORMATION		
7	Procurement Method	OTM
FUNDING INFORMATION		
8	Budget and Source of Funds	Revenue Budget (GOB, Out Sourcing)
9	Tender Package Name	Out Sourcing/01
10	Tender No	REO-01 /2024-2025/Service
11	Tender Publication Date	13.08.2024
12	Tender Last Selling Date	09.09.2024 up to 11.00 AM
13	Tender Closing Date and Time	09.09.2024, Time: 01.00 PM
14	Tender Opening Date and Time	09.09.2024, Time: 01.30 PM
15	Name & Address of the office(s)	
	Selling Tender Document (Principal)	Regional Election Officer, Sylhet Region, Sylhet.
	Selling Tender Document (Others)	District Election Offices (Hobiganj, Sunamganj and Moulvibazar)
	Receiving Tender Document	Regional Election Officer, Sylhet Region, Sylhet.
	Opening Tender Document	Regional Election Officer, Sylhet Region, Sylhet.
INFORMATION FOR TENDERER		
16	Eligibility of Tenderer	k) Tender shall have the legal capacity to enter into the contract under the applicable law. l) Tenderers shall be enrolled in the relevant professional or trade organizations registered in Bangladesh. m) Tenderers shall have to fulfill its obligation/obligations to pay taxes under the provisions of laws and regulations of Bangladesh. n) Detail information has been provided in the tender document. o) Outsourcing supplier of any organization as per TDS & PCC.
17	Description of Works	Procuring Manpower for Upazila and District Election Offices under Regional Election Office, Sylhet. আইউসি সীমিতমাপা ২০১৮ অনুযায়ী জনকল নিয়োগ (০৩ জন গার্জী চালক, ৪১ জন পরিষ্কারকর্তা কর্মী এবং ৪১ জন নিরাপত্তা প্রহরী) পর্যন্ত।
	Tender Prices	Tk.2000/-
	Tender Security	Tk.5,00,000/-
	Duration	09 (Nine) Months of Up to June 2025
18	Special Instruction	e) The procuring entity reserves the right to accept or reject all Tender without assigning any reason thereof. f) If it happens any govt. holidays or any strike on the dates mentioned in Document the next normal working day will be treated as the valid dates of dropping and opening of the tender as the case arises. Time & other terms and condition shall remain unchanged & no separate notice will be issued for this.

MD. ABDUL HALIM KHAN
Regional Election Officer
Sylhet Region, Sylhet.
Mobile: 01550042650

Khairul, Shibli commissions

FROM PAGE B1

on the SME Board of the DSE have been non-functional for more than 20 years. The BSEC did these without following rules and regulations, Islam clarified.

"For what reason had the BSEC done it?"

He also said the BSEC created a speculative bubble and ultimately killed the market by imposing the floor price, which led to almost no buying or selling for at least a year.

Islam also accused BSEC officials of being directly involved in market manipulation, saying it had ultimately ruined the market and eroded people's confidence.

The DBA recommended reforming the BSEC and the DSE by removing corrupt officials, directors and commissioners who were appointed due to their political affiliations.

Islam added that the BSEC, without notice or consultation, raised the fees levied on stock brokerage firms several times despite the market displaying a bearish trend. Such changes should be revisited.

An investigation committee should be formed to unearth the true extent of irregularities and corruption during the past 14 years and corrupt individuals should be

punished.

A separate investigation is necessary to find out how much foreign exchange was wasted and laundered in the name of holding roadshows abroad.

The Chittagong Stock Exchange, Central Depository Bangladesh, and Central Counterparty Bangladesh also need to be reformed as board members were employed due to their political leaning, the DBA said.

All the rules and orders of the last two commissions should be revisited. To enhance accountability and transparency, IPO rules should be revisited and stock exchanges should be allowed to decide which companies will be enlisted.

The DSE and CSE should be empowered to investigate whether listed companies are functional.

If anyone is found to be involved in market manipulation, they must be punished financially and have a case filed against them, the DBA said.

DBA's Senior Vice-President Md Saifuddin, Vice-President Umar Haider Khan, and several directors were also present at the event.

The Daily Star called both Khairul Hossain and Shibli Rubayat for their comment but they did not receive the calls.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
নির্বাহী প্রকৌশলীর কার্যালয়, সওজ
সড়ক বিভাগ, গোপালগঞ্জ
ফোনঃ ০২-৬৬৮৫৩৭৭/ফ্যাক্সঃ ৬৬৮১২৭১
ইমেইলঃ eegopal@rhd.gov.bd

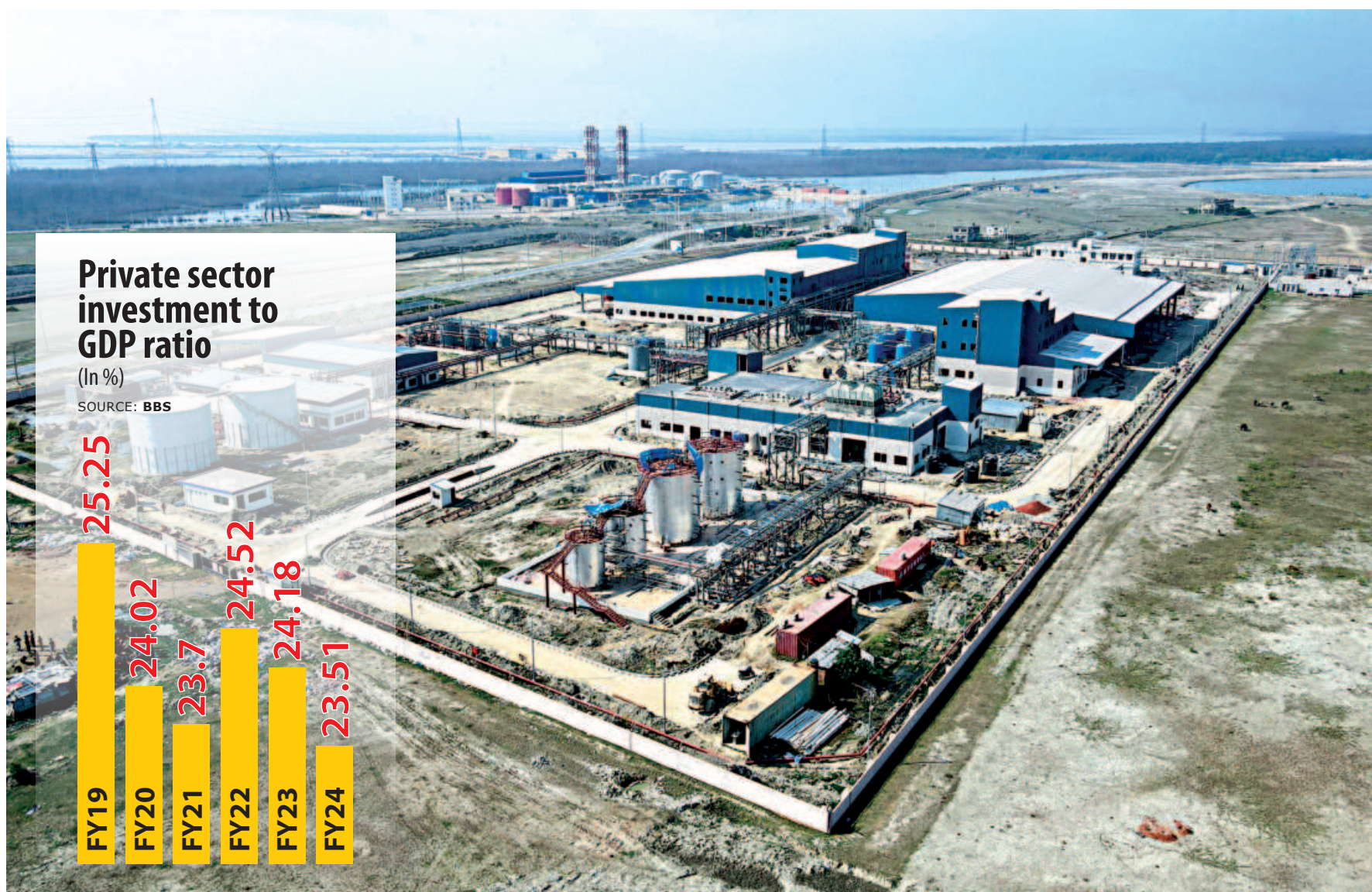
স্মারক নং: ৩৫.০১.৩৫০০.৪২৮.০৭.০০২.২৪-২০২৪ তারিখঃ ১১/০৮/২০২৪

সীমিত দরপত্র পদ্ধতিতে ঠিকাদার তালিকাভুক্তির
"সময় বর্ধিতকরণ" বিজ্ঞপ্তি

এতদ্বারা সংশ্লিষ্ট সকলের অবগতির জন্য জানানো যাচ্ছে যে, সড়ক বিভাগ, গোপালগঞ্জ কর্তৃক পাবলিক প্রকিউরমেন্ট বিধিমালা-২০০৮ এর আলোকে সড়ক ও জনপথ অধিদপ্তরের পরিচালনা (রাজস্ব) বাজেটের আওতায় সীমিত দরপত্র পদ্ধতি (LTM) প্রয়োগের মাধ্যমে অভ্যন্তরীণ ক্রয়কার্য (NCT-Works) সম্পাদনের লক্ষ্যে ২০২৪-২০২৫ অর্থবছরের জন্য ঠিকাদার তালিকাভুক্তি করা হবে। সিপিটিইউ (CPTU) কর্তৃক নির্ধারিত আবেদন ফরম নির্বাহী প্রকৌশলী, সওজ, সড়ক বিভাগ, গোপালগঞ্জ কার্যালয় হতে ১০০০.০০ (এক হাজার) টাকা মানি রশিদের মাধ্যমে পরিশোধকরতঃ আগ্রহী ব্যক্তি/প্রতিষ্ঠান নির্ধারিত আবেদনপত্র (ডকুমেন্ট) সংগ্রহ করা যাবে। সীমিত দরপত্র পদ্ধতি (LTM) প্রয়োগের ক্ষেত্রে পাবলিক প্রকিউরমেন্ট বিধিমালা-২০০৮ এর বিধি ৬৩ অনুসরণপূর্বক এবং এ তালিকাভুক্তিকরণ দরপত্র আহবান/কাজ প্রদানের নিশ্চয়তা বিধান করে না। উল্লেখ্য যে, বর্তমান দেশের সার্বিক পরিস্থিতি বিবেচনা করে এবং ঠিকাদারদের মৌখিক অনুরোধের ভিত্তিতে নিচের সারবী অনুযায়ী ঠিকাদার তালিকাভুক্তির সময়সীমা বর্ধিত করা হলোঃ

বিষয়	পূর্বের তারিখ ও সময়	বর্ধিত তারিখ ও সময়
* তালিকাভুক্তির আবেদনপত্র (ডকুমেন্ট) সংগ্রহের শেষ তারিখ	০৬/০৮/২০২৪ তারিখ	১৮/০৮/২০২৪ তারিখ
* আবেদনপত্র জমা দেওয়ার তারিখ ও সময়	১১/০৮/২০২৪ তারিখ	২২/০৮/২০২৪ তারিখ
	বিকাল ৪:০০টা পর্যন্ত।	বিকাল ৪:০০টা পর্যন্ত।

11.8.24
মোঃ আজহারুল ইসলাম
পরিচিতি নংঃ ৬০২৩০৬
নির্বাহী প্রকৌশলী (চ.দা.), সওজ
সড়ক বিভাগ, গোপালগঞ্জ



Private sector investment to GDP ratio
(In %)

SOURCE: BBS



Private investment slows as confidence takes a knock

Experts blame aftereffects of Covid-19, Russia-Ukraine war and recent political turmoil

MD ASADUZ ZAMAN

Private investment as a percentage of Bangladesh's gross domestic product (GDP) has been declining for the past three years due to low investor confidence amid global crises, a persisting US dollar crisis and high inflation.

The private investment to GDP ratio lost 0.67 percentage points year-on-year to stand at 23.51 percent in fiscal year 2023-24, according to Bangladesh Bureau of Statistics data.

With the country already facing slow growth, the recent month-long student protest that culminated in the resignation of Sheikh Hasina from the post of prime minister has created another concern for the economy.

The protest brought economic activities to a standstill since mid-July as a curfew was enforced across the country to contain unrest.

However, the imposition of a curfew and the government's move to implement an internet blackout painted a grim picture for private investment as Bangladesh was disconnected from the rest of the world.

Although the country witnessed the formation of an interim government, it will likely face challenges in speeding up private investment amid the existing economic slowdown.

"The recent political unrest definitely disrupted private investment," said Masrur Reaz, chairman of the Policy Exchange of Bangladesh.

However, it may lead to new

opportunities for investors if better policies and fairness are ensured, he said.

"Foreign investors always want political stability to ensure the security of their investments. So, some of their fears may be eased in the aftermath of the protest despite the temporary disruption at present," Reaz said.

However, he criticised the internet blackout, which was aimed at reining in the student protests, saying it painted the country in a bad light, especially among investors.

"The complete cut off of communication might have raised many questions in investors and traders' minds regarding the country's business climate," he said.

Reaz also urged the authorities concerned to focus on ensuring good governance and working to improve the ease of doing business.

On July 28, the Foreign Investors' Chamber of Commerce & Industry (FICCI) met with Salman F Rahman, the former prime minister's private industry and investment adviser, to inform him of the monetary value of economic losses stemming from the volatility.

The recent shutdown has significantly impacted Bangladesh's economy, with losses estimated to be over \$10 billion, according to the trade body.

"Numerous existing investors are currently in uncertainty as they aim to resume regular operations, but challenges and inefficiencies in releasing goods (from ports) and running operations are driving up the cost of business," said

FICCI President Zaved Akhtar.

"If we fail to prioritise the ease of doing business, we will discourage potential investors from considering Bangladesh as a likely investment destination," he added.

The FICCI president also said investors are the most powerful advocates for attracting foreign direct investment.

"There has never been a more important moment than now to protect their needs," he said, urging the authorities to address the issues.

The imposition of a curfew and the government's move to block the internet have painted a grim picture for private investment as Bangladesh was disconnected from the rest of the world

Bangladesh needs to overcome barriers to increase private investment, according to the Bangladesh Business Climate Index 2024, released by the Metropolitan Chamber of Commerce and Industry (MCCI) and Policy Exchange Bangladesh (PEB).

Year-on-year private sector credit growth fell short of the government target of 11 percent in June, it said.

In December 2023, it experienced year-on-year growth of 10.2 percent compared to its growth rate of 10.9 percent the previous year, it said.

Ashikur Rahman, principal economist of the Policy Research

Institute (PRI) of Bangladesh, opined that investment possibilities have been generally undermined over the last three years due to the economic realities brought on by the Covid-19 pandemic and the Russia-Ukraine war.

Prolonged import compression, sharp energy price adjustments, steep currency depreciation and rising interest rates have deeply undermined the business climate, he said.

"These problems were amplified by increasing political uncertainty, acute governance deficits in the banking sector and frequent gas shortages," he said.

Overall, there has been a noticeable degradation in the investment climate, which policymakers have either not truly understood or accepted, he said.

Moreover, these issues need recognition before policymakers can articulate a comprehensive policy response, Rahman added.

He also said it was essential to underscore that while big businesses have found ways to communicate their problems with policymakers, small and medium enterprises have been left orphaned in this regard.

"This must change if we want a balanced policy response to address current pressures in the investment climate," Rahman added.

In the national budget for FY25, the government set a target to take private sector investment to 27.34 percent of the GDP, up from an estimated 23.51 percent.

Reforms the only way to restore high growth

SALEKEEN IBRAHIM

Bangladesh, which economic analysts previously touted as an emerging Asian Tiger, is at a critical juncture of its development journey.

The recent unrest driven by a student movement and public frustration has led to significant political change.

So, it is extremely fortunate that renowned Nobel laureate Muhammad Yunus is heading the interim government, which has the unenviable task of navigating the country through its current economic turmoil.

Bangladesh needs immediate and effective reforms for stabilising its economy and improving investor confidence both at home and abroad.

One major frustration that prompted so many people to actively participate in the mass uprising is the persisting high inflationary pressure. The higher inflation rate is reducing people's purchasing power, intensifying poverty and disparity.

As such, the central bank must embrace a more aggressive stance for taming inflation. This may include tightening the money supply and imposing price control measures.

Also, reducing bottlenecks in the supply chain would lower transport costs. This involves remodelling the country's logistics system by reducing bureaucratic red tape and abolishing industry syndicates.

The banking sector needs urgent attention considering the growing amount of bad loans. Many banks lack proper risk management systems and have poor lending practices. Besides, poor market monitoring has led to the rise of non-performing loans (NPLs) to the point that many banks now find themselves at risk of insolvency. It is now essential to strengthen the regulatory framework for reducing NPLs and ensuring that banks operate on sound financial principles.

This involves major policy reforms, restructuring existing debt, negotiating better terms with international creditors and limiting new borrowing to sustainable projects.

In the past, Bangladesh has shown a tendency to put various development projects on hold. But now, the country should identify and prioritise implementing projects that have significant long-term benefits.

For example, projects to improve connectivity by establishing more transport systems and infrastructure that support economic activities must move on.

Increasing the tax base horizontally, curbing tax evasion and streamlining tax administration could increase government revenue without burdening the poor.

In addition, expanding access to banking services, particularly for rural and unbanked people, could stimulate economic activity and reduce poverty.

The interim government should also focus on ensuring clear and transparent governance to rebuild investor confidence and draw foreign direct investment. This necessitates stable law and order and better ease of doing business in the country.

Corruption has long been a barrier to Bangladesh's development. To ensure that the next government is more transparent and efficient, the interim administration must enforce anti-corruption laws and establish a strong anti-corruption body.

To improve efficiency in the public sector, the government should implement performance-based evaluations for bureaucrats and reduce unnecessary administrative layers.

Meanwhile, the US dollar crunch is a significant challenge that requires multidimensional solutions, such as further incentivising the use of legal channels.

Beyond the garments sector, boosting other export-oriented industries like pharmaceuticals, IT services, freelancing and agro-processing could also enhance the country's forex earnings.

In order to ensure that local apparel exporters can access the global markets, the government must make local producers comply with international standards and production practices.

The coming economic reforms must be inclusive and strengthen social safety nets, ensuring that the benefits reach to all segments of society.

This can be achieved by increasing support for vulnerable groups through targeted cash transfers, food security programmes and healthcare subsidies.

Also, investing in education and healthcare could drive long-term economic growth.

So, with Bangladesh standing at a crossway, the interim government could implement bold economic reforms to stabilise the economy and ensure sustainable development.

By addressing inflation, managing debt, combating corruption and fostering innovation, the country could revive its growth momentum and pave the way for a prosperous future.

The writer is a banker.

Gold firms

REUTERS

Gold prices inched higher on Monday on US interest rate cut optimism and brewing geopolitical tensions, while traders looked to key US inflation data due later this week for more monetary policy cues.

Spot gold rose 0.5 percent to \$2,442.38 per ounce as of 0856 GMT. US gold futures gained 0.3 percent at \$2,481.50.

Investors are pricing in a 49 percent chance of a 50 basis points (bps) rate cut by the Federal Reserve in September, as per the CME Group's FedWatch tool. The US producer and consumer prices numbers due on Tuesday and Wednesday will be scanned for further cues.

"The inflation point, will, in my view, define if it is a 25 bps or 50 bps cut. So the outcome of the inflation data will result in some higher volatility in gold prices," UBS analyst Giovanni Staunovo said.

"For gold to reach a new record high, inflation needs to be below market expectations."

Zero-yield bullion is more appealing to investors in a low-interest rate environment.

Fed Governor Michelle Bowman on Saturday softened her usually hawkish tone ever so slightly, noting some further "welcome" progress on inflation in the last couple months even as she said inflation remains "uncomfortably above" the Fed's 2 percent goal.

Heightened geopolitical risk and volatility in other markets remains supportive for gold, Mike Ingram, market analyst at Kinesis Money, said.

"Gold's technical position appears to be more constructive than that of silver with the next major resistance level near all-time highs at \$2,468," he added.

Billions in dollar and euro notes reach Russia despite sanctions

REUTERS, London

Around \$2.3 billion in dollar and euro bills have been shipped to Russia since the United States and EU banned the export of their banknotes there in March 2022 following the invasion of Ukraine, according to customs data seen by Reuters.

The previously unreported figures show Russia has managed to circumvent sanctions blocking cash imports, and suggest that dollars and euros remain useful tools for trade and travel even as Moscow strives to reduce its exposure to hard currencies.

The customs data, obtained from a commercial supplier that records and compiles the information, shows cash was transported to Russia from countries including the UAE and Turkey, which have not imposed restrictions on trade with Russia. The country of origin for more than half the total was not stated in the records.

The US government in December threatened penalties for financial institutions that help Russia circumvent sanctions and has imposed sanctions on companies from third countries throughout 2023 and 2024.

China's yuan has overtaken the greenback to become the most traded foreign currency in Moscow, although

significant payment problems persist.

Dmitry Polevoy, head of investment at Astra Asset Management in Russia, said many Russians still wanted foreign currency in cash for trips abroad, as well as small imports and domestic savings.

"For individuals, the dollar is still a

reliable currency," he told Reuters.

Russia's central bank and the United States' sanctions authority, the Office of Foreign Assets Control (OFAC), did not respond to requests for comment.

Russia started labelling the dollar and euro as "toxic" in 2022 as sweeping sanctions

cut its access to the global financial system, hampering payments and trade. Around \$300 billion of the Bank of Russia's foreign reserves in Europe have been frozen.

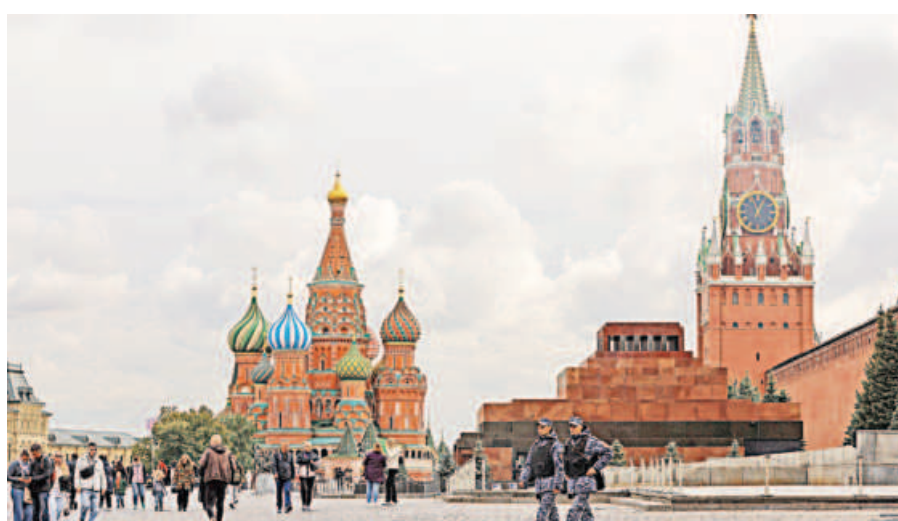
A European Commission spokesperson said it could not comment on individual cases of sanctions application.

The spokesperson said the European Union engages with third countries when it suspects that sanctions are being circumvented. The customs records cover March 2022 to December 2023 and Reuters could not access more recent data.

The documents showed a surge in cash imports just prior to the invasion. Between November 2021 and February 2022, \$18.9 billion in dollar and euro banknotes entered Russia, compared with just \$17 million in the previous four months.

Daniel Pickard, International Trade & National Security Practice Group Leader at US law firm Buchanan Ingersoll & Rooney, said the pre-invasion spike in shipments suggested some Russians wanted to insulate themselves against possible sanctions.

"While the US and its allies have learned the importance of collective action in maximizing economic consequences, Russia has been learning how to avoid and mitigate those same consequences," Pickard said. He added that the data almost certainly understated actual currency flows.



People walk across Red Square near St Basil's Cathedral and the Kremlin's Spasskaya Tower in central Moscow. The US government in December last year threatened penalties for financial institutions that help Russia circumvent sanctions.

PHOTO: REUTERS/FILE