



Govt to review Bay Terminal project

Shipping ministry calls high-powered meeting on Sunday

DWAIPAYAN BARUA, Ctg

The interim government will review the Bay Terminal project, the biggest expansion project in the Chattogram port's history.

The megaproject, approved by the recently deposed Awami League government, has seen little progress since former prime minister Sheikh Hasina unveiled the masterplan on November 14 last year.

Other than some preliminary digging to prepare the land, there has been no physical progress so far.

Now, the new government wants to thoroughly evaluate the necessity of such a large project, for which global port operators have already expressed their willingness to invest over \$8 billion, according to sources.

The shipping ministry has called a high-powered meeting on November 10 in this regard, inviting senior officials of different government agencies and representatives of development partners for detailed discussions.

It also asked Chittagong Port Authority (CPA) to present a detailed presentation on the project and its progress so far.

The interim government wants to evaluate the necessity of such a large project, for which global port operators expressed willingness to invest over \$8 billion

Brig Gen (ret'd) Dr M Sakhawat Hussain, adviser to the shipping ministry, will chair the meeting.

Senior officials of the shipping ministry, Public Private Partnership Authority (PPPA) and officials as well as the chairman of the CPA will be present.

Representatives of interested investors, including the World Bank, will also attend the meeting.

Contacted, CPA Secretary Md Omar Faruk confirmed that the ministry called the meeting to discuss the project.

During a visit to the port last month, the shipping adviser inspected different project sites, including the site for the Bay Terminal. He was also briefed about the projects by port officials during a meeting.

Speaking to journalists during the visit, the adviser said he saw no problem with the project but added that he would need to discuss it further.

He also said he would ask the CPA officials to present a detailed presentation on the project at the ministry later.

A senior CPA official said the move was part of the interim government's ongoing evaluation of different megaprojects that were approved by the previous regime.

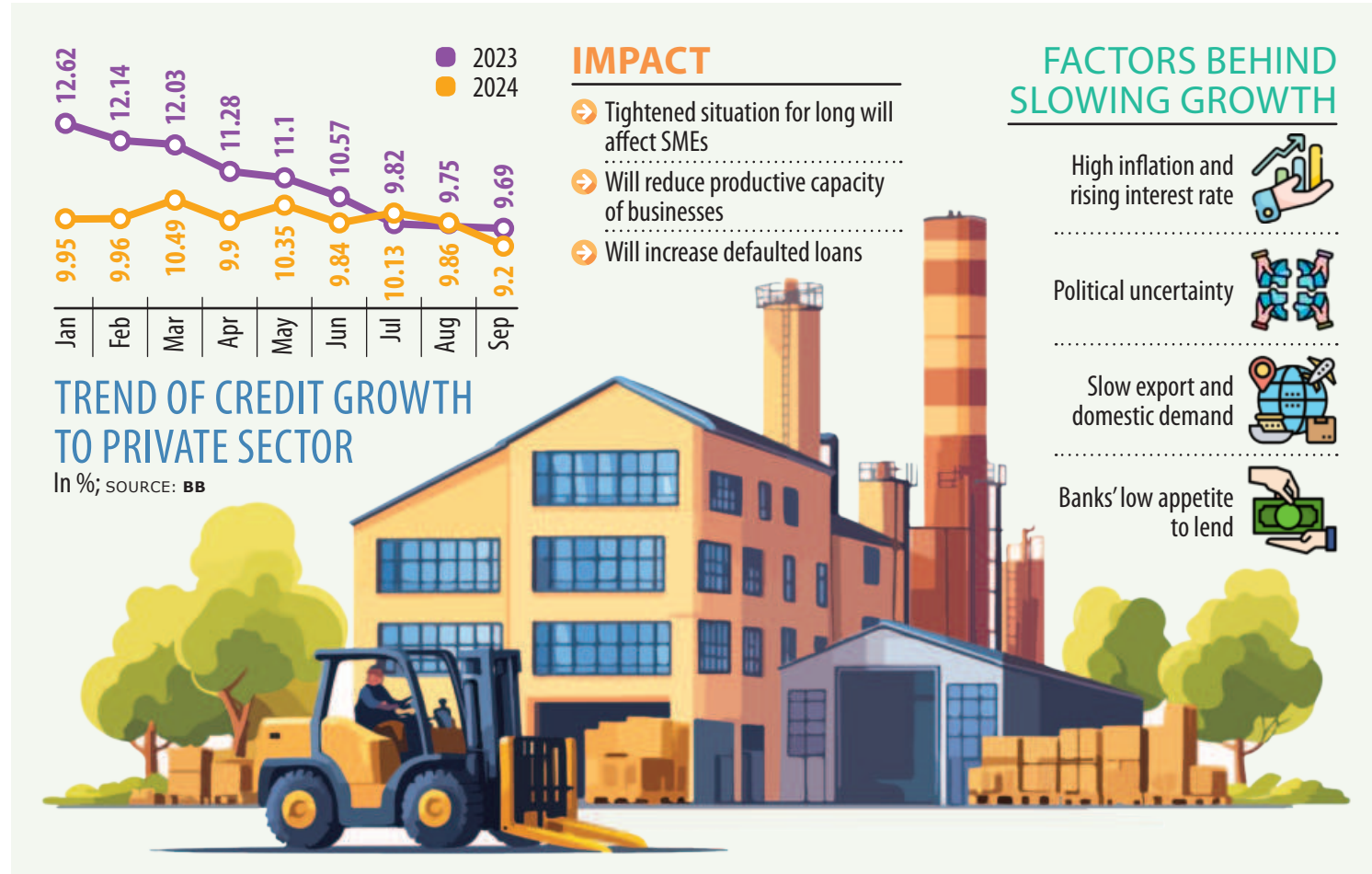
So, the ministry wants to evaluate the project in detail before taking the next step, the official added.

The previous government approved establishing the Bay Terminal, comprising four terminals, on around 2,500 acres of land at Patenga on the coast of the Bay of Bengal.

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Private credit growth slows to three-year low



MD MEHEDI HASAN

Private sector credit growth decelerated to the slowest pace in three years in September due to uncertainty in the investment environment following the recent political changeover.

Private sector credit growth cooled off to 9.20 percent in September from 9.86 percent the month prior, as per the latest data of the Bangladesh Bank.

September's credit expansion was the most sluggish since September 2021, when it stood at 8.77 percent.

The current investment environment, banks' go-slow strategy after the political changeover, persistent inflation, an increasing lending rate, and lacklustre loan recovery weighed on credit growth, industry insiders said.

September's growth was 0.60 percentage points lower than the BB target of 9.80 percent.

Private sector credit growth has slowed due to several local and global factors, according to Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

Besides, persistent inflation, uncertainty in the investment climate, the weak law-and-order situation and the lack of uninterrupted power and gas supplies are also liable for the slowdown, he said.

Inflation in the county has been hovering above 9 percent since March 2022 and stood at 10.87 percent in October, according to data from the Bangladesh Bureau of Statistics (BBS).

Rahman, also a former chairman of the Association of Bankers Bangladesh (ABB), said the law-and-order situation is improving

gradually.

"Banks are currently very conservative about lending due to the uncertain situation. At the same time, some banks have lost their capacity to lend," he added.

Echoing those sentiments, Sohail RK Hussain, managing director of Bank Asia, told The Daily Star that investment and expansion projects have slowed due to various factors, including rising costs as a result of the devaluation of the local currency against the US dollar.

Currently, the government is managing the

Industry insiders added another reason for the slowdown in credit growth, pointing to repeated hikes to the policy rate, which has caused lending rates to increase.

On October 22, the Bangladesh Bank raised the key policy rate by 50 basis points to 10 percent, making borrowing costlier for the 11th time since May 2022, when it stood at just 5 percent.

The measure is aimed at taming inflation, with spiralling prices causing a headache for the interim government after it came to office on August 5.

Ashraf Ahmed, president of the Dhaka Chamber of Commerce and Industry (DCCI), said credit growth was slowing due to the contractionary monetary regime, which is restricting money supply and discouraging investment through high interest rates.

"This is likely to help in reducing inflation in the short term, but will reduce the productive capacity of the economy if maintained for a long time," he said.

"In addition, we may see higher non-performing loans due to high interest rates, which can put pressure on existing capital of the banking system.

"Our request would be to reverse the contractionary monetary policy as soon as inflation is under control."

Khondaker Golam Moazzam, research director of the Centre for Policy Dialogue (CPD), said rising interest rates were dampening the appetite for loans.

"It appears that the private sector is not interested in investing now. Many think that the business environment is not suitable for investment. Besides, a slowdown in exports

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balance of payments and tackling inflation by reducing the demand, which is necessary given the current situation.

"For instance, we imported goods worth \$78 million in a month in 2022, but it has now come down to only \$5 million," he explained. "When you reduce demand, the need for money also comes down."

He expressed optimism that things would get better if positive signs persisted.

"Remittance earnings have increased and if it continues to grow hand-in-hand with increased export earnings, then the difficult situation will be overcome soon."

Bangladesh to amend labour law by March next year

REFAYET ULLAH MIRDHA

Bangladesh has committed to amending its labour law by March next year to align it with international standards and meet the 18-point demand raised by workers in September this year.

The country made this pledge at the 352nd session of the International Labour Organization (ILO) Governing Body, held from October 28 to November 7 in Geneva, according to Labour and Employment Secretary AHM Shafiquzzaman.

"We have already begun working on fulfilling the 18-point demand we committed to the workers in September during the labour unrest in the industrial sector," Shafiquzzaman told The Daily Star yesterday over the phone from Geneva.

The secretary said nearly all the 18 demands have already been met, except for two -- amending the labour law and reviewing annual increments, as union leaders sought an annual increase more than the current 5 percent.

A tripartite committee is currently working on possible amendments to the law, including easing trade union rules and documentation requirements, he added.

The ILO Governing Body is the executive body of the ILO. It meets three times a year: in March, June and November. It takes



The wage board suggested that the labour ministry amend the law to ensure strict implementation of wage structures at factories.

PHOTO: STAR/FILE

decisions on ILO policy, sets the agenda for the International Labour Conference, adopts the draft Programme and Budget for submission to the Conference and elects the director-

general, according to the ILO.

At the ILO Governing Body meeting, Law Adviser Asif Nazrul also committed to

READ MORE ON B3

Economy might have expanded in October: PMI

STAR BUSINESS REPORT

All key economic sectors of Bangladesh witnessed expansions in October, although the country continues to grapple with frequent protests, sluggish improvements in law and order and a slowdown in public administration activities, said the MCCI yesterday.

Bangladesh Purchasing Managers' Index (PMI) climbed to 55.7 in October, said the Metropolitan Chamber of Commerce and Industry (MCCI) in its latest PMI report.

This was a 6-point increase from that in the previous month, signalling a shift back to expansion after three consecutive months of contraction, according to an MCCI press release.

The Bangladesh PMI is an economic indicator which helps understand the direction in which the economy is headed and based on data compiled from monthly surveys of over 500 private sector enterprises.

It was developed in 2024 by the MCCI and Policy Exchange Bangladesh, in

cooperation with the Singapore Institute of Purchasing & Materials Management and supported by UK International Development.

A reading of above 50 generally indicates expansion and below that contraction.

The October reading suggests a strengthening economic outlook, with all major sectors—agriculture, construction, manufacturing, and services—posting positive trends, said the MCCI.

Bangladesh Purchasing Managers' Index climbed to 55.7 in October, said the Metropolitan Chamber of Commerce and Industry

The manufacturing sector, a vital pillar for Bangladesh's economy, demonstrated accelerated growth across key metrics, including new orders, factory output, and input purchases, despite ongoing contractions in employment, supplier deliveries, and order backlogs, it said.

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Forex reserves cross \$20b after 2 months

STAR BUSINESS REPORT

Bangladesh's foreign exchange reserves have grown to go past \$20 billion after nearly two months thanks to migrants sending increasing amounts of funds as remittance.

The country's foreign exchange reserves, as per the calculation method of International Monetary Fund, went past \$20 billion yesterday, rising from \$19.87 billion a week ago, according to the central bank data.

"This is the impact of increased flow of remittances," said Husne Ara Shikha, spokesperson of Bangladesh Bank (BB).

Bangladeshis living and working abroad sent a total of \$8.93 billion in remittance in the July-October period of fiscal year 2024-25, up 30 percent year-on-year, as per the BB.

The BB data showed that gross reserves rose to \$25.72 billion from \$25.44 billion a week ago.

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Garment exports to US drop 6% in Jan-Sep

STAR BUSINESS REPORT

Bangladesh's garment shipments to the US declined 6.29 percent year-on-year to \$5.41 billion in the January-September period this year, according to the Office of Textiles and Apparel (OTEXA).

The US is Bangladesh's largest single-country export destination. Currently, Bangladesh is the third-largest garment exporter to the US, after China and Vietnam.

Overall, total US apparel imports have decreased by 2.47 percent to \$59.32 billion. Garment exports from China to the US declined by 1.95 percent to \$12.50 billion, while that from Indonesia by 4.11 percent to \$3.16 billion.

However, several countries showed growth in apparel exports to the US, including Vietnam (1.27 percent to \$11.21 billion), Cambodia (7.15 percent to \$2.78 billion), and Pakistan (2.41 to \$1.58 billion).

Apparel shipment from India also increased in the January-September period at 0.46 percent to \$3.63 billion, said the data.

Bank Asia strikes deal with Rancon Motors

STAR BUSINESS DESK

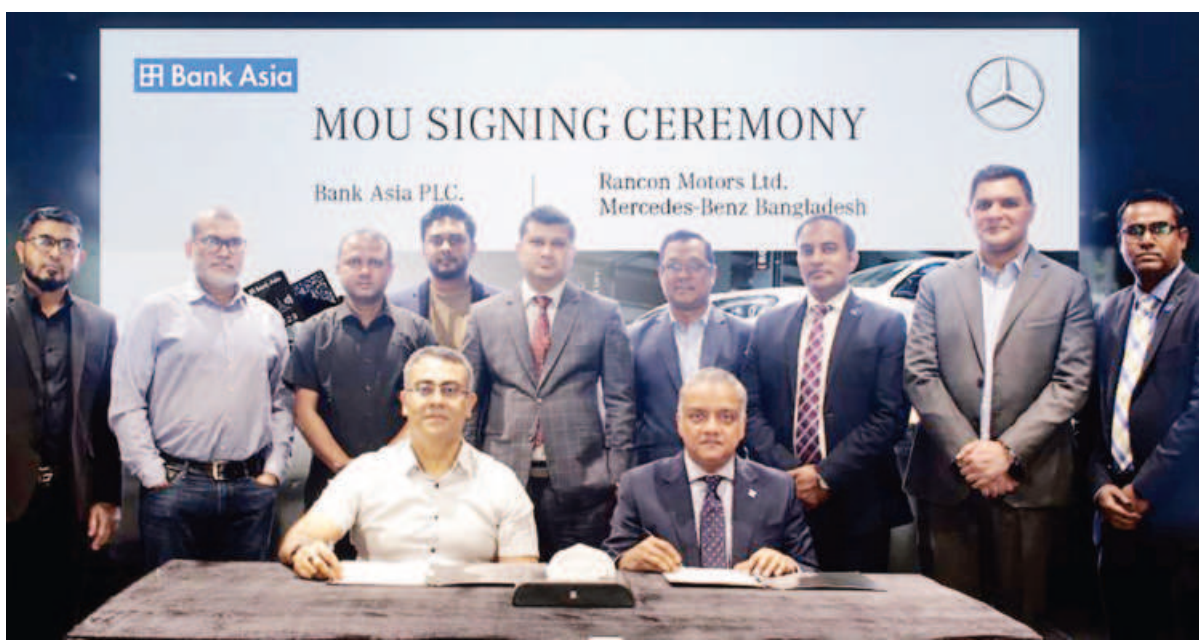
Bank Asia PLC recently signed an agreement with Rancon Motors Limited, the general distributor of Mercedes-Benz vehicles, in Bangladesh.

ANM Mahfuz, additional managing director of the bank, and Imran Zaman Khan, divisional director of the automobile company, penned the deal at Rangs Babylonina in the capital's Tejgaon, according to a press release.

Under the agreement, Bank Asia credit cardholders (Visa Signature, Visa Platinum, Mastercard World Elite and Mastercard Titanium) will enjoy a 10 percent discount on servicing costs and a 5 percent discount on parts purchases from Rancon Motors.

This offer exclusively applies to Mercedes-Benz vehicles.

Other senior officials from both organisations were also present.



ANM Mahfuz, additional managing director of Bank Asia PLC, and Imran Zaman Khan, divisional director of Rancon Motors Limited, pose for photographs after signing an agreement at Rangs Babylonina in the capital's Tejgaon recently.

PHOTO: BANK ASIA

NCC Bank elects chairmen for two board committees



Khairul Alam Chaklader

Meer Sajed-Ul-Basher

STAR BUSINESS DESK

NCC Bank has elected Khairul Alam Chaklader and Meer Sajed-Ul-Basher as chairmen of the executive committee and audit committee of the board respectively.

Chaklader is director and former vice-chairman of the bank, according to a press release.

He is also chairman of Maxwell Group, a conglomerate involved in multiple businesses, including Maxwell Electronics, Maxwell Trading Corporation, Eastern Logistics, BMSL Assets Management, Roots Food and Beverage, AutoKap Bricks Limited, and Total Air Services Limited.

He is also founder of the MM Chaklader Mohila College and KNC Foundation. He is the chairman of Sher-e-Bangla School and College and former president of the Rotary Club of Jahangirnagar Dhaka.

On the other hand, Basher, an independent director of the bank, served various multinational and local companies like Motorola, Mutual Trust Bank, IDLC Finance and Impress Group in leading roles during his 26-year career.

He is involved in academic circles and is an adjunct faculty of BRAC University at present.

He is a fellow member of the Institute of Chartered Accountant of Bangladesh, trained by KPMG-Bangladesh.

Basher is the chairman of SAJ Impact Bliss Limited, a consulting firm, mainly focused on sustainable investing.



Md Nazeem A Choudhury, deputy managing director of Prime Bank PLC, and Samsad Sultana Mimi, director of BS Group, pose for photographs after signing an agreement on payroll banking at the former's corporate office in the capital recently.

PHOTO: PRIME BANK

Prime Bank signs payroll agreement with BS Group

STAR BUSINESS DESK

Prime Bank recently signed a payroll agreement with BS Group, a leading shipping liner operator in Bangladesh.

Md Nazeem A Choudhury, deputy managing director of the bank, and Samsad Sultana Mimi, director of the shipping liner operator, penned the deal at the bank's corporate office in the capital, according to a press release.

Under this agreement, BS Group's employees will enjoy preferential banking services, including credit card and loan facilities, from the bank.

They will also enjoy PrimePay, a digital portal of the lender, and enjoy seamless automated disbursement of salaries. They can also carry out corporate payments round the clock. Anup Kanti Das, head of payroll banking of the bank, and Akib Hasnat and Syed Abrar Zaman, directors of BS Group, along with other senior officials from both organisations were also present.

AB Bank opens renovated collection booth at NICVD

STAR BUSINESS DESK

AB Bank opened a renovated collection booth at the National Institute of Cardiovascular Diseases (NICVD) with full-fledged modern banking services.

Tarique Afzal, managing director and CEO of the bank, and Prof Abdul Wadud Chowdhury, director of the NICVD, inaugurated the booth, according to a press release.

This booth, under the bank's Karwan Bazar branch, will facilitate all the collection of the NICVD, along with offering payroll services to all doctors, nurses and staff facility.

Syed Mizanur Rahman, additional managing director of the bank, and other senior officials from both the organisations were present.



Tarique Afzal, managing director and CEO of AB Bank PLC, and Prof Abdul Wadud Chowdhury, director of the National Institute of Cardiovascular Diseases, cut a ribbon to inaugurate a renovated collection booth of the bank on the institute premises in the capital recently.

PHOTO: AB BANK

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (NOV 7, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 68-Tk 80	2.78 ↑	9.63 ↑
Coarse rice (kg)	Tk 52-Tk 55	1.90 ↑	7.00 ↑
Loose flour (kg)	Tk 42-Tk 45	2.35 ↑	0
Lentil (kg)	Tk 105-Tk 110	0	0
Soybean (litre)	Tk 163-Tk 165	7.19 ↑	11.19 ↑
Potato (kg)	Tk 65-Tk 70	22.73 ↑	42.11 ↑
Onion (kg)	Tk 130-Tk 150	27.27 ↑	5.66 ↑
Egg (4 pcs)	Tk 48-Tk 50	-12.50 ↓	-2.00 ↓

SOURCE: TCB

Bangladesh must build AI knowledge base

Expert says at roundtable

STAR BUSINESS DESK

Bangladesh needs to create a knowledge base on artificial intelligence (AI) and train people to implement the knowledge, a speaker said at a roundtable.

"We need to create a knowledge base, and train people. Having only AI experts does not work; people should be trained to implement the knowledge, and we are not working in this space yet – it starts from the experts who ideate solutions, all the way down to root-level workers," Hosna Ferdous Sumi, senior private sector specialist at the World Bank, said while discussing the reactive nature of current policy-making processes in relation to AI.

She was speaking at a roundtable, styled "Digital Policy Landscape of Bangladesh: Balancing Innovation and Regulation", at Crowne Plaza in the capital recently.

International management consulting firm LightCastle Partners

organised the event in association with The Daily Star, according to a press release.

Sumi highlighted the need for a more proactive approach to integrate AI across various value chains, including export diversification and readymade garment production lines.

Meenara Khondker and Rafsan Zia, business consultants at LightCastle Partners, jointly delivered the keynote presentation, which provided an overview of Bangladesh's digital policy frameworks with a specific focus on AI, Over-the-Top (OTT) platforms and data privacy.

The keynote highlighted the importance of considering international best practices and provided five key policy recommendations: invest in local AI infrastructure, adopt secure data practices, establish independent OTT platform governance, promote AI literacy, and foster interoperable

digital ecosystems.

Oli Ahad, founder of Enterprise Tech, emphasised the urgent need for Bangladesh to align with rapid global AI advancements.

"AI hasn't achieved product-market fit in Bangladesh. The need to persuade people to use AI services shows a lack of market readiness," he said.

He stressed the importance of strategic intentions to maximise the benefits of AI, warning that Bangladesh risks falling behind without proper adoption.

Fahim Ahmed, chief executive officer of Pathao, voiced concerns over the premature drafting of AI policies.

"We need to work on fundamental hygiene issues before we can get into drafting or debating AI policies," Ahmed said.

He recommended a cautious approach to AI legislation, suggesting a period of observation and learning.

Address institutional

FROM PAGE B4

data from various safety net programmes and effectively support individuals below the poverty line.

The forum underscored Bangladesh's commitment to a lifecycle-based social security system, providing financial support for risks such as illness, disability, unemployment, old age, and maternity.

It outlined significant conceptual, legal, and institutional challenges.

Despite progress, gaps in the definition of 'social insurance' persist among government bodies, impacting the consistency of implementation efforts, the CPD said.

Furthermore, a lack of specific legislation limits the full development of NSIS, preventing the establishment of a cohesive system like those in countries with well-developed social insurance frameworks.

Legal provisions and a centralised body are essential to drive this forward, according to the press release.

Beximco sukuk can now be converted

FROM PAGE B4

In this situation, investors may not feel interested to convert their sukuk into the ordinary shares of the conglomerate, they added.

The conversion rate is 25 percent less than the weighted average market price of the ordinary shares of the 20 trading days at the Dhaka Stock Exchange (DSE) preceding the record date.

Investors seeking to avail the conversion facility are required to download the designated form from the associated website and submit their applications to the issue manager, that is Beximco Ltd, by email or mail by December 12.

US firms at China trade

FROM PAGE B4

Reinhard said he felt that under Joe Biden's presidency, agricultural trade with China had "not a lot of attention paid to it".

Angel Zhang, president of Californian wine seller Evo Wine Group, told AFP she hoped Trump would not act on the bold rhetoric that he used on the campaign trail.

"I think before the election he said some things, but after the election, it'll probably (be time for) a serious solution," she said.

Zhang said she felt that Beijing's tariffs of up to 93 percent on American wine in recent years were "unfair", but the Biden administration "didn't do anything to try to improve (the situation)".

"The situation now is very critical for us," Zhang said.

Elisa Daun, an international trade expert at Washington state's Department of Agriculture, said she hoped the federal government under Trump would negotiate tariff exemptions for an increasing number

of product categories.

"I think regardless of the election results... the tariff situation will be continuing," she said.

"Hopefully (the federal government) will step up to give assistance," Daun said, saying that firms were currently struggling individually to process tariff exemptions when doing business with Chinese partners.

Trump's term will likely be shaped by the unpredictability caused by his "propensity for inconsistent policy positions," Ali Wyne, a US-China expert at International Crisis Group, told AFP.

While Trump has threatened to raise tariffs on Chinese goods, he also seems "interested in a grand bargain with Xi that could, at least in theory, yield a more balanced economic relationship between Washington and Beijing", Wyne said.

Others are confident their companies are flexible enough to weather the uncertainty.

What impact

FROM PAGE B4

The impact of "immigration policy is as important as global trade" on inflation, noted his part Gilles Moec, chief economist at insurer Axa.

If Trump follows through with talk of a massive expulsion of unauthorised immigrants it could aggravate the labour shortage in the United States.

The Pew Research Center estimated that 8.3 million unauthorised workers could be affected.

The Peterson Institute for International Economics estimated this could add more than two percentage points to the US inflation rate next year, 0.2 percentage points in Europe and 0.6 percentage points in China.

Moec noted the surge in inflation would force central banks to hit the brakes on the cycle of interest rate

cuts they began earlier this year as inflation subsided.

Analysts had been looking at lower interest rates to spur consumers to spend and companies to invest and put some more wind into the sails of the global economy.

The trade war that Trump has threatened to wage against China risks sapping global growth.

Asia accounts for 60 percent of global growth, but would be hit hard by a trade war between the United States and China, the International Monetary Fund warned earlier this month.

The United States has also been one of the fastest growing developed economies but Trump's policies risk shaving two percentage points off US GDP per year between 2027 and 2031 from baseline estimates, according to a forecast from the Peterson Institute.



PHOTO: LIGHTCASTLE PARTNERS

Participants attend a roundtable, styled "Digital Policy Landscape of Bangladesh: Balancing Innovation and Regulation", organised by LightCastle Partners and The Daily Star, at the Crowne Plaza in the capital recently.

Govt plans \$1b orange bonds

STAR BUSINESS REPORT

The Economic Relations Division in partnership with the United Nations Development Programme (UNDP) and the Impact Investment Exchange (IIX) have discussed introducing orange bonds worth \$1 billion in Bangladesh to drive gender equity, climate action, and economic growth.

They discussed the issue at an event yesterday titled "Rebuilding an Inclusive Bangladesh with Orange Bonds", which is a part of UNDP's Governance of Climate Change Finance (GCCF) programme and supported by the Swedish government.

Orange bonds are a cross-cutting asset class designed to invest in gender equity and climate action and offer a transformative, impact-driven solution to help realise the development priorities and harness the potential of the capital markets.

Orange bonds offer Bangladesh a pathway to a resilient and inclusive future aligning with the government's vision for "Bangladesh 2.0", Finance and Commerce Adviser Salehuddin Ahmed said at the event.

"By mobilising \$1 billion across key sectors such as garments, green infrastructure, and agriculture, we are strengthening our financial ecosystem, paving the way for private sector investment to support sustainable development," he said at the consultation as the chief guest.

Orange bonds offer Bangladesh a pathway to a resilient and inclusive future aligning with the government's vision for "Bangladesh 2.0", Finance and Commerce Adviser Salehuddin Ahmed said at the event

"Together, we can shape a model of growth that serves as an example of shared success," he added.

Shariar Kader Siddiki, secretary of the External Resources Division, underscored the importance of policy readiness for the initiative.

Stefan Liller, the UNDP resident representative in Bangladesh, highlighted the importance of securing substantial financing from diverse sources to support Bangladesh's ongoing development journey.

He emphasised that private sector engagement, along with climate finance mechanisms such as climate risk insurance, Islamic finance, thematic bonds, blended finance, and carbon trading, are essential components in driving sustainable growth.

"This consultation marks a critical step in preparing Bangladesh's financial landscape for Orange Bonds. We are committed to ensuring this initiative is backed by strong policy reforms, stakeholder engagement, and a robust market framework," he added.

The introduction of Orange Bonds represents a significant move toward innovative finance solutions to meet Bangladesh's climate and development goals, with support from both national and international stakeholders, he said.

Many climate investments not only address urgent challenges but also deliver strong economic returns and create valuable job opportunities, he added.

At the event, Prof Durreen Shahnaz, founder & CEO of IIX, outlined how the Orange Bond initiative seeks to attract diverse investment sources, including the Bangladeshi diaspora, development finance institutions (DFIs), and global capital markets.

She also said the Orange Bond is not just a financial vehicle, but also a powerful tool with a mission rooted in gender equality, climate action and inclusive growth.

Rising remittances provide a fillip to external accounts

STAR BUSINESS REPORT

Bangladesh's current account deficit narrowed sharply in the first three months of this fiscal year, driven mainly by an increasing inflow of remittances.

From July to September of fiscal year (FY) 2024-25, the current account deficit stood at \$127 million, a 93 percent year-on-year decrease from a deficit of around \$1.8 billion, according to the latest central bank data.

The current account balance reflects the net flow of money across a country's borders, accounting for imports, exports, remittances, investments, and foreign aid. Economists use this

balance as a key indicator of a country's economic health.

The latest data indicates that the pressure on the Balance of Payments (BoP), which measures a country's overall transactions with the rest of the world, is easing after two years.

During the first quarter of FY25, remittances reached \$8.93 billion, reflecting a 30 percent year-on-year growth.

The nation's trade gap also narrowed in the period, coming down to \$4.63 billion from \$5.01 billion.

This improvement was attributed to export earnings outweighing import expenses.

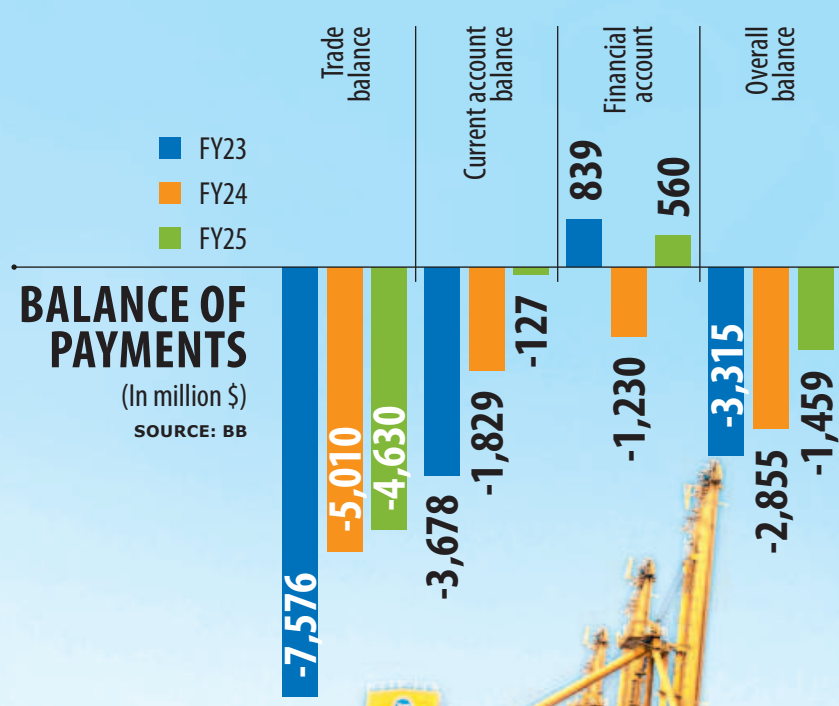
Export earnings rose 5.1 percent year-on-year to \$10.56

billion in the period while import costs edged up 0.9 percent to \$15.19 billion.

Another positive development in the BoP was that the financial account, which is the primary source of its foreign payments, reversed a \$1.23 billion deficit into a \$560 million surplus.

The financial account, a component of the BoP, records transactions with non-residents in relation to financial assets, including direct investments, portfolio investments, and reserve assets.

Moreover, Bangladesh's overall external imbalances dipped 49 percent year on year to \$1.45 billion from \$2.85 billion.



Japan-Bangladesh chamber gets new office bearers for 2024-2026



Tareq Rafi Bhuiyan Maria Howlader

STAR BUSINESS DESK

Tareq Rafi Bhuiyan (Jun) and Maria Howlader were elected president and secretary general respectively of the Japan-Bangladesh Chamber of Commerce and Industry (JBCCI) for a two-year term (2024-2026).

Rafi Bhuiyan, managing director of NewVision Solutions Limited, was previously secretary general of the JBCCI for three consecutive terms, according to a press release.

He is currently serving as an infrastructure adviser to the embassy of Japan in Bangladesh.

Bhuiyan is also vice-president of Pan Asian Research Institute, a Japan based think-tank, and managing director of InnoTech Ltd, Japan, an IT company.

Meanwhile, Maria became the first female secretary general of the chamber.

She is managing partner and founder of Howlader Maria & Co, a chartered accountancy firm that is a member firm of Kreston Global.

She was also re-elected as a board member of the JBCCI for two consecutive terms, covering 2022-2024 and 2024-2026.

She is currently also serving as the vice-president of the Institute of Chartered Accountants of Bangladesh and holds the position of independent director at various companies.

Kenji Kimura, chief representative of MUFU Bank's Dhaka office, was elected as treasurer, while Anwar Shahid, managing director of MAS Consultants, and Hiroaki Oura, general manager of ITOCHU Corporation's Dhaka liaison office, were elected as vice-president 1 and vice-president 2 respectively.

STOCKS	
DSEX ▼	CASPI ▲
0.57%	0.18%
5,316.33	14,851.60

COMMODITIES	
Gold ▼	Oil ▼
\$2,659.05	\$71.61
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 1.04%	▼ 0.25%	▲ 1.96%	▲ 2.57%
79,541.79	39,381.41	3,673.49	3,470.66

China export growth beats expectations

AFP, Beijing

Chinese exports surged last month at their fastest pace in more than two years, data showed Thursday, easily topping forecasts and providing optimism about the economy as officials steel for a potential US trade war after Donald Trump was re-elected president.

The reading also came after Beijing began unveiling a raft of measures aimed at kickstarting growth with an emphasis on the troubled property sector, boosting hopes that years of post-Covid malaise may be nearing an end.

Exports climbed 12.7 percent to \$309.1 billion last month, the General Administration of Customs said, well above the 5.0 percent forecast by analysts in a Bloomberg survey and far higher than the previous month. The figure is the best since mid-2022.

The world's second-largest

economy has struggled to achieve a full post-pandemic recovery, with sluggish domestic consumption and a persistent debt crisis in the property sector hammering growth.

However, in a sign that much more needs to be done to reignite demand at home, Thursday's figures showed imports slipped 2.3 percent, more than expected and a reversal from September's slight growth.

Trump's victory in Tuesday's elections has fanned concerns of heightened trade tensions between the United States and China after he takes office again in January.

During his first term, he initiated a biting tariff war with Beijing, which he accused of taking advantage of Washington with "unfair" practices.

Incumbent Joe Biden has not reversed the tough stance towards China on trade, but Trump has suggested he will take an even harder line involving 60 percent tariffs on all goods from the country.

to \$2,672.80.

The dollar index slipped on Thursday after hitting a four-month high following Donald Trump's win in the US presidential election. A weaker dollar makes bullion more attractive for overseas buyers.

Trump's potential policy is inflationary and that could translate to slower Fed rate cuts, which is rather negative news for gold, but a widening US budget deficit and reduced fiscal discipline will be positive, said Kelvin Wong, OANDA's senior market analyst for Asia Pacific.

Govt to review

FROM PAGE B1

It is expected that once the project is implemented, vessels with a draft of up to 12 metres and a length of 280 metres will be able to berth there.

Currently, the Chittagong Port—which is the maritime gateway for over 90 percent of the country's international trade volume and 98 percent of its container traffic—can only receive small feeder vessels during limited hours of the day.

In 2022, the PPPA appointed UK-based Ernst & Young LLP as the transaction adviser for the project.

In June this year, the World Bank's board of executive directors approved a \$650 million loan to finance the dredging of the access channel and construction of the breakwater of Bay Terminal.

In mid-May, the CPA signed a memorandum of understanding

(MoU) with Abu Dhabi-based AD Ports Group regarding the latter's proposal to build a multipurpose terminal under the project.

The group earlier offered to invest \$1 billion in this regard.

The previous government also had an understanding with PSA Singapore and DP World of the United Arab Emirates (UAE) to construct and operate two container terminals.

PSA Singapore and DP World pledged to invest \$1.5 billion each for the terminals.

Local firm East Coast Holdings Limited also proposed to join hands with a few global firms to invest \$3.5 billion to build an oil and gas terminal under the project.

Since the ouster of the Awami League government on August 5, work on the project has come to a virtual standstill.

Private credit growth slows

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and domestic demand amid persistent inflation as well as the liquidity crisis in the banking sector affected credit demand," he added.

"So, the economy is going to slow. This is planned to some extent as the government aimed to stabilise the macroeconomic indicators. There is also a kind of uncertainty, which is likely to squeeze the economy further," Moazzem said.

He added that it would be vital to

protect existing businesses and jobs, saying: "If such a situation continues for a long time, small and medium industries will suffer."

The World Bank last month said Bangladesh's economy grew 4 percent in FY25 due to significant uncertainties following recent political turmoil.

The economy grew 5.82 percent in FY24, according to provisional data from the Bangladesh Bureau of Statistics.

Economy might

FROM PAGE B1

Agriculture showed its first expansion in business activity and new orders after months of downturn, although employment remained in contraction, it said.

Input costs, a key metric, rose swiftly, reflecting rising expenses across sectors, said the chamber.

Construction returned to growth, albeit marginally, as it recorded slower contraction rates in employment and order backlogs, it said.

The services sector similarly

moved to an expansion phase, driven by a rebound in business activity and order backlogs, though employment contraction persisted, it added.

However, the broader economy faces domestic hurdles, including public protests, law enforcement issues, and stagnant public administration, which may affect near-term gains, said the chamber.

All sectors reported slower expansion rates in future business expectations, reflecting cautious optimism amid continued challenges, it said.

Bangladesh to amend

FROM PAGE B1

reviewing the blacklisting of workers based on biometric attendance and ending assaults and harassment of workers in the workplace, according to a statement from the office of the permanent mission of Bangladesh in Geneva.

Besides, the law adviser assured the Governing Body council members that the government has been working to resolve police cases filed against workers for their involvement in wage hike demonstrations last year, the statement added.

The Minimum Wage Board, a government regulatory agency responsible for recommending changes to the minimum wage, has also submitted a proposal to the Ministry of Labour and Employment to amend the labour law and update its provisions.

The board suggested that the ministry amend the labour law to ensure strict implementation of wage structures at factories, according to the proposal.

Wishing anonymity, an official of the board said incidents of labour unrest often take place after factory owners fail to timely implement wage structures and pay workers.

Amending the labour law is a long-overdue issue in Bangladesh. Last December, the president returned the "Bangladesh Labor (Amendment) Bill 2023" unsigned, citing the need for further amendments to certain key clauses.

International bodies like the European Union (EU), the ILO, global clothing retailers and brands, North American clothing retailers and brands, and the U.S. government have urged Bangladesh to amend the labour law, easing trade union rules, simplifying union registration and lowering the worker threshold required to form a union.

Currently, forming a union in a garment factory requires the consensus and signatures of 20 percent of workers. Union leaders and international bodies advocate lowering this threshold to 5-10 percent.

They have also called on the government to enact a uniform

labour law for all workers, including those in Export Processing Zones (EPZs) and outside of EPZs.

According to labour rights activists, the current two labour laws for EPZ and non-EPZ production facilities contain discriminatory provisions and benefits for workers.

However, Bangladesh cannot implement a uniform labour law for both EPZ and non-EPZ workers, as some foreign investors in EPZs argue that they invested under the condition of excluding trade unions from EPZ factories.

In the face of Rana Plaza garment building collapse and subsequent international pressure, the government previously amended the 2006 labour law in August 2013 to ensure workplace safety and labour rights issues meet international standards.

In September 2015, the government formulated labour rules to guide the proper application of the labour law at factories.

The law was further amended in 2018, again under international pressure, to lower the worker threshold for union formation to 20 percent from 30 percent.

Forex reserves

FROM PAGE B1

The country's forex reserves as per the IMF's calculation method were at \$20.55 billion in early September this year.

It fell below the \$20 billion mark after the payment of \$1.37 billion in import bills for July and August under Asian Clearing Union, an arrangement for the settlement of payments among nine member countries.

BB Deputy Governor Md Habibur Rahman said the central bank has been buying foreign currencies from banks.

"Purchases will continue. We see a good supply of the US dollar, and we will buy the foreign currencies, keeping the forex market stable," said Rahman, who was previously serving as chief economist of the BB.

The central bank sold \$9.4 billion of foreign currencies in FY24.



As of June 2023, renewable resources, including solar, wind, hydro and biomass, collectively hold an installed capacity of 1,183MW, constituting a meagre 4.5 percent of the country's total installed capacity.

PHOTO: STAR/FILE

Renewable energy push lacks clarity

Shows study while revealing huge financing gap

STAR BUSINESS REPORT

Bangladesh's efforts to adopt renewable energy do not have clarity over the goal, and renewable financing has also proved to be largely inadequate, according to a study.

"So, it will not be possible to attain the renewable energy goal if the targets are not aligned with reality and adequate investment is not ensured," said Shah Md Ahsan Habib, professor at the Bangladesh Institute of Bank Management (BIBM).

While presenting the findings of the study, titled "Renewable Energy Financing in Bangladesh: Alignment with the National Policies", at a workshop in Dhaka yesterday, he said, "The government should align the target first. Then the plan from where you will get the investment and resources."

The Bangladesh Institute of Bank Management (BIBM) organised the workshop at its auditorium in the capital's Mirpur.

Referring to the findings, Habib said the government has set a target for achieving a 40 percent renewable energy share in total energy production by 2041 in the Mujib Climate Prosperity Plan (MCPP).

On the other hand, in the Integrated Energy and Power Master Plan (IEPMP) 2023, the government has set a

lower target of achieving 8.8 percent renewable energy production by the same year 2041, he mentioned.

This solar, he said the IEPMP was developed without taking into consideration the energy-mix suggested in the MCPP. It also shows a serious lack of coordination among government agencies, said Habib.

Bangladesh currently incorporates 2.93 percent of renewable energy, amounting to 650.14 MW, within the country's total energy production of 22,215 MW. A substantial portion of about 48 percent, or 10,678 MW, of the total power generation relies on natural gas, according to the study.

As of June 2023, renewable resources, including solar, wind, hydro and biomass, collectively hold an installed capacity of 1,183 MW, constituting a meagre 4.5 percent of the country's total installed capacity.

Here, solar power alone takes the lead, accounting for nearly 80 percent of all renewable sources, showed the study.

Habib said despite initial targets of generating 5 percent of its electricity from renewables by 2015 and 10 percent by 2020, as of June 2023, Bangladesh has fallen well short of its goals.

Citing another study of the local think tank Centre for Policy Dialogue (CPD), Habib said Bangladesh will require an

estimated investment of \$1.71 billion per year from 2024 to 2041 to achieve the ambitious 40 percent renewable energy target by 2041.

The Institute for Energy Economics and Financial Analysis (IEEFA), which studies energy markets, trends and policies, also estimates the annual investment at \$1.53 billion to \$1.71 billion.

This investment, however, does not cover the cost of grid modernisation and storage facilities.

Despite initial targets of generating 5 percent of its electricity from renewables by 2015 and 10 percent by 2020, Bangladesh has fallen well short of its goals

INADEQUATE FINANCING

Despite improvement, financing for renewable energy production shows a visible gap, Habib shared.

He said small-scale local green entrepreneurs struggle to secure funding due to difficulties in proving creditworthiness, lack of proper documents and high transaction costs.

"Banks and finance companies often receive applications without proper documentation, eventually making it difficult to provide loans," said the BIBM

professor.

Habib said banks and finance companies need to play a crucial role in ensuring adequate investment in the renewable energy sector to attain the nationally determined targets.

Habib said to achieve the 40 percent target, the country required Tk 20,520 crore investment in 2023, while banks and financial institutions disbursed only Tk 742 crore, leaving an investment gap of Tk 19,778 crore.

Whereas to achieve the 8.8 percent target set by the IEPMP, the country required Tk 4,514 crore investment in 2023, still falling short by Tk 3,772 crore from the amount disbursed in 2023, he mentioned.

Habib, who was among the five-member research team, said the yearly financing or investment gap needs to be covered by other sources like foreign direct investment (FDI) or by additional efforts by banks or finance companies.

Nurun Nahar, deputy governor of Bangladesh Bank, Md Akhtaruzzaman, director general at BIBM, Md Alamgir, associate professor, Md Ali Hossain Prodhania, supernumerary professor, SM Mahub Alam, joint secretary of the Road Transport and Highways Division, Mohammad Delwar Hossain, joint director at Bangladesh Bank and other top officials also spoke at the event.

Beximco sukuk can now be converted into ordinary shares

STAR BUSINESS REPORT

Investors who have Beximco Green Sukuk Al Istinna'a can convert 20 percent of the sukuk to ordinary shares of Beximco Ltd.

In a newspaper advertisement yesterday, Beximco Green Sukuk Trust, a special purpose vehicle, informed that the record date for the third-year conversion of the sukuk into Beximco Ltd shares has been set on December 22 this year.

A sukuk is an Islamic financial certificate, similar to a bond in Western finance. A special purpose vehicle is a subsidiary created by a parent company to isolate financial risk, according to investopedia.com.

The record date was fixed through a meeting between Beximco Green Sukuk Trust and the sukuk trustee, Investment Corporation of Bangladesh, last Wednesday.

At the end of July 2022, the Bangladesh Securities and Exchange Commission had set the floor price of every stock to halt the free fall of the market indices amid global economic uncertainties.

The floor price, which is the lowest price at which a share can be traded, was the average of the closing prices on July 28 of 2022 and the preceding four days.

Though it was later lifted for most companies, it is still in place at Tk 115.60 for Beximco Ltd shares.

This has led to apprehensions among investors that the Beximco Ltd share price may drop by a large margin once the floor price was lifted, according to market analysts.

READ MORE ON B2

Address institutional barriers to social insurance scheme

Analysts say

STAR BUSINESS REPORT

The interim government should address institutional shortcomings, particularly the lack of a dedicated body for the National Social Insurance Scheme (NSIS), said Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue (CPD).

Coordination challenges have led to fragmented efforts across ministries, with limited institutional memory due to frequent leadership changes and insufficient documentation, he noted.

He made the remarks at the Second Social Insurance Forum (SIF), jointly organised by the Centre for Policy Dialogue (CPD) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH at the InterContinental Dhaka on Wednesday.

The second edition of the SIF aimed to advance the implementation of the NSIS in Bangladesh, the CPD said in a press release.

Established in January 2024, this forum provides a collaborative platform to address the pressing challenges and strategic priorities for social insurance in Bangladesh.

Key suggestions included transferring NSIS oversight from the Finance Division to the cabinet to streamline decision-making and considering the exclusion or redefinition of certain ministries' roles to reduce redundancy within the Social Insurance Cluster.

Jebunnessa, programme associate at the CPD, recommended building a comprehensive management information system to consolidate

READ MORE ON B2

US firms at China trade fair upbeat on Trump future

AFP, Shanghai

American businesses at a major Shanghai trade fair said Thursday they were optimistic about US-China commerce under a second Donald Trump presidency, despite his tough rhetoric on tariffs raising fears of a new trade war.

During his campaign, the Republican pledged to slap 60-percent duties on all Chinese goods entering the United States, which could see the world's two largest economies embroiled in a repeat of the bruising contest that marked Trump's first term.

Beijing could retaliate by cutting imports of US agriculture and energy products, as well as limiting exports of critical rare earths, among other measures, an ANZ Research report released Thursday said.

But speaking to AFP at the China International Import Expo (CIIE), many firms maintained they were upbeat about their sector's prospects.

United Soybean Board chairman Steve Reinhard said he believes a Trump administration will mean renewed efforts to increase agriculture purchases by Beijing.

"When Trump was elected president the first time, they had the negotiations with the phase one trade deal and both parties agreed to that deal and it worked rather well," he said.

Reinhard was referring to an agreement struck between Washington and Beijing in 2020, intended to alleviate tensions caused by the trade war, that included a pledge for China to buy \$32 billion of US agricultural goods.

READ MORE ON B2

What impact will Trump have on the world economy?

AFP, Paris

Donald Trump's return to the White House with his protectionist policies poses threats for the global economy, with the prospect of new trade wars, resurgent inflation and slower growth, experts say.

During his first term in office from 2017 to 2021, Trump often resorted to punitive tariffs in disputes with trade partners.

In this 2024 campaign, he pledged to impose an additional 60 percent import tariff on Chinese products and an extra 10 percent tariff on products from the rest of the world.

Taking into account the probable retaliatory measures from Beijing and Brussels, the impact on the European Union economy will be \$533 billion through 2029, \$749 billion for the United States and \$827 billion for China, according to a study by the Roland Berger consulting firm.

A separate study by the London School of Economics estimated that the impact on emerging market nations such as India, Indonesia and Brazil would be much less.

Jamie Thompson, head of macroeconomic forecasting at London-based Oxford Economics, said he sees little short-term economic impact due to

the delays in implementing policies, but they could be positive for growth.

"While the outlook for 2025 is essentially unchanged, global growth is likely to be a little stronger in 2026 and

2027 on the back of the election result, as the impact of looser US fiscal policy more than offsets the drag from targeted tariff measures," he told AFP.

But if across-the-board tariffs are



An employee works at a plastic factory in Yiwu, China's eastern Zhejiang province. Taking into account the probable retaliatory measures from Beijing and Brussels, the impact on the European Union economy will be \$533 billion through 2029, \$749 billion for the United States and \$827 billion for China, according to a study.

PHOTO: AFP/FILE

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