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Star BUSINESS

Custodian to manage Beximco assets

BB to run forensic audit into Nagad

STAR BUSINESS REPORT

The Bangladesh Bank (BB) took three major decisions yesterday, including the appointment of a custodian, officially termed as a receiver, at troubled Beximco Group in order to prevent its fall and protect the interests of investors, employees and lenders.

Additionally, the central bank decided in principle to hire a consulting firm to recover money laundered abroad, particularly from destinations such as the UK, the US, Singapore and the UAE.

It also provided clearance for a forensic audit into Nagad, a much-discussed mobile financial service provider that is yet to obtain any licence.

A forensic audit is an examination and evaluation of a firm's or individual's financial records, through which evidence is derived to be used in a court of law or legal proceeding.

The decisions came at a meeting of the central bank's board, chaired by Governor Ahsan H Mansur.

The central bank decided to appoint Md Ruhul Amin, an executive director of the BB, as the receiver of Beximco Group, which landed in hot water following the arrest of its vice-chairman Salman F Rahman, who served as private sector adviser to ousted Prime Minister Sheikh Hasina.

Rahman was a trusted adviser of Hasina, who fled Bangladesh in the face of a mass uprising on August 5.

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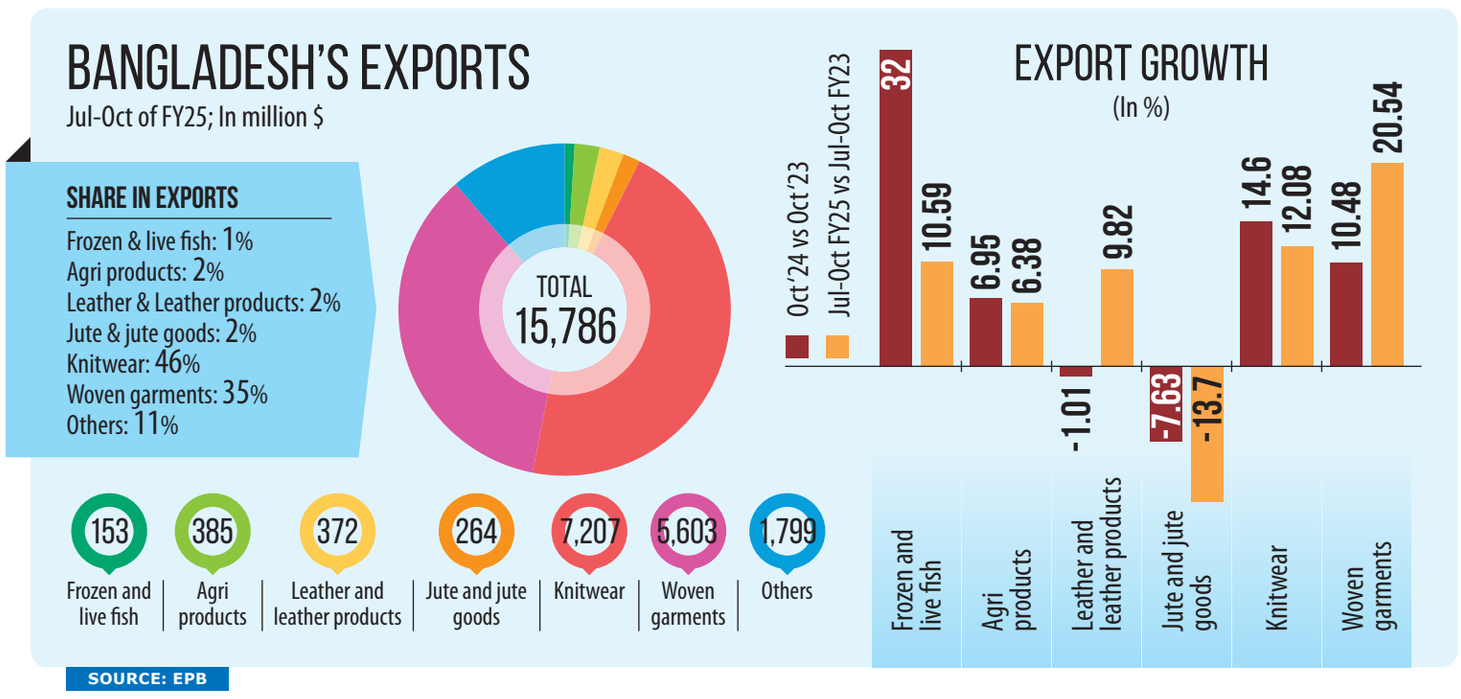
Powered by apparel, exports rise 21% in Oct



STAR BUSINESS REPORT

The country's merchandise exports grew by 21 percent year-on-year to $4.13 billion in October, mainly riding on increased garment shipments, according to data released by the Export Promotion Bureau (EPB) yesterday.

With this, the country's overall merchandise exports in the first four months of the 2024-25 fiscal year climbed 10.80 percent year-on-year to $15.78 billion.

During the July-October period, garment exports, which account for over 84 percent of Bangladesh's total export earnings, grew by 22.80 percent to $12.81 billion.

For the July-October growth, local apparel manufacturers credited a prompt recovery from shipment challenges faced in previous months due to nationwide student protests.

They say these disruptions hampered production, cargo transportation and port activities in Chattogram, and affected timely shipments.

Anwar-Ul-Alam Chowdhury (Parvez), former president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said that while garment shipments are improving, many factories are still not getting enough work orders for the upcoming season.

In the July-September period, he said the apparel shipment from Bangladesh to the USA, the single largest garment export destination, declined by more than 6.0 percent.

This decline coincides with a more than 2 percent decrease in overall US garment imports.

Parvez said the higher volume of garment shipments usually occurs in July, August and September to cater to Christmas sales. This period also witnessed increased payments from international retailers and brands.

During this period, knitwear exports increased by 12.08 percent to $7.20 billion, while woven exports grew by 10.48 percent to $5.60 billion, according to EPB data. Frozen food exports rose by 10.59 percent to $153.18 million.

Leather and leather goods exports jumped 9.82 percent to $372.24 million and non-leather footwear exports increased by 36.04 percent to $167.11 million.

However, jute and jute goods exports declined by 13.70 percent to $264.81 million.

Home textile exports are gradually recovering from a negative trend as local exporters get increased work orders from international retailers and brands.

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Govt to take more time to decide on LDC graduation

Begins talks to sign FTA with Singapore

STAR BUSINESS REPORT

Bangladesh will take more time to decide on its graduation from the least developed country (LDC) category, scheduled for 2026, Commerce Adviser Salehuddin Ahmed said yesterday.

Ahmed made the comment in response to journalists' questions, noting that business leaders prefer that the LDC graduation be delayed for the retention of trade benefits for a longer period.

He was speaking at a press conference held at the commerce ministry in Bangladesh Secretariat in Dhaka.

The adviser also said the government formally began negotiations to sign a free trade agreement (FTA) with Singapore yesterday to boost bilateral trade.

Both Bangladesh and Singapore have a close relationship, and it is expected that the trade will grow once the FTA gets through. However, he did not specifically state when the proposed FTA could be signed.

The adviser also said the businesspeople were concerned over their trade as the LDC graduation would also erode the preferential trade benefits provided to them.

But at the same time the decision of the LDC graduation will not be taken all on a sudden as it is very much connected to many issues like trade and intellectual property rights (TRIPs), he said.

"It (the decision) will be taken in the greater interest of the country's people," he added.

Ahmed said the interim government would continue to hold the negotiations for signing FTAs with a few other countries like Malaysia, Indonesia, Japan and India.

Commerce Secretary Md Selim Uddin also said the government has been holding negotiations with some countries and regional platforms for signing the FTAs.

The countries and regions are Indonesia, Malaysia, Japan, the Regional

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TAKEAWAYS

- Bangladesh was scheduled to leave LDC club in 2026
- The country in talks with some countries to sign FTAs to retain trade benefit
- Bangladesh is also trying to be member of RCEP and Asean blocs
- Signing trade agreements with India, Japan, Malaysia and Indonesia is underway

POST-LDC BENEFITS

- WTO extended trade benefit for 3 more years for graduating LDCs
- UK, Canada and Australia assured Bangladesh of trade benefit even after graduation
- EU will continue LDC trade benefit for Bangladesh until 2029

Decision on new wage for RMG workers by April

Labour ministry report says

REJAUL KARIM BYRON *and* MD ABBAS

The decision on whether to formulate another minimum wage for garment workers after making adjustments in line with inflation will be made by April next year.

A committee, headed by an additional secretary from the Ministry of Labour and Employment, has already been formed to re-evaluate the minimum wage, it was informed yesterday during a meeting, which was to discuss the progress on the 18-point demands raised by workers in September this year.

The demands were agreed upon by both workers and factory owners following negotiations mediated by the interim government.

The meeting, chaired by Asif Mahmud Shojib Bhuiyan, adviser to the Ministry of Labour and Employment, was held at the Secretariat.

The committee will submit recommendations on the feasibility and imperatives to review the minimum wage to the Ministry of Labour and Employment by April 2025.

The committee, which consists of three representatives each from labour and factory owners, has already held two meetings. The next one will be held on November 20.

Furthermore, over 99 percent of factories under the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) have implemented the previous minimum wage, as promised by the factory owners, according to a report from the Ministry of Labour and Employment.

In late November last year, the minimum wage board finalised Tk 12,500 as the minimum monthly salary for garment workers.

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