PHOTO: MOKAMMEL SHUVO AND SOHRAB HOSSAIN

Clockwise from left: **Cox's Bazar beach wears a deserted appearance during Ramadan as visitors prioritise religious observances over leisure activities; a hotel lobby in the coastal town undergoes renovations ahead of Eid; a guest house in Kuakata is spruced up to welcome holidaymakers after the fasting month.**

Tourist spots await Eid visitors amid tepid demand

Hotel bookings trail last year's figures over security concerns

SUKANTA HALDER, SOHRAB HOSSAIN *and* MOKAMMEL SHUVO

Hotels and resorts in popular tourist spots across Bangladesh have so far got only 70 percent booking of their occupancy ahead of Eid-ul-Fitr -- down from last year's 85 percent, according to industry insiders.

They said that despite a nine-day holiday this time, rising temperatures, red-hot cost of living and safety concerns are putting many off celebrating the festival at scenic destinations.

Meanwhile, a surge in overseas travel is further denting domestic tourism, with more holidaymakers jetting off abroad.

Still, tour operators remain optimistic, predicting bookings could climb to 90 percent as Eid approaches. The festival, marking the end of Ramadan, is expected to fall on 31 March or 1 April, depending on the moon sighting.

PHOTO: COLLECTED

Imranul Alam, managing director of Tour Group Bangladesh, said bookings are higher for spots like Sreemangal, the Sundarbans, Cox's Bazar and Bandarban

The holiday season usually kicks off two days before Eid and spans a week after, with the first four days of Eid being the busiest.

Imranul Alam, managing director of Tour Group Bangladesh, said bookings are stronger for spots like Sreemangal, the Sundarbans, Cox's Bazar and Bandarban. However, interest in Sajek, Kuakata, and Sylhet remains sluggish.

Alam attributed Sajek's slump to a recent fire incident, while Sylhet and Kuakata traditionally draw bigger crowds during monsoon and winter, respectively.

In Cox's Bazar, the country's premier beach destination, roughly half of all hotel rooms have already been snapped up. The town has around 500 hotels and 2,000 restaurants and food outlets.

Jahid Islam Russel, head of accounts at Hotel Delwar Paradise, said 50 percent of their rooms are already booked, with full occupancy expected before Eid.

"We are getting a good response from the guests due to the extended holiday," he added.

Kalimullah, secretary of the Cox's Bazar Hotel-Motel Association, said over half of accommodations are reserved for the post-Eid week, with 80 percent occupancy likely by the festival.

For many Dhaka residents, the beach town offers a much-needed respite during two Eids and other occasions.

A group of 12 friends from Dhaka chose Cox's Bazar to break free from the city's monotonous routine.

"Our daily lives revolve around home and office -- it's boring," said Arifuzzaman, one of the travellers. "Eid is our chance to unwind. Yes, it'll be crowded, but the sea and open sky make it worth it."

Jahangir Alam, inspector of Cox's Bazar Tourist Police, said they have ramped up security for the Eid rush. There will be additional patrols to ensure safety.

Further south, Kuakata -- home to Bangladesh's second-largest beach -- is also bracing for an influx.

Businesses, from hotels to food stalls, have made extensive preparations, with 60-70 percent of rooms already booked.

Al-Amin Khan Ujjal, assistant general manager of Sikder Resort and Villas, reported around 70 percent occupancy and expected a full house soon.

"We've upgraded facilities, including the pool, to enhance the guest experience," he said.

Jahirul Islam of the Kuakata Tour Operators' Association said the quiet Ramadan period allowed hotels to prepare thoroughly. "We're anticipating hundreds of thousands of visitors," he added.

Local officials, including Upazila Nirbahi Officer (UNO) Md Robiul Islam, confirmed all arrangements are in place, while tourist police in-charge Shakhawat Hossain Topu highlighted special security measures for the holidays.

Meanwhile, international trips are stealing some of the domestic market's thunder.

Tour Group Bangladesh Managing Director Imranul Alam noted a 30-35 percent dip in advance bookings compared to last Eid, with summer heat driving travellers abroad. His firm has seen a 50 percent spike in overseas holiday packages.

Mainul Islam Raju of Diganta Travel Freak echoed the trend, citing safety concerns and a growing preference for destinations like Thailand, Malaysia and Sri Lanka -- especially with India's tighter visa rules.

Md Rafeuzzaman, president of the Tour Operators Association of Bangladesh (Toab), told The Daily Star that three-fourths of last year's business is taking place this year.

He attributed people's limited mobility after the July uprising last year to the declining businesses.

According to the Bangladesh Bureau of Statistics, tourism contributed 3 percent to GDP and 8 percent to total employment in the 2018-19 fiscal year.

LDC graduation: Challenges and progress

MD MOHIUDDIN RUBEL

For years, Bangladesh has been approaching a crossroads in its development journey. Having met the criteria for graduation from Least Developed Country (LDC) status in 2018, the government found itself in a conundrum. While graduation symbolises progress and economic maturity, it also threatens to remove trade preferences amid declining foreign reserves, stagnating exports, reduced incentives, and supply chain weaknesses. External shocks, including the Russia-Ukraine war, Middle East tensions, and global inflation, have further complicated this decision.

Despite these challenges, the Bangladesh government has made the courageous decision that graduating from LDC status will strengthen the nation's long-term economic prospects. Rather than postponing, Bangladesh has chosen to face these challenges, refusing to bow to external pressures and signalling confidence in the country's resilience and capacity for adaptation.

However, Bangladesh's transition differs from that of other graduating countries. With around 84 percent of exports concentrated in the ready-made garments (RMG) sector, the nation faces a concentrated risk profile. Unlike other graduating LDCs with more diversified export portfolios, Bangladesh must navigate this transition while protecting its dominant industry and accelerating diversification efforts. This reality demands an exceptional level of preparation and coordinated action.

With LDC graduation, 74 percent of Bangladesh's exports will face market access changes. The EU will enforce stricter trade regulations, such as double transformation rules of origin and an automatic safeguard clause. While GSP+ is an option, it requires compliance with 32 international conventions, and Bangladesh may not qualify since exports exceed the 37 percent threshold. Although GSP benefits in the EU will remain until 2029 and market access to the UK and Australia will continue, trade relationships with Canada, Japan, China, South Korea, and SAFTA countries remain uncertain.

Unlike Vietnam and Cambodia, which have secured favourable regional and bilateral agreements, Bangladesh must now accelerate its trade diplomacy efforts to mitigate the impact of lost preferential access.

The decision to graduate comes at a time when foreign reserves have plummeted, exports have stagnated, and export incentives have been reduced by 60 percent. Many small and medium-sized factories that relied on these benefits have closed, exposing weaknesses in competitiveness due to rising costs. To ensure the sustainability of these businesses post-graduation, the government must implement support mechanisms such as technical assistance programmes, access to affordable financing, and productivity enhancement initiatives to help offset the removal of tax advantages and preferential market access.

The RMG sector, accounting for a major percentage of national export earnings, requires special attention. The WTO and UNCTAD reported a 5 percent decline in the global clothing trade in 2024, signalling tough times. While Bangladesh saw export growth earlier this year, a two-year comparison shows stagnation.

To protect this industry, steps must be taken to enhance competitiveness through technology upgrades, skill development, and product diversification. The government and industry stakeholders should collaborate to counter falling export prices and rising production costs. Despite meeting graduation criteria in 2018, Bangladesh has made limited progress in areas such as trade logistics, energy supply, and customs efficiency. Business costs remain high, and planned economic zones are not yet fully operational.

With graduation imminent, these infrastructure and policy bottlenecks must be addressed urgently. The government should create a task force to fast-track projects that impact export competitiveness, including power generation, transportation networks, and port facilities. Since GSP+ is unlikely to offer relief, securing bilateral trade agreements is imperative.

Bangladesh must overcome regulatory and structural challenges to make itself attractive for such agreements. This requires reforms to investment policies, intellectual property protection, customs procedures, and digital trade frameworks. A negotiation team with private sector representation should be established to pursue these agreements.

The author is a former director of the Bangladesh Garment Manufacturers and Exporters Association

IMF agrees on new $1.3b loan for Pakistan

AFP, *Washington*

The IMF said Tuesday it has reached agreement with Pakistan on a new $1.3 billion loan program and reviewed an existing bailout that would, if approved, unlock an additional $1 billion.

The new 28-month deal would support Pakistan's efforts to mitigate and adapt to climate change, the International Monetary Fund said in a statement announcing its decision.

Both the new program and the loan review require approval from the Fund's executive board, which is largely a rubber-stamping exercise.

Pakistan came to the brink of default in 2023, as a political crisis compounded an economic downturn and drove the nation's debt burden to terminal levels.

It was saved by a $7 billion bailout from the IMF and has enjoyed a degree of recovery, with inflation easing and foreign exchange reserves increasing.

But the deal -- Pakistan's 24th since 1958 -- came with stern conditions that the country improve income tax revenue and cut popular power subsidies, cushioning costs of the inefficient sector.

On Tuesday, the IMF said the Pakistani authorities remained "committed to advancing a gradual fiscal consolidation to sustainably reduce public debt," along with tight monetary policy, cost-cutting measures and reforms, as they agreed in principle to the second review of the existing 37-month program.

Pakistan came to the brink of default in 2023, as a political crisis compounded an economic downturn and drove the nation's debt burden to terminal levels

Assuming the agreement is approved by the Fund's executive board, the Pakistani authorities will get access to fresh funds worth around $1 billion.

That would bring the total disbursements under the existing program to around $2 billion, the Fund said.

"Over the past 18 months, Pakistan has made significant progress in restoring macroeconomic stability and rebuilding confidence despite a challenging global environment," IMF mission chief Nathan Porter said in a statement.

US imposes trade restrictions on dozens of entities with eye on China

AFP, *Washington*

The United States added dozens of entities to a trade blacklist Tuesday, its Commerce Department said, in part to disrupt Beijing's artificial intelligence and advanced computing capabilities.

The action affects 80 entities from countries including China, the United Arab Emirates and Iran, with the department citing their "activities contrary to US national security and foreign policy."

Those added to the "entity list" are restricted from obtaining US items and technologies without government authorization.

"We will not allow adversaries to exploit American technology to bolster their own militaries and threaten American lives," said US Commerce Secretary Howard Lutnick.

The entities targeted include 11 based in China and one in Taiwan, accused of engaging in the development of advanced AI, supercomputers and high-performance AI chips for China-based users "with close ties to the country's military-industrial complex."

They include the Beijing Academy of Artificial Intelligence and subsidiaries of IT giant Inspur Group. Others were included for "contributions to unsafeguarded nuclear activities" or ballistic missile programs.

The aim is to prevent US technologies and goods from being misused for activities like high performance computing, hypersonic missiles and military aircraft training, said Under Secretary of Commerce for Industry and Security Jeffrey Kessler.

US and Chinese flags are seen before an event in Arlington, US. The latest trade blacklist by the US affects 80 entities from some countries, including China.

PHOTO: REUTERS/FILE

Two entities in Iran and China were also added to the list for seeking to procure US items for Iran's defense industry and drone programs, the Commerce Department said.

Beijing condemned the blacklisting of its firms, accusing Washington of "weaponizing" trade and technology in a "typical act of hegemonism".

"We urge the US side to stop generalizing the concept of national security... and stop abusing all kinds of sanctions lists to unreasonably suppress Chinese enterprises," foreign ministry spokesman Guo Jiakun said at a daily news conference.

China would take "necessary measures" to defend its firms' rights, Guo added. Several of the blacklisted companies did not respond to AFP's request for comment on Wednesday.