

# star BUSINESS

## Delegation to visit US next week to discuss tariffs

STAR BUSINESS REPORT

A high-powered delegation from Bangladesh is scheduled to visit the US next week to discuss the tariffs imposed by the Trump administration, Commerce Adviser Sk Bashir Uddin said yesterday.

"The delegation will explore the factors behind the trade imbalance, tariff and non-tariff barriers, and strategies to increase the supply of goods between the two countries," he said at a view-exchange meeting organised by the Bangladesh Secretariat Reporters Forum.

They will also seek a clearer understanding of US expectations regarding tariff matters, he added.

Bashir said the government is formulating a strategy to address the new tariffs slapped by the Trump administration on goods entering the American market.

Products made in Bangladesh will face a fresh 37 percent tariff when entering the US market after the end of a 90-day pause announced by Trump on countries except China.

"The US unilaterally imposed the tariffs. Although the decision has been suspended for 90 days, we are actively working on ways to make any future imposition more tolerable," he said in response to queries.

The commerce adviser said the tariff being imposed to reduce the trade imbalance is unjustified.

This is because the US has considered only goods trade while ignoring service-based exchanges.

"We are using various American platforms such as Google and Facebook and utilising multiple banking channels, but those services have not been taken into account," he said.

"Also, a significant portion of US goods is imported through third countries. If all factors are calculated, the actual trade deficit with the US would look quite different."

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## Bida expresses concern over gas price hike

STAR BUSINESS REPORT

The newly fixed gas tariff discriminates against new investors, as it compels them to pay 33 percent more in bills than existing ones, said Chowdhury Ashik Mahmud Bin Harun, executive chairman of the Bangladesh Investment Development Authority (Bida).

In a letter sent to the Bangladesh Energy Regulatory Commission (BERC) on April 15, Bida called for a tariff revision, warning that the move to hike prices could hurt the country's investment prospects and economic momentum.

"This discriminatory policy will discourage new investments," Chowdhury said in the letter. "Investors are already considering this decision unfair and have taken a stand against it."

The investment promotion agency said it does not oppose the government's plan to reduce subsidies. However, any such decisions should be transparent.

The letter also pointed to the timing of the announcement, which came just days after the Bangladesh Investment Summit 2025 was organised by Bida.

The event drew around 450 investors and business leaders from 40 countries, many of whom expressed interest in investing in Bangladesh, Bida said.

"Several investors signed MoUs and agreements to invest in the country. The announcement of a discriminatory gas price hike right after the summit will undoubtedly create negative sentiment among them," Chowdhury said, urging BERC to reconsider the decision in favour of an investment-friendly pricing model.

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BFIU fines Premier Bank for unfreezing HBM Iqbal's account

STAR BUSINESS REPORT

The Bangladesh Financial Intelligence Unit (BFIU) has fined Premier Bank Tk 1.11 crore and \$30,000 (in equivalent local currency) for unfreezing the bank account of HBM Iqbal, the former chairman of the bank, and allowing fund withdrawals from the account in violation of law.

The anti-money laundering agency sent a letter to the bank in this regard on Wednesday.

A former member of parliament, Iqbal is also the chairman of Premier Group of Companies Ltd.

In November last year, the BFIU instructed all banks to freeze the personal and solely owned company accounts of HBM Iqbal, then chairman of Premier Bank, and his family members.

However, the BFIU found that Premier Bank had unfrozen the bank account of its former chairman HBM Iqbal and allowed the withdrawal of Tk 1.11 crore and \$30,000 from the accounts.

An official of the BFIU, seeking anonymity, told The Daily Star that the bank unfroze Iqbal's account and allowed fund withdrawals, thereby violating the law.

He added that the fine was imposed under Subsection 6 of Section 23 of the Money Laundering Prevention Act, 2012.

According to this subsection, if any reporting organisation fails to

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## Govt sets Tk 4.99 lakh crore target for NBR in FY26

### BY THE NUMBERS

- NBR's revenue target Tk 499,000cr in FY26
- Revised target set at Tk 463,500cr for FY25
- Actual receipts in FY24 stood at Tk 361,452cr
- As of Feb, NBR's revenue collection stood at Tk 217,971cr

### REVENUE COLLECTION AND TARGETS

(In crore taka)



Non-NBR tax  
Non-tax revenue  
NBR revenue

SOURCE: FINANCE MINISTRY

REJAUL KARIM BYRON and MD ASADUZ ZAMAN

The government has set a revenue collection target of Tk 4.99 lakh crore for the National Board of Revenue (NBR) in the upcoming fiscal year 2025–26 – a 7.6 percent increase from the revised target for this year.

The decision came from a meeting of the Fiscal Coordination Committee, chaired by Finance Adviser Salehuddin Ahmed, on Tuesday this week, according to finance ministry officials.

Although the numerical jump compared to the current year's

revised target appears modest, the new target has raised eyebrows, given the underwhelming performance in revenue collection so far.

Until fiscal year (FY) 2023–24, the tax authority had missed its annual targets for 12 consecutive years.

This year appears no different. Revenue collection remains sluggish, with receipts falling far short of expectations.

Many within the finance ministry, the revenue board, and among independent analysts believe the FY26 target is overly optimistic and out of step with the current capacity of the tax

administration.

To achieve the revised target for the current fiscal year, the revenue board would need to collect at least 28 percent more than what it managed in the previous fiscal year.

The revised target for FY25 has been set at Tk 4.63 lakh crore, while actual receipts in FY24 amounted to Tk 3.61 lakh crore, according to finance ministry data.

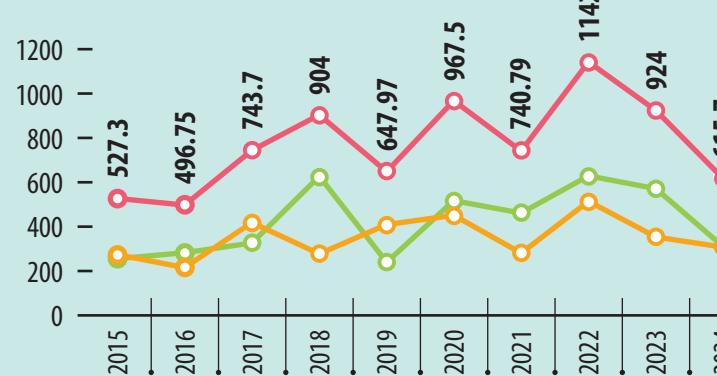
The shortfall is already evident. In the first eight months of the current fiscal year, the NBR collected just Tk 2.18 lakh crore – reflecting a year-on-year growth of only 1.76 percent.

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## Banks' CSR spending falls to 8-year low

### CSR SPENDING BY BANKS

In crore Tk; SOURCE: BB Jan-Jun Jul-Dec Total



STAR BUSINESS REPORT

Banks' spending on corporate social responsibility (CSR) activities fell to an eight-year low in 2024 as the pressure to provide finance from higher-ups declined following the political changeover in August.

Banks spent Tk 615 crore last year, down 33 percent year-on-year, according to Bangladeshi Bank data.

This was the second consecutive year that spending by banks for CSR purposes declined since the highest spending of Tk 1,142 crore was registered in 2022.

Despite that, almost half of the funds were spent on disaster management, such as the distribution of blankets among the poor during winter and relief and food among flood victims.

The central bank's latest data showed that CSR spending by banks amounted to Tk 307 crore in the July–December period of 2024, 49 percent of which went to disaster management.

In the first half of 2024, banks spent 45 percent of Tk 309 crore on disaster management, with a good amount going towards blankets and various funds maintained by the Prime Minister's Office before the political changeover on August 5.

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Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank PLC, said banks had to give a major portion of funds to various foundations and the prime minister's fund during the previous government's tenure.

This was because of pressure from higher authorities, he said.

"That pressure has reduced in the changed context, especially in the last five months," Rahman added.

The central bank has been publishing CSR spending reports since 2015.

Prior to that, it had prepared an indicative guideline for CSR expenditure and end-use oversight for banks, allowing them to spend a portion of their net profit on CSR.

The Bangladesh Bank has a provision requiring banks in the country to spend 60 percent of their CSR funds on education and healthcare, with 30 percent allocated for each sector.

It has also suggested that banks allocate 20 percent of their CSR funds for schemes that support climate change adaptation and mitigate its impact.

However, the central bank's latest publication showed that banks are far from complying with the directive on spending for education.

During the July–December period of 2024, banks spent an average of only 14.5 percent of their CSR funds on education. However, 27 percent of their CSR spending was for healthcare, such as providing financial support to the poor and helpless, clinical services, and the free distribution of medical items.

Meanwhile, central bank data showed that banks spent 4.89 percent on disaster management and climate risk mitigation during the period.

The remaining Tk 161 crore, or 53.55 percent, was spent on other categories.

The report said private banks contributed 92 percent of the total CSR spending in the July–December period, followed by state-owned commercial banks and foreign banks.

Shah Md Ahsan Habib, a professor at the Bangladesh Institute of Bank Management, said spending by banks on CSR activities is a kind of philanthropy.

He also said that banks' CSR funds are highly misused, as various vested quarters have used them for personal gain over the years.

"From that perspective, if the funds are spent effectively even after the drop, I don't mind," he added.

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## Insurance sector under strain as claim settlements drop

SUKANTA HALDER

The rate of claim settlements in Bangladesh's insurance sector declined last year, deepening concerns over transparency and further eroding the confidence of policyholders in an industry already trailing behind global standards.

In 2024, only 57 percent of insurance claims were settled, according to the Insurance Development and Regulatory Authority (Idra).

This marks a sharp decline from around 65 percent the previous year.

In monetary terms, insurers paid out Tk 9,476 crore last year against total claims amounting to Tk 16,484 crore.

According to the breakdown, life insurance fared slightly better than its non-life counterpart.

The settlement rate for life insurance policies fell from 72 percent to 65 percent,

policy has matured.

Md Solaiman, deputy director of Idra's non-life department and the acting spokesperson, said six life insurance firms are currently facing serious challenges due to irregularities and corruption, which have pulled down the overall settlement rate.

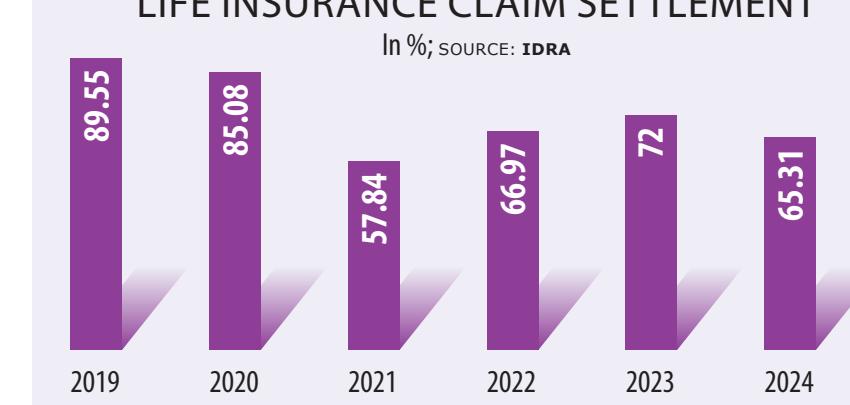
"Their claim settlement rate is below 10 percent, which has had a severely negative impact on the life insurance sector. As a result, claim settlements in 2024 have declined," he told The Daily Star.

The Idra has asked these six firms – Bairia Life Insurance, Farestan Islami Life Insurance, Sunlife Insurance, Sunflower Life Insurance, Padma Islami Life Insurance and Golden Life Insurance – to submit detailed action plans outlining how they intend to improve their subpar claim settlement rates.

In the non-life segment, Solaiman

### LIFE INSURANCE CLAIM SETTLEMENT

In %; SOURCE: IDRA



while non-life insurance dropped from 41 percent to just 32 percent.

Globally, the average claim settlement rate hovers around 97.98 percent. In neighbouring India, it stood at around 98 percent in the fiscal year 2022–23, according to media reports.

At present, Bangladesh has 36 life insurance companies and 46 non-life insurers. One firm, Golden Life Insurance, has yet to submit its data to the regulator.

As per the Insurance Act 2010, insurers must settle claims within 90 days of receiving all necessary documents after a

said the regulator recently met senior executives from several companies to resolve ongoing challenges.

He said that while most firms have reinsurance their policies with Sadharan Bima Corporation, many claims remain unsettled because the insurers failed to provide the required investigation reports.

"Sadharan Bima Corporation was tasked with formulating a guideline in this regard in November last year, but it failed to deliver," he said.

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## Dream71 to build renewable energy web platform for Lesotho

### STAR BUSINESS REPORT

Dream71 Bangladesh Limited has been entrusted with building a digital platform to promote renewable energy in the African nation of Lesotho.

The leading Bangladeshi information technology company will develop a modern, web-based system to streamline e-tendering, data management, real-time monitoring, and geospatial analysis.

The work will be carried out under a "Renewable Lesotho: Access to Affordable and Renewable Energy" initiative — jointly implemented by the United Nations Development Programme (UNDP) and the government of Lesotho.

The company signed an agreement with the UNDP after participating in a competitive international tender in January, under which financial and technical

proposals went through a rigorous evaluation.

"We are proud to be associated with this project," said Rashad Kabir, managing director of Dream71, in a statement.

"We believe it is possible to advance the remote populations of developing countries through sustainable technology. This platform will be a powerful catalyst for change for the people of Lesotho," he said.

The project will be implemented over a two-year period from April 2025 to April 2027.

Dream71, which exports software to approximately 15 countries, has a track record in developing digital solutions for both local and international clients.

In addition to serving various ministries of Bangladesh, the company has previously developed software for the governments of East Timor and Bhutan.

## Ctg customs saw 12% revenue growth in July-March

Takes measures to ramp up collection ahead of year-end

### MOHAMMAD SUMAN

Revenue collection by Chattogram Customs House rose 12 percent in the first nine months of current fiscal year thanks to the easing of import restrictions, with shipments of Ramadan essentials surging ahead of the month of fasting for Muslims.

The country's top revenue earner collected Tk 55,346 crore in the July-March period of the current fiscal year (FY), up from Tk 49,553 crore during the same period of FY24.

But despite the year-on-year growth, Chattogram customs still missed its revenue target by 12 percent, according to data of the National Board of Revenue (NBR).

In terms of volume, 8.37 crore tonnes of goods worth Tk 6.06 lakh crore were imported in the nine-month period. Meanwhile, a total of 8.07 crore tonnes worth Tk 5.11 lakh crore were imported in the

corresponding months of FY24.

Officials at the customs house attributed this year's revenue shortfall to a drop in imports of select goods as well as the government's duty exemptions.

NBR data shows that although around 4,500 types of products are imported through Chattogram port, just 30 key items account for nearly 45 percent of the total revenue from customs.

These items include diesel, cement clinker, furnace oil, palm oil, crude petroleum, steel products, apples, coal, sugar, areca nut, powdered milk, motorcycle parts and oranges.

Mohammad Sydul Islam, deputy commissioner of Chattogram Customs House, said the increased import of foot items for Ramadan had a positive impact on revenue collection.

Also, enhanced monitoring for import irregularities and quicker completion of auction procedures

helped boost revenue.

"We are hopeful of achieving our revenue collection target if this momentum continues over the remaining three months of the current fiscal year," he added.

But although the customs house registered year-on-year growth, Islam acknowledged that they remain behind schedule in meeting the annual goal.

He said several measures have been taken to increase revenue collection over the next three months and meet the target.

He also said they are preparing a list of importers and clearing and forwarding agents that were previously found to be dodging taxes and subsequently increase surveillance on their consignments.

So, Chattogram customs could still reach this year's revenue target if the plans are carried out as intended, he added.

## Dhaka stocks fall for third day

### STAR BUSINESS REPORT

Stocks fell for the third consecutive session yesterday as investor participation remained on a downward trajectory, while turnover also declined.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), lost 26.32 points, or 0.51 percent, to close at 5,105.68.

The Sharia-compliant DSES index declined 0.62 percent to 1,148.42, while the DS30, which tracks blue-chip stocks, fell 0.80 percent to settle at 1,878.16.

Turnover, a key indicator of market activity, declined 11 percent to Tk 396.42 crore.

Of the 395 issues traded, 120 advanced, 212 declined, and 63 remained unchanged.

Desh General Insurance Company was the day's top gainer, rising 10 percent, while AIBL 1st Islamic Mutual Fund fell the most, shedding 8 percent.

## Govt sets Tk 4.99 lakh crore

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Given this sluggish performance, the NBR has already informed the Finance Division that it will not be able to meet the revised target for FY25.

Pressure from the International Monetary Fund (IMF) has been a major driver behind the push for higher revenue. The multilateral lender has urged the government to increase collections — a key condition tied to an ongoing \$4.7 billion loan programme.

For FY26, the IMF has set a revenue collection target of Tk 4.55 lakh crore for the NBR, alongside an additional Tk 57,000 crore to be raised through reducing tax exemptions and introducing further hikes.

Earlier, a top NBR official described the target as "high, ambitious, and unrealistic."

However, following negotiations, the NBR managed to revise the additional collection figure down to Tk 40,000 crore.

"After negotiations, the visiting IMF officials

informally agreed to the new figure," a senior NBR official told The Daily Star yesterday.

Although the finance ministry has acknowledged an economic slowdown due to political instability and other adverse factors, it maintains that a gradual recovery is underway.

Finance ministry officials believe this will help strengthen revenue flows in the months ahead.

Besides, a raft of reforms aimed at boosting revenue is expected to be fully implemented in the next fiscal year, improving the NBR's performance, according to a senior finance ministry official.

A former top official of the NBR welcomed the new target but said the tax authority must rise to the challenge.

Bangladesh has one of the lowest tax-to-GDP ratios in the world, even compared to its South Asian neighbours. That means the NBR is not utilising its full efficiencies," he said, requesting anonymity.

If the NBR needs any capacity support, they should ask the government.

But they should move fast, as this is high time to catch the big fishes," he added.

He also expressed doubts about the NBR's current approach, saying, "We are not witnessing a proactive approach to addressing tax evasion."

In addition, an ambitious target is also being set for non-NBR tax collection in the upcoming fiscal year.

Against a revised target of Tk 14,500 crore for the current year, just Tk 3,755 crore was collected in the first half — slightly below the Tk 3,780 crore collected during the same period last year.

The target for FY26 has been set at Tk 19,000 crore.

Meanwhile, non-tax revenue is also projected to rise, buoyed by collections from state-owned enterprises and other sources.

The government is aiming for Tk 46,000 crore in FY26, up from the revised

target of Tk 40,000 crore in the current year.

Collections in the first half of FY25 reached Tk 32,497 crore — a 31 percent increase from Tk 24,708 crore in the same period last year.

The target for total revenue, including both NBR tax and non-tax sources, has been set at Tk 5.64 lakh crore in FY26, an 8.88 percent increase from the revised target of Tk 5.18 lakh crore for FY25.

### Bida expresses

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He also proposed organising a review and impact analysis workshop to evaluate the implications of the price hike.

Bida's concerns came after foreign stakeholders questioned the timing of the price hike, with the Foreign Investors' Chamber of Commerce and Industry and the European Union Chamber of Commerce in Bangladesh expressing concern over the move.

## Delegation to visit US next week to discuss tariffs

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He said a special adviser to the chief adviser is closely engaged and is holding regular meetings with government entities, stakeholders, and economists to address the issue.

The delegation will define a clear action plan following discussions and present the US with Bangladesh's tariff and non-tariff structure. They will also highlight the diversity of trade within the WTO framework," he said.

Bashir said Bangladesh is considering increasing imports from the US and assessing the required infrastructural and policy support.

Bangladesh imported \$2.2 billion from America and exported \$8.4 billion in 2024.

"We are also exploring how to boost trade in complementary goods like animal feed, cotton, oilseeds, and others," he said.

"I will travel to the US with a final set of proposals," he concluded.

The event was chaired by BSRF President Fosih Uddin Mahtab and moderated by BSRF General Secretary Masudul Haque.

## Insurance sector

one other company posted a claim settlement rate of 28 percent. The rest managed to settle more than half of their claims.

Among non-life insurers, four companies failed to exceed the 10 percent mark, while 11 crossed 30 percent, and nine surpassed 50 percent.

Md Main Uddin, professor at the Department of Banking and Insurance at the University of Dhaka, said the decline was alarming and undermining the credibility of Bangladesh's insurance industry.

"When only 57.47 percent of claims are being settled, it signals a systemic failure in both governance and operational transparency," he said.

He added that such failings breed mistrust among policyholders, many of whom already view the process with suspicion.

"This is not just a regulatory concern -- it's a consumer rights issue," said the professor.

To restore confidence and encourage sectoral growth, the Idra must tighten enforcement, push for digital claim processing, and penalise undue delays, he said.

Without sweeping reform, the sector could face continued stagnation, deterring potential customers and damaging its long-term prospects, Uddin added.

## WTO slashes 2025 trade growth forecast

### REUTERS, Geneva

The World Trade Organization sharply cut its forecast for global merchandise trade from solid growth to a decline on Wednesday, saying further US tariffs and spillover effects could lead to the heaviest slump since the height of the Covid pandemic.

The WTO said it expected trade in goods to fall by 0.2 percent this year, down from its expectation in October of 3.0 percent expansion. It said its new estimate was based on measures in place at the start of this week.

"I'm very concerned, the contraction in global merchandise trade growth is of big concern," WTO Director General Ngozi Okonjo-Iweala told reporters in Geneva.

US President Donald Trump imposed extra duties on steel and car imports as well as more sweeping global tariffs before

unexpectedly pausing higher duties on a dozen economies. His trade war with China has also intensified with tit-for-tat exchanges pushing levies on each other's imports beyond 100 percent.

The WTO said that, if Trump reintroduced the full rates of his broader tariffs that would reduce goods trade growth by 0.6 percentage points, with another 0.8 point cut due to spillover effects beyond US-linked trade.

Taken together, this would lead to a 1.5 percent decline, the steepest drop since 2020.

"If we have contraction in global merchandise the concern is spill over into broad GDP growth. We've seen that the trade concerns can have negative spill overs into financial markets, into other broader areas of the economy," Okonjo-Iweala added. She also raised alarm about the impact on developing countries.

## BFIU fines Premier Bank

### FROM PAGE B1

comply with an order for freezing or suspension of transactions issued by Bangladesh Bank under clause (c) of Subsection (I), the central bank may impose a fine not less than the balance held in that account but not more than twice the balance held at

the time the order was issued.

After co founding Premier Bank in 1999, Iqbal served as chairman for 26 years before stepping down in January this year. Following the political changeover on August 5 last year, Iqbal fled the country.

The Daily Star tried to

Mohammad Imran Iqbal, son of HBM Iqbal and a director of the bank, was appointed as the new chairman, ensuring the continuation of the family's influence over the institution.

The Daily Star tried to reach Mohammad Abu Jafar, managing director

and CEO of Premier Bank, via phone and text messages, but he did not respond.

However, a senior official of the bank, seeking anonymity, told the newspaper that the bank will take action against the officials involved in the irregularities.

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# Bay Terminal project inches forward

Revised proposal may get Ecneec approval on April 20

DWAIPAYAN BARUA, Ctg

After seeing very little progress over the past one and a half years, the Bay Terminal project at the Chattogram port is expected to gain momentum as a development project proposal (DPP) for three crucial components is expected to be placed soon.

According to port officials, once the DPP is approved, a loan agreement with the World Bank will follow, enabling physical work to start.

Md Omar Faruk, secretary of the Chittagong Port Authority (CPA), hoped that the DPP would be placed for approval at a meeting of the Executive Committee of the National Economic Council (Ecneec) on April 20.

The much discussed port expansion project has seen little progress since former prime minister Sheikh Hasina unveiled the masterplan on November 14, 2023.

The CPA only submitted the revised DPP of the Bay Terminal Marine Infrastructure Development Project last week, incorporating three crucial components. These include the construction of a breakwater, access channel and navigational aids, and developing hinterland connectivity as well as common facilities.

The total cost of this project is primarily estimated at Tk 13,000 crore and it will take seven years for completion. The cost of the first two components -- the construction of breakwater, access channel and navigational aids -- is estimated at Tk 10,000 crore. The World Bank has already pledged \$650 million to finance these two major components.

A senior CPA official engaged with the project said the CPA will spend Tk 3,000 crore from its own fund for the third component, which is developing hinterland connectivity and common facilities.

Internal road connectivity, a drainage system synchronised with the port

## MARINE INFRASTRUCTURE PROJECT COMPONENTS

### Creation of breakwater

Construction of access channel and navigational aids

Developing hinterland connectivity and common facilities

## COSTS OF THREE COMPONENTS

Total estimated cost about Tk 13,000 crore

World Bank to give \$650m for the first two components

CPA would spend Tk 3,000 for the 3rd component

## INVESTMENT OFFERS FOR BAY TERMINAL

Abu Dhabi-based AD Ports Group offers to invest \$1b

PSA Singapore and Dubai-based DP World promised to invest \$1.5b each

Local firm East Coast Holdings proposed to invest \$3.5b jointly with a few global firms



## BAY TERMINAL OVERVIEW

Proposed terminal comprises construction of four terminals

There will be two container terminals, one multi-purpose terminal and an oil and gas terminal

Currently ships with 10-metre draft and of 200-metre length can berth at existing jetties of Ctg port

Bay Terminal will accommodate 12-metre draft and 280-metre-long ships

city's drainage, a service jetty, and some buildings will be developed under the third component.

The Bay Terminal, featuring two container terminals and a multi-purpose terminal, will be able to handle around 5 million twenty-foot equivalent units (TEUs) of containers, adding to the port's current capacity of 3.2 million TEUs.

CPA Member (engineer) Commodore Kacsoar Rashid said the DPP of this project was reviewed at a pre-Ecneec meeting last month, where CPA was asked for some corrections.

He said they submitted the corrected DPP to the shipping ministry on April 6 while the ministry forwarded it to the

planning ministry the following day.

Senior officials from the planning ministry and Economic Relations Division (ERD) visited the proposed site of the project on April 12 and expressed satisfaction, Rashid said.

Currently, vessels carrying 1,800-2,000 TEUs of containers can berth at the existing jetties of the port as vessel movement on the Karnaphuli channel is limited during high tide.

The Bay Terminal, with its 12-14 metres deep channel, will allow vessels carrying 5,000-6,000 containers to navigate around the clock.

The previous government had an

understanding with PSA Singapore and DP World of the UAE to construct and operate two container terminals under the Bay Terminal. PSA Singapore and DP World each pledged to invest \$1.5 billion for the terminals.

In mid-May last year, the CPA signed a memorandum of understanding with Abu Dhabi-based AD Ports Group regarding the latter's proposal to build a multipurpose terminal under the project.

A senior CPA official said the approval of DPP for the initial project would pave the way for progressing negotiations with the interested global firms to build the terminals.

## China tells Trump to 'stop threatening and blackmailing'

AFP, Beijing

China told Washington on Wednesday to "stop threatening and blackmailing" after US President Donald Trump said it was up to Beijing to come to the negotiating table to discuss ending their trade war.

Trump has slapped new tariffs on friend and foe but has reserved his heaviest blows for China, with 145 percent on many Chinese imports even as Beijing has retaliated with levies on US goods of 125 percent.

"If the US really wants to resolve the issue through dialogue and negotiation, it should stop exerting extreme pressure, stop threatening and blackmailing, and talk to China on the basis of equality, respect and mutual benefit," foreign ministry spokesman Lin Jian said.

"China's position has been very clear. There is no winner in a tariff war or a trade war," Lin said. "China does not want to fight, but it is not afraid to fight."

This year, Trump has imposed an additional 145 percent tariff on many goods from China, stacking atop duties from previous administrations.



Trump initially imposed 20 percent tariffs on imports from China over its alleged role in the fentanyl supply chain, then added 125 percent over trade practices that Washington deems unfair.

His administration has, however, given temporary reprieve for certain tech products -- like smartphones and laptops -- from the latest levy.

The White House said Tuesday it was up to Beijing to make the first move towards ending the dispute, which economists warn could cause a global recession.

"The ball is in China's court. China needs to make a deal with us. We don't have to make a deal with them," said a statement from Trump read out by Press Secretary Karoline Leavitt.

China on Wednesday said its economy grew a forecast-beating 5.4 percent in the first quarter as exporters rushed to get goods out of factory gates ahead of the US levies.

"The escalation happening in April is going to be felt in the second-quarter figures as the tariffs will send stateside firms looking to other suppliers, impeding Chinese exports and slamming the brakes on investment," Heron Lim from Moody's Analytics told AFP.

Japan's envoy for talks slated for Wednesday in Washington said meanwhile that he was optimistic of a "win-win" outcome for both countries.

Ryohei Akazawa, who was due to meet US Treasury Secretary Scott Bessent, said he would "protect our national interest".

On Wednesday Honda said it will shift production of its hybrid Civic model from Japan to the United States, although this represents a very small part of its global output.

## Boeing faces fresh crisis amid trade war

AFP, New York

US aviation giant Boeing, fresh off a crippling labor dispute and quality control crisis, has now found itself drawn into the escalating trade conflict between Washington and Beijing.

The largest US exporter, Boeing has been caught in the crossfire after President Donald Trump imposed new tariffs of up to 145 percent on many Chinese products, sparking retaliatory 125 percent levies from Beijing.

The duties more than double the cost of aircraft and spare parts manufactured in the United States.

On Tuesday, Trump accused China of renegeing on a "big Boeing deal," following a Bloomberg news report that Beijing ordered airlines not to take further deliveries of the company's jets.

The report also said that Beijing requested Chinese carriers to pause purchases of aircraft-related equipment and parts from US firms.

Boeing has declined to comment on the matter.

Last week, Bloomberg reported



American Airlines' Boeing 737 planes are seen parked at LaGuardia Airport in Queens, New York.

PHOTO: AFP/FILE

that China's Juneyao Airlines was delaying delivery of a Boeing widebody aircraft as the growing trade conflict drives up costs of big ticket products.

Boeing's website shows its order book at the end of March contained 130 aircraft due to Chinese customers, including airlines and leasing companies.

But as some buyers prefer to remain anonymous, the true figure could be higher.

Bank of America (BofA) analysts

note that Boeing is scheduled to deliver 29 aircraft this year to identified Chinese companies, but added that a large portion of unidentified customers who bought aircraft are actually Chinese.

"China represents about 20 percent of the market for large civil jets over the next 20 years," BofA Securities said in a note.

It added that the US administration cannot ignore Boeing when it considers trade balances.

## China's economy beats forecasts in Q1

AFP, Beijing

China said Wednesday its economy topped forecasts in the first quarter, as exporters rushed to shift goods ahead of swinging US tariffs, but warned it faced "certain pressures" from Donald Trump's trade blitz.

Beijing and Washington are locked in a fast-moving, high-stakes game of brinkmanship since the US president launched a global tariff assault that has particularly targeted Chinese imports.

Tit-for-tat exchanges have seen US levies imposed on China rise to 145 percent, and Beijing setting a retaliatory 125 percent toll on imports from America.

Official data Wednesday offered a first glimpse into how those trade war fears are affecting the Asian giant's fragile recovery, already feeling the pressure of persistently low consumption and a property market debt crisis.

"At the moment, the imposition of high tariffs by the US will put certain pressures on our country's foreign trade and economy," Sheng Laiyun, Deputy Commissioner of the National Bureau of Statistics (NBS), told a news conference.

But, he said, "it will not change the general trend of China's economy

continuing to improve in the long run".

The NBS said that "according to preliminary estimates, the gross domestic product in the first quarter... (was) up by 5.4 percent year on year at constant prices".

That was above the 5.1 percent

predicted by analysts polled by AFP.

Retail sales, a key gauge of consumer demand, climbed 4.6 percent year on year, the NBS said -- exceeding expectations following greater efforts by Beijing to boost consumer demand after years of weak spending.



Vendors work at vegetable stalls at a market in Beijing yesterday. According to preliminary estimates, China's gross domestic product grew 5.4 percent year-on-year in the first quarter.

And industrial output soared 6.5 percent in the first quarter of the year, up from 5.7 percent in the final three months of 2024.

But Beijing warned the global economic environment was becoming more "complex and severe" and that "proactive and effective macro policies" were needed to boost growth and consumption.

"The foundation for sustained economic recovery and growth is yet to be consolidated," the NBS said.

Figures released Monday showed Beijing's exports soared more than 12 percent on-year in March, smashing expectations, with analysts attributing it to a "front-loading" of orders ahead of Trump's so-called "Liberation Day" tariffs on April 2.

Observers say recent data will likely be overshadowed by more grim figures further down the line as tariffs begin to bite.

"The damage from the trade war will show up in the macro data next month," Zhiwei Zhang, president and chief economist at Pinpoint Asset Management, said in a note.

Steve Innes at SPI Asset Management said the figures "might look like a win on the surface, but let's not pretend this caught anyone off guard".

## Crown Cement directors to transfer Tk 51cr shares to family members

STAR BUSINESS REPORT

Two sponsor directors of Crown Cement have announced plans to gift a total of 1.04 crore shares, worth Tk 50.98 crore based on yesterday's closing price on the Dhaka Stock Exchange (DSE), to their family members.

Md Alamgir Kabir, a sponsor director of the company, expressed his intention to transfer 59.7 lakh shares to his spouse and children, according to a disclosure posted on the DSE website yesterday.

As per the disclosure, he will gift 29.7 lakh shares to his son Solaiman Kabir, 15 lakh to his spouse Kamrun Nahar, and 5 lakh each to his daughter Raisa Kabir, son Raihanul Kabir, and daughter Nusaiyah Kabir. All five recipients are general shareholders of the company.

In a separate disclosure, another sponsor director, Mohammed Jahangir Alam, said he would evenly split 30 lakh shares and transfer them to his spouse and daughter, who are also general shareholders.

The transfers will take place outside the trading system of the exchange by April 30, 2025.

Crown Cement's paid-up capital stands at Tk 148 crore.

Its sponsor directors collectively hold 65.33 percent of shares, while the remaining are held by institutional and general investors.

Shares of the cement maker rose 2.3 percent to close at Tk 48.70 on the DSE yesterday.

## IoM to use €5m EU grant for migration management

STAR BUSINESS REPORT

The International Organization for Migration (IoM) will use a €5 million grant from the European Union to implement a project on improving migration management and reintegration services in Bangladesh.

Lance Bonneau, chief of mission of IoM Bangladesh, and Md Shahriar Kader Siddiqi, secretary to Economic Relations Division (ERD) under the Ministry of Finance, signed an agreement in this regard on Tuesday.

The four-year project is titled "Strengthened Service Delivery Systems for Improved Migration Management and Sustainable Reintegration", according to a press release from the ERD.

The project aims to enhance gender-responsive and rights-based migration and reintegration services, promoting safe and orderly migration while ensuring sustainable reintegration of returnees.

The initiative will support the Ministry of Expatriates' Welfare and Overseas Employment and the Ministry of Foreign Affairs in strengthening relevant service delivery systems, as per the press release.

Its two core targets are strengthening migration service delivery and supporting vulnerable returnees.

The IoM has over four decades of experience globally in reintegration assistance and migration governance.

As the migration agency of the United Nations, it plays a crucial role in advancing the UN's 2030 Agenda and the Global Compact for Safe, Orderly and Regular Migration.