

star BUSINESS



Bangladesh's exports to US may rise amid Trump's tariffs: WTO

STAR BUSINESS REPORT

Bangladesh is among several Least Developed Countries (LDCs) poised to benefit from shifting trade patterns in the United States, according to a new report by the World Trade Organization (WTO).

In its April edition of Global Trade Outlook and Statistics, published earlier this week, the WTO said exports from countries like Bangladesh, Cambodia and Lesotho could rise as they supply products in sectors where the US currently relies heavily on imports from China -- including clothing, textiles and electronic equipment.

The WTO's analysis, based on trade simulations, suggests that these nations could stand to gain as demand shifts towards their goods.

However, ongoing trade policy uncertainty, particularly in relation to the United States, may still drag on growth. The simulations project a small decline in the real gross domestic product of LDCs despite the potential uptick in exports.

On April 2, US President Donald Trump imposed tariffs on goods from dozens of countries entering the American market. The move clouded the global trade outlook.

On April 9, the Trump administration announced a 90-day pause on the new tariff except for China.

Under the new rates, Bangladesh's products will face a new 37 percent duty in the US alongside the previous 16 percent.

The WTO said that global trade prospects have worsened significantly amid rising tariffs and policy volatility.

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It's time to go for more flexible exchange rate: IMF

STAR BUSINESS REPORT

The time is right for Bangladesh to move towards a more flexible exchange rate regime, said Chris Papageorgiou, mission chief of the International Monetary Fund (IMF) to Bangladesh.

At a press conference at the Bangladesh Bank headquarters yesterday, Papageorgiou said that the gap between the official and unofficial exchange rates had narrowed significantly, creating an opportune moment for the shift.

Describing the current regime, he said, "This is not full flexibility -- it's a crawling peg, which provides some guidance within a band but still allows for a future transition to complete flexibility."

The press briefing followed the IMF delegation's visit to Dhaka from April 6 to 17 as part of the combined third and fourth reviews under its ongoing \$4.7 billion package.

It includes the Extended Credit Facility (ECF), Extended Fund Facility (EFF), and Resilience and Sustainability Facility (RSF).

Papageorgiou said, "From the IMF's perspective, and looking at the reform and its history, we have been discussing this crawling peg for at least one or two years."

"This is, in fact, the right time to move towards this flexibility," he replied, when asked whether it was the right time to move towards greater flexibility.

"We also see that the difference between the illegal exchange rate [unofficial rate] and the official exchange rate is very small, and we praise the authorities for this," he added.

The IMF and the government, specifically the Bangladesh Bank, were aligned on the need for greater flexibility, he said, adding, "There is no doubt that we all want to move in the same direction. We see more flexibility in the exchange rate regime in Bangladesh."

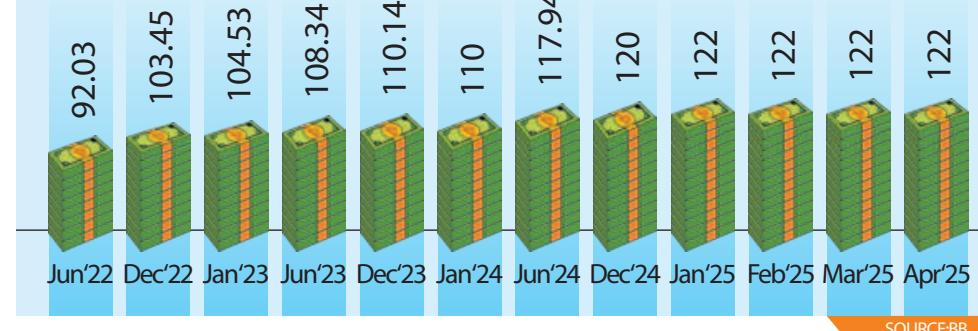
For more than three years, the country's foreign exchange market has been facing volatility.

However, recent months have seen signs

IMF says...

Forex reserves stabilised but accumulation of reserves is yet to happen	It supports the current tight monetary stance to tackle inflation	It emphasised the need for a healthy, competitive, and well-regulated banking sector	Bangladesh is making progress in coordinating domestic and global efforts to recover stolen assets	It is working closely with authorities on revenue targets and addressing the financing gap
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EXCHANGERATEOF DOLLAR AGAINST TAKA



of stability, due mainly to increased inflows of US dollars, which have reduced the gap between the official and parallel market rates.

Despite this improvement, the exchange rate system remains partially controlled.

In February, the Bangladesh Bank governor said that a full transition to a market-based system was not yet feasible, citing concerns about market manipulation.

"If we make it fully market-based, they will take advantage of it," the central bank governor said at the time.

At yesterday's press conference, Papageorgiou said, "We see that reserves are now stabilised, and again, we give a lot of credit to the authorities for that, because, if

you remember, for a number of years, reserves had been on a steady decline and worrisome trend -- now they are stable."

However, he cautioned that reserve accumulation had yet to begin in earnest. "We expect that, with more flexibility, this accumulation will happen in the near term."

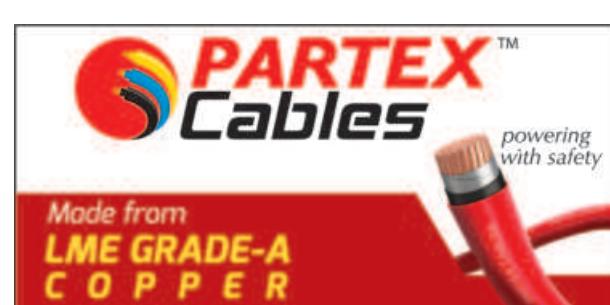
On monetary policy, the IMF said that it was up to the central bank.

He added that the 10 percent policy rate would likely remain unchanged until inflation showed clear signs of easing. "Looking ahead, as we expect inflation to ease, possibly by next year, the governor will consider what to do with the policy rate."

On the banking sector, Ivo Krzmar, deputy mission chief to Bangladesh, said that there is no doubt that a healthy and competitive banking sector, which is regulated and supervised in line with international standards, is a prerequisite for a healthy growth rate.

Commenting on recent regulations concerning asset classification and provisioning, Krzmar said, "The new regulation is a cornerstone of reform that aligns with international best practices, and the IMF commends the authorities for implementing this rule."

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NBR to collect travel tax directly from outbound passengers

STAR BUSINESS REPORT

The National Board of Revenue (NBR) is set to introduce a new system for collecting travel tax directly from outbound passengers, replacing the current practice where airlines include the tax in ticket prices and later deposit it into the state coffers.

NBR Chairman Md Abdur Rahman Khan announced the move during a pre-budget discussion with relevant stakeholders held at the NBR headquarters in Dhaka's Agargaon yesterday.

Currently, airlines collect the travel tax on behalf of the government, but the funds often do not make it to the state treasury properly.

"We are working on a mechanism that will allow passengers to conveniently pay the tax themselves and obtain an official challan (receipt)," Khan said.

"The process will be made simple enough that passengers can even pay the tax directly at the airport," he added.

At the budget discussion, the NBR chairman also criticised sweetmeat traders, accusing them of widespread VAT evasion by not issuing receipts and failing to use electronic fiscal devices (EFDs).

"None of the sweet shop owners give VAT receipts. They don't use EFDs either," the NBR chief said.

"I've bought sweets from many places over the years and paid VAT every time, but that money never reached the government treasury. I've never once received a proper VAT receipt from any sweet shop," he added.

Khan made these comments in response to a proposal by the Bangladesh Sweets Manufacturers Association to reduce VAT on sweetmeats from the existing 10 percent to 3 percent.

The association's secretary general, Noni Gopal Ghosh, argued that when VAT was 7.5 percent, revenue collection from the sector was actually higher.

Dismissing the claim, the NBR chairman said, "You're suggesting that revenue increases when the VAT rate is lower. That's an absurd idea. This kind of magical thinking doesn't reflect reality."

To address the issue, the NBR is planning to introduce a VAT-inclusive pricing model for sweetmeats, similar to the one used in supermarkets.

The NBR will include VAT in the price of sweets so that customers do not even notice, according to Khan.

READ MORE ON B3

Probe finds massive allocation irregularities at National Sports Council markets

SUKANTA HALDER and ASHIK ABDULLAH APU

A probe has found massive irregularities in the rental of shops at nine markets of the National Sports Council (NSC), including a case where the government receives as little as Tk 22,000 in monthly rent while as much as Tk 3 lakh is being collected from the tenant.

Formed following the political changeover in August last year, the investigation committee is now working to assess the total financial loss to the exchequer. Meanwhile, anti-corruption campaigners have described the findings as just "a tip of the iceberg".

The irregularities found by the committee include shady allotments, shop leases changing hands up to four times, misuse of utilities, unauthorised occupation and discrepancies in financial records.

The committee submitted its findings to the Ministry of Youth and Sports in November last year. The Daily Star has obtained a copy of the 13-page report, prepared by a three-member panel.

According to the report, NSC officials and staff cannot shrug off responsibility.

It said a powerful syndicate comprising NSC officials, stadium administrators and shop owners has been operating illegal activities related to shop allocation and rent collection.

Meanwhile, Transparency International Bangladesh (TIB) has urged the Anti-Corruption Commission (ACC) to intervene and bring the culprits to justice.

All nine markets are located in the capital and together house 1,075 shops.

SHOPS CHANGE HANDS, RENTS SPIRAL.

The report highlights that many original lessees pay minimal monthly rents to the NSC but rent out the shops at highly inflated rates.

The repeated transfer of leases -- sometimes to second, third, or even fourth

parties -- has pushed up rents by 10 to 15 times the original amount.

For example, Shamshur Rahman Gong, the original lessee of an 812-square-foot shop at Bangabandhu National Stadium, pays Tk 21,934 per month but has sublet it for Tk 3,00,000 -- a 13-fold increase, from which the NSC earns nothing.

Similarly, Md Jamal Hossain pays just Tk 4,357 for a 156-square-foot shop at Maulana Bhasani National Hockey Stadium, while the current occupant pays Tk 40,000 per month.

The Daily Star attempted to contact Shamshur Rahman Gong and Md Jamal Hossain, but they could not be reached.

Such practices are prevalent across all nine NSC-run markets, including the Super Market adjacent to Bangabandhu National Stadium, Volleyball Stadium, Sher-e-Bangla National Cricket Stadium in Mirpur, the outer market beside it, the Bir Shreshtha Shaheed Sipahi Mohammad Mustafa Kamal Stadium in Kamalapur, and the swimming pool market near Bangabandhu Stadium.

According to the report, the NSC's shop allocation committee, formed in 2013, expired in 2016 and has not been reconstituted since.

Consequently, all allocations made after 2015 did not follow proper procedure.

Although NSC policy mandates rent revisions every three years, the committee failed to implement any significant hikes, enabling lessees to profit

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Shops at the National Stadium in Dhaka's Gulistan area, formerly Bangabandhu National Stadium, sell sports gear, fitness equipment and electronics. A recent probe found that many original lessees of these shops pay minimal rent to the National Sports Council but sublet the properties at highly inflated rates.

PHOTO: PALASH KHAN

ADP spending in July-March lowest in 15 years

STAR BUSINESS REPORT

Implementation of the Annual Development Programme (ADP) in the first nine months of the current fiscal year of 2024-25 has reached its lowest point in at least 15 years, with about Tk 82,894 crore being spent during the period.

This means just 36.65 percent of the total revised outlay for FY25 has been used during the July-March period, according to data from the Implementation Monitoring and Evaluation Division (IMED), published yesterday.

Even during the same nine months in FY21, when almost all economic activities were put on hold amid the Covid-19 pandemic, the ADP implementation rate was higher at 42 percent.

The ADP execution rate declined this fiscal year as development activities were hampered by political unrest soon after it began on July 1, according to planning ministry officials.

About 36 percent of the total revised outlay for FY25 has been used during the July-March period

They also pointed to how the interim government has taken austerity measures, such as slowing or postponing certain projects initiated by the previous administration, in the face of budgetary shortfalls.

Furthermore, a number of contractors for various projects fled the country before completing their work following the recent political changeover, thereby adversely impacting ADP implementation.

In response to this underwhelming performance in ADP implementation, relevant authorities downsized the total outlay for FY25 by about Tk 53,000 crore to Tk 226,125 crore to realign expectations with current realities.

During this period, the utilisation of both state funds and foreign loans has declined.

Of them, the spending of foreign funds fell to about Tk 32,411 crore, which makes up just 40 percent of this year's ADP allocation.

In the July-March period of FY24, around Tk 44,066 crore, or 52.77 percent, of the overall ADP budget for that year came from foreign funds.

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Dhaka Bank holds managers' conference

STAR BUSINESS DESK

Dhaka Bank PLC recently organised the "Managers Conference-2025" under the slogan "One Team, One Vision - Achieving Growth Through Synergy" in Cox's Bazar.

Abdul Hai Sarker, chairman of the bank, inaugurated the conference as the chief guest, according to a press release.

During his address, Sarker emphasised the importance of unity among all members of Dhaka Bank, encouraging collaboration and mutual understanding with the conviction that, together, even seemingly unattainable goals can be realised.

Sheikh Mohammad Maroof, managing director and CEO of the bank, presided over the event.

The conference reviewed the overall performance and business growth achieved in the previous year and set future business objectives. It also outlined strategic initiatives to attain this year's targets.

Additionally, the management assessed the overall performance of the first quarter of 2025.

The event featured interactive sessions and strategic discussions centred on the bank's future growth, with a strong focus on enhancing collaboration to sustain Dhaka Bank's reputation as one of the most compassionate financial institutions in Bangladesh.



PHOTO: DHAKA BANK

Abdul Hai Sarker, chairman of Dhaka Bank PLC, and Sheikh Mohammad Maroof, managing director and CEO, pose for group photographs with participants of the "Managers Conference-2025" in Cox's Bazar recently.



Sheikh Mohammad Abdur Rahman, joint secretary and deputy project director of the Export Competitiveness for Jobs (EC4J) project, attends a press conference at Rupayan Millennium Square on Pragati Sarani in the capital yesterday.

Prime Bank celebrates 30 years of progress, innovation and inclusive growth

STAR BUSINESS DESK

Prime Bank PLC yesterday commemorated 30 years of service, celebrating a journey defined by trust, innovation, and shared progress.

The bank reaffirmed its commitment to delivering enhanced service to its customers while contributing to a more inclusive and resilient economy in the years ahead, according to a press release.

Over the decades, Prime Bank has evolved into a forward-thinking financial institution with a focus on sustainability, accessibility, and customer-centric innovation.

From advancing digital banking solutions to pioneering green financing and inclusive services, the bank continues to transform the way it supports individuals, enterprises, and the broader economy.

Reflecting on the milestone, Hassan O Rashid, chief executive officer of the bank, stated: "At Prime Bank, our journey has always been about progress with purpose."

"We're celebrating our achievements, and we are already ready to embrace the future with renewed energy—to serve better, grow stronger, and create lasting impact,"

he added. Founded in 1995, Prime Bank moves forward with renewed confidence towards a brighter tomorrow.

It currently serves 1.1 million customers across all market segments in Bangladesh, offering a comprehensive range of financial services including consumer, corporate, SME, and Islamic banking.

The bank maintains a strong nationwide presence with more than 147 branches, 158 ATMs, and 152 agent banking outlets, ensuring access to financial services in both urban and rural areas.

Prime Bank is also recognised for its attractive savings schemes, credit card offerings, and innovative digital banking solutions.



Senior officials and executives of Prime Bank PLC marked 30 years of service yesterday, celebrating a legacy of trust, innovation, and inclusive progress.

PHOTO: PRIME BANK

GPH Ispat, PWD organise seminar on sustainable use of construction materials

STAR BUSINESS DESK

GPH Ispat Limited, a leading rebar manufacturer in Bangladesh, and the Public Works Department (PWD) jointly organised a seminar titled "Knowledge Sharing Seminar" at the latter's office in Dhaka recently.

Mohammad Shamim Akhtar, chief engineer of the PWD, attended the seminar as the chief guest, said a press release. Akhtar stated, "GPH Ispat has demonstrated its sense of responsibility by investing in research in the construction sector. Their joint initiatives with universities have set an example. It is essential to continue such research activities."

"More companies like GPH should step forward to enhance efficiency in the use of construction materials in future building projects," he added.

The seminar highlighted the results of collaborative research involving the application of high-strength rebar B600D-R and optimum concrete in RCC building design. The discussion focused on how high-strength rebar B600D-R contributes to cost-effective and efficient RCC construction. Additionally, the seminar emphasised the eco-friendly nature and sustainability potential of "Rebar Grade B600D-R".

Two research papers were presented during the seminar. Md Kamruzzaman, sub-divisional

engineer of the PWD, demonstrated how the use of high-strength rebars can be highly effective in RCC building design.

"High strength rebars reduce rebar congestion and significantly lower construction costs," he said, adding that the use of such rebars contributes to reduced carbon emissions and greenhouse gases, supporting sustainable development.

The second paper was presented by Md Zahid Hasnain, who explained the strength compatibility of the desired concrete with high-strength rebars, and discussed various aspects of using these rebars in construction.



Mohammad Shamim Akhtar, chief engineer of the Public Works Department (PWD), attends a seminar on the sustainable use of construction materials, organised by GPH Ispat and the PWD, at the latter's office in Dhaka recently.

PHOTO: GPH ISPAT

Registration begins for education aid through Nagad

STAR BUSINESS DESK

The disbursement process for scholarships and stipends under the Prime Minister's Education Assistance Trust resumed on April 15, aiming to support underprivileged and meritorious students from grade six up to bachelor's (pass) and equivalent levels.

Following registration, relevant government authorities will conduct a multi-phase verification process.

Students selected for financial support will receive their funds through Nagad, the mobile financial service operated by the Bangladesh Postal Department, according to a press release.



Using the designated software, students in grades six and nine may complete their registration by 30 April, while students at the bachelor's level have until 15 May to register via the official portal: <https://estipend.pmeat.gov.bd/#/>.

To qualify, each student must link an active Nagad account during the registration process. Upon successful verification, the approved scholarship or stipend amount will be deposited directly into their Nagad wallet.

Currently, the disbursed amounts stand at Tk 5,000 for secondary-level students, Tk 8,000 for higher secondary, and Tk 10,000 for those at bachelor's or equivalent levels.

A tripartite agreement was signed in 2024 between the Bangladesh Post Office, the Prime Minister's Education Assistance Trust, and Nagad, under which Nagad was appointed the sole mobile financial service provider for this initiative.

Nagad was selected for its extensive nationwide reach, low transaction costs, and seamless, user-friendly service.

Enhancing Digital Government and Economy (EDGE) Project
Bangladesh Computer Council (BCC)

Information and Communication Technology Division
Ministry of Posts, Telecommunications and Information Technology
Youth Tower (Level 5), 822/2, Rokeya Sarani, Dhaka-1216, Bangladesh
www.bcc.gov.bd

Date: 17 April 2025

Request for Proposal Information Systems (Design, Supply and Installation) (Without Prequalification)

Purchaser: Bangladesh Computer Council (BCC)
Project Enhancing Digital Government and Economy (EDGE) Project

Contract title: Supply, Installation and Commissioning for Expansion of Existing Private Cloud Platform (DC & DR) in National Data Center at BCC

Country: Bangladesh

Credit No.: 6675-BD

RFP No: EDGE-G1C

Issued on: 17 April 2025

1. The People's Republic of Bangladesh has received financing from the World Bank toward the cost of the Enhancing Digital Government and Economy (EDGE) Project, and intends to apply part of the proceeds toward payments under the contract for Supply, Installation and Commissioning for Expansion of Existing Private Cloud Platform (DC & DR) in National Data Center at BCC. For this contract, the Borrower shall process the payments using the Direct Payment Disbursement method, as defined in the World Bank's Disbursement Guidelines for Investment Project Financing, except for those payments, which the contract provides to be made through letter of credit.

2. The Bangladesh Computer Council (BCC) now invites sealed Proposals from eligible Proposers for Expansion of Existing Private Cloud Platform (DC & DR) in National Data Center at BCC.

3. The procurement process will be conducted through international competitive procurement using Request for Proposals (RFP) as specified in the World Bank's "Procurement Regulations for IPF Borrowers" July 2016, Revised February 2025 ("Procurement Regulations"), and is open to all eligible Proposers as defined in the Procurement Regulations.

4. Bids will be evaluated in accordance with the evaluation process set out in the bidding documents. The following weightings shall apply for Rated Criteria (including technical and non-price factors): 40% and for Bid cost: 60%.

5. Interested eligible Proposers may obtain further information from Project Director, Enhancing Digital Government and Economy (EDGE) Project at the email address below and inspect the request for proposals document during office hours 09.00 to 16.00 hours at the address given below. For the convenience of the Proposers an unofficial electronic copy of the RFP document can also be viewed at the website www.bcc.gov.bd (for inspection purposes only) but not for use in the preparation and submission of proposals.

6. The request for proposals document in English may be purchased by interested eligible Proposers upon the submission of a written application to the address below and upon payment of a nonrefundable fee of Five Thousand Bangladesh Taka (BDT 5,000.00) or Forty-Five United States Dollars (US\$ 45.00) for the cost of the RFP document. Proposers may collect the RFP document in English from the office address below during office working hours (from 9.00 AM to 4.00 PM BST). Proposers who would like the RFP document to be delivered to them through courier service should request this in their application and pay an additional fee of BDT 2,000 for local delivery within Bangladesh (i.e., total 7,000.00 Bangladesh Taka), or additional US\$ 100.00 (i.e., total 145.00 US Dollars) for overseas delivery outside Bangladesh. The method of payment will be Bank Draft or Pay Order in favor of "Project Director, Enhancing Digital Government and Economy (EDGE) Project". In case of courier service delivery requested by the Proposer, the Purchaser will dispatch the RFP document to the Proposer through courier service within three business days of receipt of the written application and the above-specified payment. The Purchaser shall not be responsible for any delays or problems in delivering the RFP document by the courier service provider.

7. Proposals must be delivered to the address below on or before **03 June 2025** at 12:00 hours Bangladesh Time (BST = GMT + 6:00). Electronic procurement will not be permitted. Late Proposals will be rejected. The outer Proposal envelopes marked "ORIGINAL PROPOSAL", and the inner envelopes marked "TECHNICAL PART" will be publicly opened in the presence of the Proposers' designated representatives and anyone who chooses to attend, at the address below on **03 June 2025** at 12:30 hours Bangladesh Time (BST = GMT + 6:00). All envelopes marked "FINANCIAL PART" shall remain unopened and will be held in safe custody of the Purchaser until the second public Proposals opening.

8. All Proposals must be accompanied by a *Proposal Security* of United States Dollar (US\$) 100,000.00 (US\$ One Hundred Thousand only) or an equivalent amount in any freely convertible currency or Bangladesh Taka (BDT) 11,800,000.00 (BDT Eleven Million Eight Hundred Thousand Only).

9. Attention is drawn to the Procurement Regulations requiring the Borrower to disclose information on the successful Proposer's beneficial ownership, as part of the Contract Award Notice, using the Beneficial Ownership Disclosure Form as included in the request for proposal document.

10. The address (es) referred to above is:

Attn: Project Director
Enhancing Digital Government and Economy (EDGE) Project
Bangladesh Computer Council (BCC), ICT Division,
Youth Tower (Level 5), 822/2, Rokeya Sarani, Dhaka-1216, Bangladesh.
Telephone: +88 02 41001721, Fax: +88-02-55006791
E-mail: piu.edge@bcc.gov.bd

[Signature]
17/04/25

(Dr. Md. Taibur Rahman)
Project Director
Enhancing Digital Government and Economy (EDGE) Project

GD-912

One Pharma plans to export drugs to Algeria

STAR BUSINESS REPORT

One Pharma Ltd, a Bangladeshi company which already exports medicine for illnesses associated with cancer to neighbouring Myanmar and Afghanistan, is now planning to grab a slice of the growing market in Algeria.

Exporting drugs to a highly controlled market like Algeria requires overcoming several challenges, Chief Technical Officer Ishtiaq Ahmad told journalists invited on a visit to its factory in Bogura.

The company is going to embark on the process of getting approvals from the authorities concerned, and its managing director has already met Algerian Ambassador to Bangladesh Abdellouahab Saidani, he said.

"We produce different therapeutic classes of medicines, including biosimilar and anticancer drugs," he added.

The products, numbering around 130, include those used to treat cardiovascular disease, antibiotics, antidepressants, antiulcerants,

vitamins and minerals, cough and cold remedies, antihistamines, and antifungals.

Regarding the potential of the company, which was established in 2015, he said it produces seven anticancer drugs, of which those for lung cancer and breast cancer are already available in Bangladesh.

Exporting drugs to a highly controlled market like Algeria requires overcoming several challenges, says Chief Technical Officer Ishtiaq Ahmad

In 2024, the company generated revenues of around Tk 200 crore. Its exports to Afghanistan amount to \$2 million and to Myanmar \$50,000.

Drugs used to treat cancer and those related to biotechnology sell the most, for which the company is focusing on these types of products, he said.

Nazmun Naher, chairman of One Pharma, was present.

Bangladesh's exports

FROM PAGE B1

Taking into account trade measures in place as of 14 April, including the current suspension of "reciprocal tariffs" by the US, the WTO expects the volume of world merchandise trade to shrink by 0.2 percent in 2025. A modest recovery of 2.5 percent is forecast for 2026.

"The new estimate for 2025 is nearly three percentage points lower than it would have been without recent policy shifts," the WTO said. "It marks a significant reversal from the start of the year, when WTO economists expected to see continued trade expansion supported by improving macroeconomic conditions."

Risks to the forecast include the possible implementation of the suspended reciprocal tariffs, along with a broader ripple effect of trade policy uncertainty beyond the US's direct trading partners.

If enacted, reciprocal tariffs could shave an additional 0.6 percentage points off global trade growth in 2025. Widespread uncertainty over trade policy would cost a further 0.8 percentage points, resulting in a combined 1.5 percent decline in global merchandise trade volume.

US imports from China are expected to tumble across key sectors, such as textiles, garments

and electrical goods. This shift, the WTO said, may open up fresh opportunities for other exporters.

"This could open the door for some Least Developed Countries (LDCs) to increase their exports to the US market," the report noted.

Gold prices retreat

REUTERS

Gold prices retreated on Thursday as investors booked profits after bullion hit an all time high, with traders assessing tariff negotiations between the US and Japan.

Spot gold was down 0.8 percent to \$3,317.63 an ounce, as of 0717 GMT. Bullion has gained over 2 percent so far this week. US gold futures shed 0.5 percent to \$3,330.60. Bullion hit a record high of \$3,357.40 earlier in the session and has risen more than 27 percent so far this year.

"The retreat is largely driven by short-term profit-taking following the sharp rally over the past week. A temporary stabilization in US bond yields and a modest recovery in the US dollar have also added to the pressure," said Alexander Zumpfe, a precious metals trader at Heraeus Metals Germany.

NBR to collect travel tax directly

FROM PAGE B1

will calculate VAT based on the total value. The customer doesn't need to know how much VAT they've paid – the same system already works in supermarkets," he said.

At the discussion, representatives from various trade associations put forward a range of proposals aimed at easing business operations.

The Aviation Operators Association of Bangladesh called on the government to exempt jet fuel from import duties and VAT, as well as to lower taxes on various aircraft components.

In his closing remarks, the NBR chairman assured business leaders that the revenue authority is committed to streamlining regulations and making processes more business friendly.

"Our key focus in this year's budget is to facilitate trade, plug loopholes, and reduce inequality," he said.

ADP spending in July-March

FROM PAGE B1

It was also found that performances of the 15 ministries, state divisions, and departments scrutinised for their progress in implementing ADP funds varied greatly.

The Energy and Mineral Resources Division secured the top position, utilising 79.71 percent of its allocation, as per the Power Division with 56.27 percent.

On the other hand, health-related sectors lagged behind significantly, with the Health Services Division reporting an implementation rate of merely 14.41 percent.

This highlights severe challenges in executing projects that are essential for public health.

Stocks extend losing streak

STAR BUSINESS REPORT

Stocks dropped for the fourth straight session yesterday amid declining investor participation and falling turnover at the Dhaka Stock Exchange (DSE).

The DSEX, the benchmark index of the bourse, initially gained 20.71 points, or 0.40 percent, to reach 5,126.40 in the first hour of trading.

However, the early momentum faded as the index slipped 8.36 points, or 0.16 percent, to close the day at 5,097.32.

The Shariah-based DSES index lost 0.41 percent to end at 1,143.70, while the DS30, comprising blue-chip stocks, fell 0.14 percent to 1,875.39.

Turnover, a key measure of market activity, dropped 14 percent to Tk 339.29 crore.

Out of 395 issues traded, 124 advanced, 190 declined, and 81 remained unchanged.

Midland Bank posted the highest gain of 8 percent, whereas Union Capital declined the most, falling 9 percent.

National AI Art-A-Thon blends technology with culture

STAR BUSINESS REPORT

Bangladesh hosted the final round of its first-ever AI-driven art competition – the National AI Art-A-Thon – at the ICT Tower in Agargaon yesterday.

Designed to make artificial intelligence more reflective of the country's diverse culture and society, the event brought together creative minds and tech enthusiasts from across the nation.

Organised by the United Nations Development Programme (UNDP) in Bangladesh and the Bangladesh Computer Council (BCC) under the ICT Division, this initiative was part of the "Partnerships for a More Tolerant, Inclusive Bangladesh" project, supported by the Royal Norwegian Embassy in Dhaka.

Held over two days, the competition gathered students, professionals, artists, designers, architects, content creators, and technologists to produce AI-generated artworks that represent Bangladesh's rich cultural heritage.

The event was supported by key

international partners, including Microsoft, the University of Toronto, the University of Cambridge, BacBon Limited, and Peace Maker Studio.

Speaking at the event, Faiz Ahmad Taiyeb, special assistant to the chief adviser for the Ministry of Posts, Telecommunications and Information Technology, emphasised the importance of crafting inclusive AI policies.

"Our team is advancing key reforms – from data protection to cybersecurity – while proactively shaping a comprehensive AI policy to ensure its ethical, inclusive, and safe integration in Bangladesh," he said.

"As AI increasingly intersects with the creative sector, preserving the voices of our ethnic communities and cultural narratives becomes a vital ethical obligation. Creatives hold a profound influence over social harmony, making their role in guiding AI's values even more critical."

UNDP Resident Representative Stefan Liller and Secretary of the ICT Division Shish Haider Chowdhury also spoke.

Shop rent Tk 3 lakh

Space in Bangabandhu National Stadium, said they took the shop on lease from a second party 20 years ago.

He said they now pay around Tk 30,000 monthly to that party, but he does not know how much the original lessee pays to the NSC.

"There's no system here. Irregularity is the norm," Islam commented.

Rafiqul Islam Uzzal, owner of Niloy Corporation in the same market, said he took over his shop 18 years ago from a third party and currently pays Tk 50,000 per month in rent.

He claimed the original leaseholder pays only Tk 2,600 per month to the NSC.

Nazrul Islam, proprietor of Nahar Enterprise at Maulana Bhasani Stadium, made similar remarks.

Abbas, president of the Dhaka Stadium Shop Owners' Association, defended the practice.

He said, "If someone fails to run a shop after leasing it and transfers it to a second or third party, how is that a crime?"

NO SHOP ALLOCATION CANCELLED YET

Following the investigation, five committees have been formed by the Ministry of Youth and Sports to look into the irregularities further.

Md Aminul Islam, secretary of the NSC, told The Daily Star they are working to implement the 13 recommendations in the report, which include automating the allocation process, conducting regular audits and reviewing existing policies.

However, he said no shop leases have been cancelled so far.

"If the recommendations are fully implemented, we believe it will curb the government's revenue losses," he told The Daily Star, adding that the total loss could be calculated after further assessment.

Iftekharuzzaman, executive director of the Transparency International Bangladesh (TIB), welcomed the report but said it only scratched the surface.

Political interference and collusion

among NSC officials had allowed the system to persist for years, said Iftekharuzzaman.

"The ministry must now act decisively, not just against frontliners, but also those who enabled and benefited from the irregularities over the years," he said, urging the Anti-Corruption Commission (ACC) to get involved.

The Daily Star approached Youth and Sports Adviser Asif Mahmud Shojib Bhuyain and Secretary Rezaul Maksud Jahedi for comments, but to no avail.

Debate heats up

FROM PAGE B4

allowed to lock all SIM slots in devices sold through instalment plans, provided they completely remove these locks once customers complete making all payments.

The proposals also sought to prohibit operators from directly importing or manufacturing handsets and instead ensure that devices are sourced through BTRC-approved manufacturers and importers.

However, the BTRC's top decision-making body has directed the Systems and Services Division to conduct a thorough assessment of the potential market impacts if the all-SIM locking policy is approved.

Abu Nazam M Tanveer Hossain, a telecom policy expert, said for unbanked populations and people who lack access to formal credit, the network locking model provides a viable financing alternative, driving digital inclusion.

Introducing such a policy could stimulate competition, expand consumer choice, and rejuvenate the telecom sector. Balancing operator viability with consumer benefits is key to fostering sustainable growth in emerging markets," he said.

It might be a concern for the smaller operators with lower network coverage but smart implementation of this can be utilised to their benefit too, Hossain added.

It's time to go for more

FROM PAGE B1

"It revealed the legacy problem of NPLs [non-performing loans]. NPLs did not appear because of the classification; they were simply revealed as a legacy issue."

Turning to the issue of recovering stolen assets, the IMF official said that while progress was being made, Bangladesh needed to balance effective policy objectives with minimal disruption to asset recovery efforts.

"At this point, we would just say that the authorities are making progress in the right direction in coordinating domestic and global efforts to freeze, confiscate, and recover stolen assets," said Krzynar.

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It was also found that performances of the 15 ministries, state divisions, and departments scrutinised for their progress in implementing ADP funds varied greatly.

The Energy and Mineral Resources Division secured the top position, utilising 79.71 percent of its allocation, as per the Power Division with 56.27 percent.

On the other hand, health-related sectors lagged behind significantly, with the Health Services Division reporting an implementation rate of merely 14.41 percent.

This highlights severe challenges in executing projects that are essential for public health.

FROM PAGE B1

"For example, to give you a sense of how we assess the needs of the country, we have something called the financing gap. Based on this financing gap, we make an assessment of these targets, and we are in continuous discussions during every review regarding these targets."

"Our immediate focus is to remove the expensive tax exemptions," he said. "Our immediate focus on the VAT and income tax side is that extensive exemptions should be eliminated."

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FROM PAGE B1

"Our key focus in this year's budget is to facilitate trade, plug loopholes, and reduce inequality," he said.

On revenue generation, IMF economist SeokHyun Yoon said the fund remained in close consultation with the government on targets.

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Global uncertainty will 'certainly' hit growth WB president says

AFP, Washington

The uncertainty kicked up by Donald Trump's stop-start tariff rollout will undoubtedly hit growth, the president of the World Bank said Wednesday, ahead of next week's semi-annual meeting of global financial leaders in Washington.

"Uncertainty and volatility are undoubtedly contributing to a more cautious economic and business environment," Ajay Banga told reporters, alluding to the market turbulence unleashed by the new US administration's tariff policy.

This uncertainty would "certainly" cause slower growth than previously anticipated, he added during the virtual event.

The World Bank and International Monetary Fund's (IMF) Spring Meetings kick off on Monday, with the Bank keen to promote its agenda to drive job creation in developing and emerging market economies.

"Uncertainty and volatility are undoubtedly contributing to a more cautious economic and business environment,"
Ajay Banga said

But the gathering of finance ministers and central bankers will take place against a challenging international backdrop, with US President Donald Trump's tariff policy threatening to derail economic growth in many parts of the world.

Since taking office in January, the US president has imposed 25 percent levies on several sectors including autos, steel and aluminum, as his administration seeks to redress what it says is an unfair trading relationship with the rest of the world.

The White House also imposed a new "baseline" tariff of 10 percent on most countries, and announced higher import taxes on dozens of trading partners, only to then temporarily roll many of them back.

China - America's third-largest trading partner - has been hit with a barrage of new tariffs totalling 145 percent overall. Beijing, in turn, has announced retaliatory tariffs of 125 percent on US goods.

The United States is the top shareholder at the World Bank Group, and has historically been a key driver of policy at the Washington-based institution, which has been led by a US citizen for most of its history.



Mobile phone operators in Bangladesh argue that using the SIM lock option would help ensure payments for the phone while also allowing them to offer a wider range of devices.

PHOTO: STAR/FILE

Debate heats up over locking SIM slots for smartphone sales on EMI

MAHMUDUL HASAN

The major telecommunication companies in Bangladesh and their smaller peers are in a debate over whether they should be allowed to lock all SIM slots when selling smartphones on instalment plans.

SIM slot locking, also known as network lock, is a feature in smartphones that restricts the device's ability to use SIM cards from other carriers.

Mobile operators currently offer smartphones on instalment plans only to select corporate clients.

These do not include the SIM slot locking feature, although the Bangladesh Telecommunication Regulatory Commission (BTRC) in 2023 allowed it, albeit for just one slot, to facilitate instalment-based handset sales.

Overall, the mechanism failed to gain significant traction in the market.

In November last year, major operators Grameenphone and Robi formally requested the regulator to allow locking all SIM slots to ensure the instalment payments.

Keeping one SIM slot unlocked makes it impossible to effectively restrict customers from using other SIMs during the period set for instalments. This has made financial partners reluctant to provide funding for such schemes, said the duo.

The operators also demanded flexibility in fixing instalment amounts and periods based on customers' financial conditions or credit scores and preferences for repayment periods.

They also highlighted that a current regulatory condition stipulating that instalment packages can only offer locally manufactured smartphones prevents them from making internationally recognised models available.

Allowing the locking of all SIM slots will help expand affordable smartphone options while ensuring repayment security for

instalment plans, according to documents the duo provided to the BTRC.

"Single SIM locking isn't working," Shahed Alam, Robi's chief corporate and regulatory officer, told The Daily Star.

The current system leaves a scope for customers to default on payments while continuing to use other SIM slots, making the instalment model unsustainable for operators," he said.

This is also discouraging financial partners from taking part in this initiative, he said, adding, "We need locking for all SIM slots to make instalment plans viable."

However, in December last year, Banglalink submitted a counterproposal, urging to maintain the current single-SIM locking system.

Mobile operators currently offer smartphones on instalment plans only to select corporate clients

The same is advocated by Teletalk, as both apprehend that it would otherwise give the larger operators unfair market power and reduce competition.

The SIM locking feature essentially traps customers within the confines of a single network, limiting freedom of choice, said Taimur Rahman, chief corporate and regulatory affairs officer at Banglalink.

"If big operators, who already have higher profits and financial power, are allowed to lock all SIM slots, it could destroy the competitive balance in our market," he said.

He added that dominant operators might even offer handsets for free or with heavy subsidies, making it harder for smaller players to compete.

Rahman also said reduced competition could result in higher prices for mobile services and fewer choices for consumers in the long run.

"One network should remain open so people have the freedom to choose. Otherwise, it leads to monopoly," he said.

"Dual SIM users would lose flexibility, especially in remote areas with poor coverage. Even international travellers would face difficulties using local SIMs due to roaming restrictions," he said.

Nurul Mabud Chowdhury, managing director at Teletalk, said, "We don't support any policy that restricts customers from using the operator of their choice."

If all SIMs are locked to a single network, it takes away customers' freedom, he added.

However, there could be one approach which allows devices to be unlocked once dues are cleared, ensuring a balanced approach that benefits both customers and financial institutions, said Tanveer Mohammad, chief corporate affairs officer at Grameenphone.

"We aim to make smartphones more accessible by helping customers overcome financial barriers through flexible financing options and contract bundles," he said.

"By collaborating with financial partners, we plan to introduce attractive instalment plans with lenient terms," he said.

"To ensure sustainability and protect against potential misuse or defaults, financed devices should remain locked until the loan is fully repaid," he added.

Amid this debate, the BTRC's Systems and Services Division has submitted a proposal to the commission's highest policymaking body recommending approving the all SIM slot locking feature to boost smartphone penetration.

They argued that this move aims to increase smartphone sales, and thereby enable access to digital services like telemedicine, digital marketing, and agricultural information more easily.

The proposal includes several key conditions - mobile operators would be

READ MORE ON B3

Highway to justice on a rickshaw

MAHTAB UDDIN AHMED

Someone I know once joked, "In Bangladesh, legal process is like a traffic signal - it exists, but nobody follows it." I know of a family that has been caught in a legal battle regarding land for decades. It is the kind of dispute that survives elections, grey hairs, and a few judges. They have won every round up to the top court, but the case? It is still pending outside the court. The legal system here is not just blind - it is apparently waiting in traffic, hoping to dodge the maxim 'justice delayed is justice denied.'

Now, let's look at our current Chief Advisor (CA) - a figure many, including myself, genuinely admire for standing tall against the old political order and striving to bring sanity back into the system. He, too, once faced his share of politically motivated cases and painful harassment. But now that he is back in charge, his supporters and his legal matters are - thankfully - moving faster than VIP motorcades. As they should, perhaps. Justice should not be a hostage of politics, but it was.

Let's take the example of a fictitious character, Hamid - a regular citizen who made the bold decision to seek justice against a powerful institution. Several years in, and the district court has not even stretched its legs. Why? Because the said institution is not interested in settling, delay is their strategy. Hamid was stunned to see ten lawyers show up - some linked to the current regime, backed by big name law firms at home and abroad. Half the defendants

have already left the institution, and the rest are packing their bags. By the time a verdict arrives, they will be sipping cappuccinos somewhere out of reach. As Hamid's lawyer quipped, "In Bangladesh, there are 101 ways to delay a case." And that is the legal strategy in an institution that preaches "zero tolerance."

And Hamid's story is hardly an outlier. Ask any whistleblower, reformer, or even an unlucky soul who dared to challenge a well-connected entity or institution - they all share the same plotline: delayed justice, exhausted savings, and the accused vacationing abroad. A teacher suspended for exposing corruption still awaits reinstatement while the accused enjoys promotion. A small entrepreneur spent years in legal limbo after a big conglomerate "borrowed" his idea. Even journalists fighting defamation cases filed by the mighty have learned the true meaning of patience. In Bangladesh, if you go up against the powerful, prepare to grow old waiting for justice.

Favoritism in justice and policymaking is not unique to Bangladesh - it is universal. In India, VIPs get express service - just ask Lalu Prasad or check Jio's policy playbook. In the US, wealth can soften crimes (remember the "affluenza" teen?). Russia jails critics like Navalny while oligarchs flourish. Malaysia dragged its feet with Najib's 1MDB scandal. Egypt shuts down NGOs - unless they are government approved. Power tilts the scale everywhere. Justice, it seems, now comes with a loyalty card. When institutions bend, the line between "rule of law" and "rule by law" gets blurrier. Bangladesh is only scaling the old game of injustice with its own cultural twist.

In the end, maybe justice in Bangladesh isn't broken - it's just taking the scenic route. On a rickshaw with three flat tires. And a driver who stops for tea every ten minutes. While we continue cheering for reforms and putting our faith in those steering the nation, all we ask is that the rest of us be allowed to board the same highway to justice, preferably before our grandchildren inherit the court dates. Because right now, the only thing moving faster than justice is the rumour of its arrival. Let's not make equal opportunity become just another slogan - like "Digital Bangladesh" printed on a form you have to submit in triplicate.

The author is the president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd

China's US bond holdings are going nowhere fast

REUTERS, Hong Kong

With China and the United States engaged in a full-on trade war, anxious investors are asking which side can press its financial advantage given Beijing's vast holdings of US Treasuries. In truth the situation is more of a fraught equilibrium both sides have an interest in maintaining.

Commentators in Chinese state media have for years argued their government should use the debt to pressure Washington, whereas this week US Treasury Secretary Scott Bessent said those holdings - estimated at \$1 trillion by Brad Setser of the Council on Foreign Relations - provide no leverage whatsoever.

Investors who watched a searing sell-off last week drive the benchmark 10-year yield as high as 4.59 percent aren't so sure. Clients are peppering money managers with questions about a long feared doomsday scenario: China weaponises its holdings, dumping some or all of them to push up American interest rates, either to gain leverage in trade negotiations or punish US President Donald Trump for slapping triple-digit levies on Chinese goods.

These concerns have been heightened by a shift in recent years by Beijing to diversify foreign exchange reserves. Yet it needs a large pool of dollar debt on hand to sell if the yuan's exchange rate starts tumbling. Granted, the People's Bank of China has

been wary of directly selling Treasuries to this end since 2015, when it burned through most of its reserves fighting runaway depreciation. But its alternative measures to manage its currency would pack little punch without the ultimate backing of the

Treasuries holdings.

Even a limited paring down of these, delivered as a warning shot, would pose a serious danger. It would be difficult to arrange confidentially, and word of any sale would stoke fears of a total divestment and

trigger a panic in global markets that would torch the value of China's remaining dollar-denominated holdings. That would drive up the yuan's relative value, delivering another blow to Chinese exporters.

Then there is the question of what China

would do with the proceeds. Bessent has argued the Chinese central bank would have to buy the yuan, which would strengthen that currency - but it could simply hold the dollars accrued from Treasury sales instead. It could also opt to pile into other bond markets in Europe or Japan, though whether those governments would welcome purchases is another matter.

Yet, Bessent's broader point stands: weaponising Treasuries would be at best both dangerous and difficult for China. The gloves might one day come off if the People's Republic lets its currency float freely, but President Xi Jinping has expressed a strong desire to keep the yuan stable. For now, China's holdings of American debt will hamper more rapid financial decoupling - even if Beijing and Washington might prefer otherwise.

Investors sold off US Treasuries after President Donald Trump's April 2 announcement of tariffs on global trading partners. The benchmark 10-year yield was trading at 4.3 percent on April 16, still elevated from pre-levy levels.

China is the second largest holder of American government debt after Japan, with official data showing direct holdings of \$784 billion at the end of February. Brad Setser, senior fellow at the Council on Foreign Relations, estimates total Treasury holdings by the People's Bank of China are closer to \$1.1 trillion.



People walk across a bridge with a board showing the bond index at the financial district in Shanghai on April 7. China is the second largest holder of American government debt, with direct holdings of \$784 billion at the end of February.

PHOTO: AFP