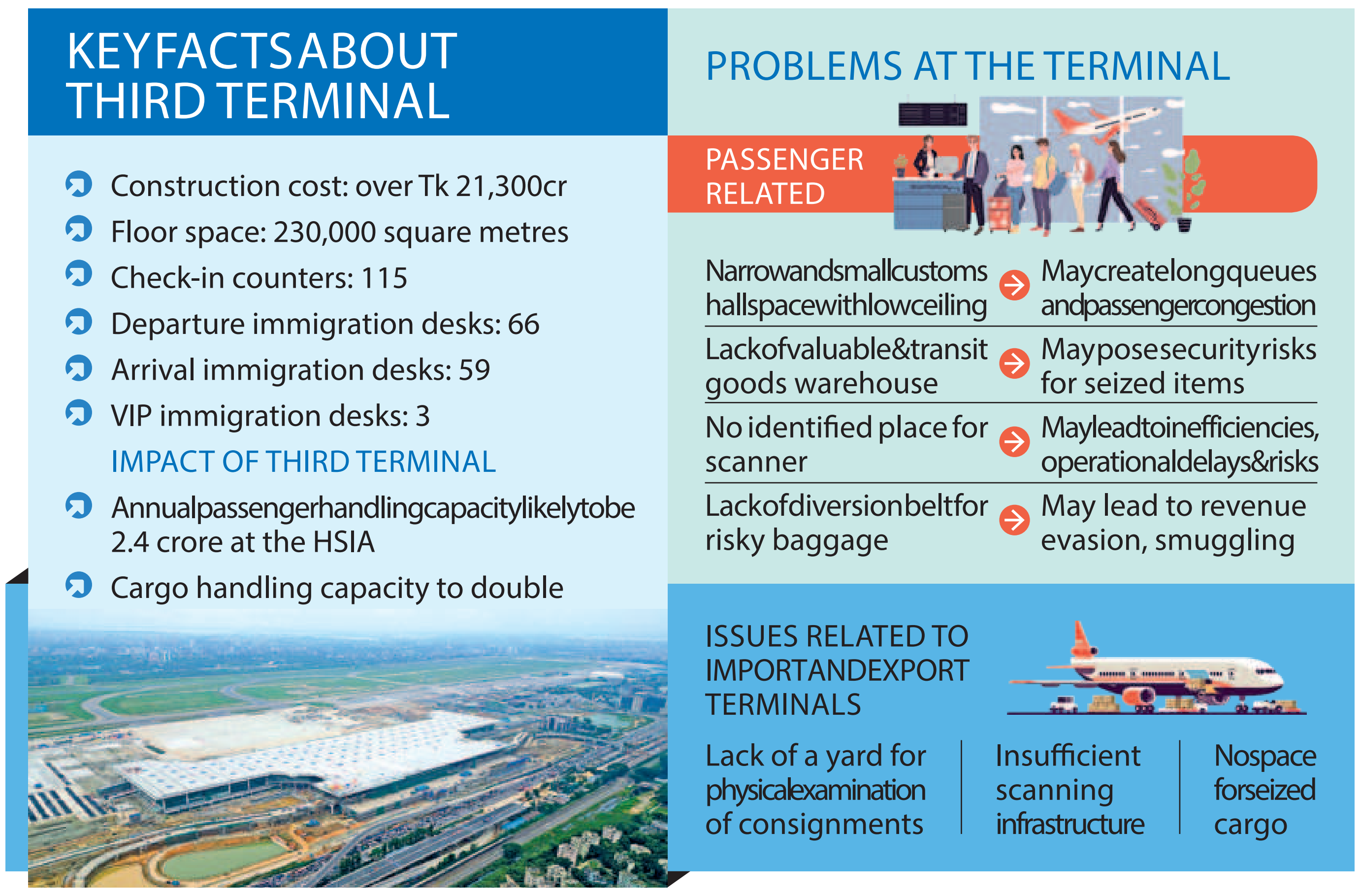
DHAKA WEDNESDAY APRIL 23, 2025, BAISHAKH 10, 1432 BS ● starbusiness@thedailystar.net

Star BUSINESS

Customs flags hurdles at 3rd terminal of Dhaka airport



SOHEL PARVEZ and RASHIDUL HASAN

The customs authorities have identified a number of operational bottlenecks at the much-anticipated third terminal of Hazrat Shahjalal International Airport (HSIA), widely known as Dhaka airport.

In a letter sent to the Civil Aviation Authority of Bangladesh (CAAB), the Customs House Dhaka said it has found more than a dozen issues related to infrastructure, security, and operational readiness of the new terminal, which is expected to open in early 2026.

The assessment comes as authorities move to efficiently manage the rise in passenger traffic and cargo volumes at the country's largest airport.

In March this year, the customs authorities, operating under the National Board of Revenue (NBR), conducted inspections of the third terminal, as well as the new Import Cargo Terminal (ICT) and Export Cargo Terminal (ECT).

The NBR's field office, in its letter sent to CAAB in the third week of March, said it had held several meetings with various agencies, including CAAB, to ensure smooth operation at the third terminal.

Built at a cost of more than Tk 21,300 crore, the majority of which was funded by loans from the Japan International Cooperation Agency (JICA), the iconic terminal is seen as a milestone for Bangladesh's aviation sector.

However, customs officials, after the inspection, say unresolved issues could undermine its efficiency.

"The third terminal is a significant development in Bangladesh's aviation sector, but certain key challenges must be addressed to ensure smooth customs operations," said the Customs House Dhaka.

One of the major challenges is the size and design of the customs hall, which officials say is too narrow, with a low

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Offer duty-free access for garments made of US cotton

BTMA writes in letters to US

STAR BUSINESS REPORT

Local textile millers yesterday sought duty-free export facilities to the USA for garment items produced in Bangladesh using American cotton.

The Bangladesh Textile Mills Association (BTMA), a platform for the primary textile sector, made the call through two letters — one sent to Gary Adams, president and CEO of the National Cotton Council of America, and another to Eric Geelan, counsellor for political/economic affairs at the US embassy in Bangladesh.

In the letters, BTMA President Showkat Aziz Russell also urged the US government to permanently remove Bangladesh from the list of countries subject to the additional duty.

Earlier, on April 2, US President Donald Trump imposed reciprocal tariffs on various countries; for Bangladesh, the rate was set at 37 percent. However, Trump issued a 90-day pause on imposing new tariffs, while maintaining a 10 percent baseline tariff rate.

"We are confident that these measures will significantly boost bilateral trade and further embed US cotton into global supply chains via Bangladesh's growing ready-made garment (RMG) industry," said the BTMA president.

"BTMA is committed to prioritising US cotton in a substantial portion of our production, much of which is exported to the US and other global markets."

To support this vision, BTMA highlighted several government initiatives currently underway, including the establishment of a central warehouse in Bangladesh dedicated exclusively to US cotton, aimed at quadrupling import volume.

The Bangladesh government has expressed a strong commitment to strengthening trade ties with the United States, particularly in cotton and textiles, the BTMA president said in the letters.

He also referenced comprehensive proposals made by Chief Adviser Professor Muhammad Yunus directly to US President Donald J. Trump, outlining a strategic roadmap for mutual economic growth.

READ MORE ON B3

Deal signed for constructing Matarbari deep-sea port

DWAIPAYAN BARUA, *Ctg*

After a long wait, the Chittagong Port Authority (CPA) finally signed a deal yesterday with a Japanese joint venture to construct a terminal for a deep-sea port at Cox's Bazar's Matarbari, some 350 kilometres southeast of capital Dhaka.

This will pave the way towards handling mother container vessels.

It will also lessen to a good extent the country's years-long dependency on transhipment ports for transporting import and export cargo.

The Japanese joint venture comprises Penta-Ocean Construction Co Ltd and TOA Corporation.

It will develop a 760-metre terminal comprising a container jetty and a multipurpose jetty under a "Matarbari Port Development Project (CPA Part) Phase-1 Package 1: Procurement of Civil Works for Port Construction".

CPA Chairman Rear Admiral SM Moniruzzaman and Tomokazu Hasegawa, general manager of the Penta-Ocean, signed the contract at a hotel in Dhaka.

The total estimated cost of the phase-1 project is Tk 6,196.67 crore while the deadline is 2029.

Of the cost, Japan International Cooperation Agency (Jica) will provide Tk 5,426.67 crore as a loan while the remaining Tk 770 crore will come from the CPA.

The cost of the project to develop the whole Matarbari port is estimated at Tk 24,381.40 crore.

The CPA and Roads and Highways Department will implement the project in two phases by 2041.

Addressing yesterday's signing ceremony as chief guest, Shipping Adviser Brig Gen (retd) Sakhawat Hussain said the Matarbari deep-sea port would show the way to new horizons in the country's international trade.

READ MORE ON B3

Bangladesh GDP to grow 3.76% in FY25: IMF

STAR BUSINESS REPORT

The International Monetary Fund (IMF) has kept Bangladesh's economic growth projections nearly unchanged for the current and next fiscal years, while revising down its inflation forecasts.

In its World Economic Outlook released yesterday from Washington, the IMF projected Bangladesh's gross domestic product (GDP) growth at 3.76 percent for the current fiscal year (FY) 2024-25, slightly down from the 3.8 percent forecast made by its mission that visited Dhaka in December last year.

For FY26, the multilateral lender has revised down the GDP growth prediction for Bangladesh to 6.53 percent from the previous forecast of 6.7 percent.

The IMF has not discussed Bangladesh in detail in the latest outlook.

But Chris Papageorgiou, who led an IMF mission earlier this month, said, "The Bangladesh economy continues to face multiple challenges amidst elevated global uncertainty."

The reduced growth projections reflect ongoing economic disruptions caused by domestic unrest, tighter monetary and fiscal policies, and heightened uncertainty impacting investment.

"To address the mounting external financing gap and ensure continued disinflation, near-term policy tightening remains essential," Papageorgiou said.

On inflation, the IMF revised its projection for FY25 to 9.98 percent, down from its previous forecast of 11 percent.

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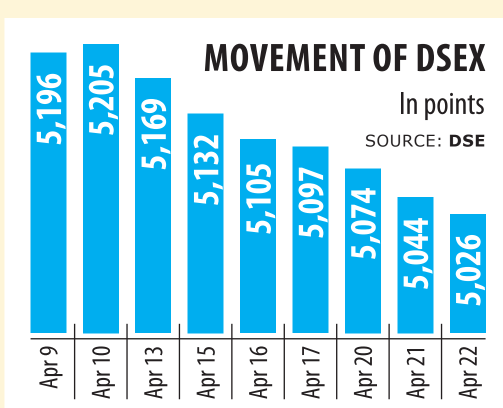

Stocks fall for seventh straight day. Here's why

STAR BUSINESS REPORT

Stocks fell for the seventh straight trading day at Dhaka Stock Exchange (DSE) yesterday as cautious investor sentiment continues to drive the market downwards amidst a confidence crisis.

The benchmark DSEX index opened the day on a positive note, gaining 4.17 points, or 0.08 percent, till 10:30am.

However, the momentum did not sustain, and the index eventually dropped 18.27 points, or 0.36 percent, from that on the day before to close at 5,026.

The Shariah-based DSES index declined 0.41 percent to end at 1,121, while the DS30, which comprises blue-chip stocks, fell 0.18 percent to 1,859.

At Chittagong Stock Exchange, the CSE All Share Price Index declined 0.49 percent to 14,065.36.

Turnover at the DSE, meaning the total value of shares changing hands, a key indicator of market activity, declined 3 percent to Tk 340 crore yesterday.

Of the 395 issues that were traded, prices of 119 advanced, 214 declined, and 68 remained unchanged.

MBL 1st Mutual Fund was the top gainer of the day, surging 9 percent, while shares of Beach Hatchery lost 9 percent — the highest fall.

Abdul Mannan, an investor, said the stock market has remained downbeat as investors are not seeing any hope of getting good news from the listed firms amidst the prevalence of a challenging environment for businesses.

READ MORE ON B3

Rancon Auto enhances factory with painting facility

Employees and machines work in harmony at an assembly line at the Rancon Auto Industries facility, located within its industrial park in the Kashimpur union of Gazipur. In addition to assembly and inspection, the factory is now capable of painting certain models, including those of brands such as Mitsubishi and Proton. PHOTO: COLLECTED

STAR BUSINESS REPORT

In a major stride for the local automotive industry, Rancon Auto Industries Limited has established a facility to paint cars ahead of assembly.

Previously, this factory brought already painted parts, assembled them and conducted various inspections before release into the market. But now, car bodies and components are painted before the other steps, said SM Shahjahan Selim, deputy general manager of factory operations.

Some models of Japanese brand Mitsubishi and Malaysian brand Proton cars are now undergoing this process at Rancon's facility, located within its industrial park in Bhabanipur village of Kashimpur union in Gazipur.

Over the past year, the facility has undergone modernisation and expansion works to implement this initiative, he added.

This not only enhances the country's technological capabilities but also helps make cars more affordable for local customers, he said.

A group of journalists from Dhaka were taken to the Rancon Industrial Park yesterday to visit the factory.

Shihab Ahmed, chief operating officer at Rancon Auto Industries Ltd, said the company began its journey in 2017 with the assembly of the Mitsubishi Outlander model. Since then, the factory has been further modernised.

Rancon Auto Industries has so far invested Tk 350 crore and employs over 300 people at the factory, he said.

Currently, the sprawling 98,000 square-foot facility assembles four types of vehicles. Among them, vehicles of Japan's Mitsubishi and Malaysia's Proton brands are both painted and assembled onsite, Ahmed said.

Additionally, JAC pick-up trucks from China and Mercedes-Benz buses built with German technology are assembled at the facility, he added.

The main body structures of Mitsubishi and Proton vehicles are imported in welded form, after which all other processes, including painting, assembly, and finishing, are carried out at the factory.

Md Badiuzzaman, executive director at Rancon Auto Industries, said the facility houses the only international-standard test track in the country, where new vehicles undergo thorough testing for speed, braking, handling, stability, suspension, and overall performance, ensuring that durable and reliable vehicles reach customers.

Currently, this factory has the capacity to produce 2,000 units of Mitsubishi Xpander vehicles, 300 to 400 units of Proton X70 vehicles, 600 units of commercial JAC vehicles (trucks) and 360 units of commercial Mercedes vehicles (buses) annually, he added.

Mohammad Fahim Hossain, divisional head of marketing of the "Automotive Division 1" at Rancon Auto Industries, said trial production of the Mitsubishi Xpander and Proton X70 passenger car models are currently underway at their factory.

These two vehicles are expected to be officially launched in the market by June, he said.

The prices have not yet been finalised, but the company has given assurances that they will be set at an attractive and affordable range for Bangladeshi consumers, he added.

"We want to inform the people of the country that we have the capability to produce Japanese-standard vehicles. The world-class production facilities at this factory are certified by Japan's Mitsubishi Motors Corporation."

Shanta Holdings organises 'Meet the Owners' event in Bashundhara

STAR BUSINESS DESK

Shanta Holdings recently organised an event titled "Meet the Owners" at Shwapnoneer, the real estate company's inaugural project in Bashundhara.

The event offered clients their first post-handover glimpse into the elevated lifestyle that awaits within this luxurious and contemporary residential community, delivering a standard of living previously unseen in the area.

According to a press release, the occasion celebrated Shanta's bold vision of setting a new benchmark for luxury living in Bashundhara.

Strategically located on a corner plot in Block D, Shwapnoneer exemplifies refined living through its meticulous design and generous spatial planning.

Designed by Nahas Ahmed Khalil, the development spans 28.66 kathas of land, and comprises 48 expansive apartments, ranging from 2,650 to 3,650 square feet. Each residence includes two dedicated car parking spaces.

Shwapnoneer offers an elevated lifestyle experience, featuring Shanta's signature amenities: a grand double-height entrance, an opulent reception lounge, an elegantly appointed party room, a modern fitness centre, a rooftop infinity pool with a BBQ zone, professionally curated landscaping and lighting, an outdoor activity area, and more.

Further solidifying its presence in Bashundhara, Shanta Holdings is currently developing nine additional residential projects alongside a destination mall.

Among these, Project Nirantar, located on a three-sided open plot in Block H, comprises 72 apartment units and incorporates all the hallmark lifestyle features associated with the Shanta brand. Pre-booking for Nirantar is now open.

For further details on upcoming projects, interested individuals are encouraged to visit shantaholdings.com or call 16634.

With Shwapnoneer and its future developments, Shanta Holdings continues to redefine luxury living—poised to reshape the skyline of Bashundhara and deliver a truly elevated lifestyle experience, it said.

Clients of the Shwapnoneer project and senior officials of Shanta Holdings pose for a photograph during the "Meet the Owners" event, held recently on the project premises in Bashundhara. PHOTO: SHANTA HOLDINGS

Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank, attends an event at the bank's headquarters in Dhaka recently, commemorating the milestone of surpassing Tk 100 crore in fixed deposit and DPS products through its digital platform MTB Neo. PHOTO: MUTUAL TRUST BANK

MTB Neo surpasses Tk 100cr in fixed deposits, DPS products

STAR BUSINESS DESK

Mutual Trust Bank PLC (MTB) has recently achieved a significant milestone, amassing over Tk 100 crore through fixed deposit (FD) and deposit pension scheme (DPS) accounts via its digital banking platform, MTB Neo.

As of March 2025, MTB Neo reported a staggering 668,000+ transactions, culminating in a total transaction volume exceeding Tk 2,203 crore. This represents an impressive 102.14 percent year-on-year growth in transaction volume compared to March 2024, underscoring the burgeoning customer confidence and adoption of the platform, according to a press release.

The sustained upward trajectory in digital engagement reaffirms MTB Neo's standing as a frontrunner in Bangladesh's rapidly evolving digital banking arena.

To commemorate this milestone, the bank organised a celebratory event at its headquarters in Dhaka, marking a pivotal step towards realising MTB's vision of delivering seamless, branchless banking through the nation's most intuitive digital platform.

Reflecting on the achievement, Syed Mahbubur Rahman, managing director and CEO of the bank, remarked, "Surpassing the Tk 100 crore benchmark in FD and DPS via MTB Neo stands as a testament to the unwavering trust our customers place in us."

"It is emblematic of our enduring commitment to advancing banking accessibility, inclusivity, and technological innovation."

Kedar Lele, vice-president for South Asia at Castrol, and Tanzeem Chowdhury, managing director of Rock Energy, attend a programme in Dhaka recently, celebrating the collaboration. PHOTO: ROCK ENERGY LIMITED

Castrol appoints Rock Energy as automotive distributor in Bangladesh

STAR BUSINESS DESK

Castrol, one of the world's leading lubricant brands, has appointed Rock Energy Limited as its distributor for the automotive aftermarket in Bangladesh, aimed at expanding Castrol's footprint and enhancing the accessibility of its products to consumers nationwide.

This strategic partnership with Rock Energy, a subsidiary of one of Bangladesh's fastest-growing business conglomerates, brings with it over three decades of experience in the oil and gas sector, along with an in-depth understanding of the country's energy landscape.

The collaboration marks a significant step forward in Castrol's growth strategy for the region, the company stated in a press release.

"With Rock Energy, we intend to expand our direct distribution footprint, deepen engagement with customers, and drive differentiated growth for the Castrol brand in Bangladesh," said Kedar Lele, vice-president for South Asia at Castrol.

"We are confident this association will help us scale up in 2025 and deliver enhanced value through improved customer service and localised marketing initiatives," he added.

Tanzeem Chowdhury, managing director of Rock Energy Limited, commented, "We are proud to associate with Castrol, one of the most trusted lubricant brands in the world.

NCC Bank launches 'Freelancer Account'

STAR BUSINESS DESK

NCC Bank PLC has launched a new banking product, the "Freelancer Account", specifically designed to support the growing community of freelancers in Bangladesh.

This innovative account aims to deliver tailored financial solutions that empower freelancers while promoting greater financial inclusion within the national economy.

The NCC Freelancer Account offers a range of attractive features carefully aligned with the unique financial needs of freelance professionals.

Md Nurun Newaz Salim, chairman of the bank, inaugurated the product during the Annual Business Conference 2025, held at The Palace Luxury Resort in Habiganj, the bank said in a press release.

Salim acknowledged the vital role freelancers play in the socio-economic development of Bangladesh.

He underscored the importance of supporting their financial growth and entrepreneurial ambitions through customised banking products, describing it as a forward-thinking initiative.

He further noted that features such as foreign currency account options could provide freelancers with increased flexibility in managing international payments and earnings, an essential component in today's global digital economy.

Khairul Alam Chaklader, chairman of the executive committee of the bank; Syed Asif Nizamuddin, Director; and Meer Sajed-Ul-Basher, independent director and chairman of the audit committee; and M Shamsul Arefin, managing director, were present.

Speaking on the occasion, Arefin highlighted the freelancing sector's growing contribution to the national economy.

"With 650,000 freelancers actively contributing to the tech industry and generating approximately USD 1 billion annually, it is evident that this sector plays a pivotal role in driving economic growth," he stated.

"The introduction of the NCC Freelancer Account is a commendable initiative to support these professionals. Benefits such as access to personal loans and credit card facilities will help freelancers meet their financial needs and thrive in their careers," he added.

Deputy managing directors of the bank, along with the heads of business, branches, and various divisions of the bank, were also present.

Md Nurun Newaz Salim, chairman of NCC Bank, inaugurates the bank's new banking product, titled "Freelancer Account", during the Annual Business Conference 2025 at Palace Luxury Resort in Habiganj recently. PHOTO: NCC BANK

Gold price hits record high above $3,500

AFP, London

Gold reached $3,500 an ounce for the first time Tuesday, as US President Donald Trump's tariffs and verbal attack against the Federal Reserve sent investors snapping up the safe haven asset.

The precious metal reached an all-time high $3,500.10 an ounce before pulling back to $3,467.87.

Gold has hit a series of record highs in recent weeks as investors seek refuge amid a weakening dollar and following sharp losses across stock markets.

Trump's tariffs have sparked a trade war with China, the world's second biggest economy after the United States. Gold is up more than 30 percent since the start of the year.

The "rally reflects ongoing recession fears in the US economy and heightened political tensions, especially as President Donald Trump continues to attack Federal Reserve Chair Jerome Powell", noted Rania Gule, senior market analyst at trading group XS.com.

"These attacks have raised concerns about the independence of monetary policy, pushing investors toward gold as a store of value in uncertain times."

Trump on Monday called Powell a "major loser" for not cutting interest rates, underscoring questions about whether the president will seek to fire the Fed chief after threatening such action last week.

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B3

Real estate sector facing 'existential threat'

REHAB president says, urging reforms

STAR BUSINESS REPORT

Bangladesh's real estate sector is facing a deepening crisis and housing could soon become entirely unaffordable for the middle class unless urgent reforms are undertaken, warned Md Wahiduzzaman, president of the Real Estate and Housing Association of Bangladesh (REHAB).

Speaking at a press conference at the Jatiya Press Club yesterday, he said, "We have reached a critical juncture where ownership, regulation, and production in the housing sector are being adversely affected. Government institutions like the National Housing Authority are failing to deliver effectively due to a lack of coordination."

Although 98 percent of construction materials are sourced domestically, many housing projects have stalled due to spiralling costs.

"Small, medium, and large developers who create employment for millions are now under existential threat," the REHAB president added.

He pointed out that the ongoing housing stagnation is intricately linked to uncoordinated policies, interference by vested groups, and indecisiveness among policymakers.

Wahiduzzaman recalled a time when housing projects were built on 50-50 partnership models involving respected national figures. "Today, certain groups are attempting to hijack the sector to serve foreign interests," he alleged.

He further highlighted the burdensome registration processes, land scarcity, and overall uncertainty in new project investments, urging the government to undertake swift policy reforms and coordinated action.

"If immediate steps are not taken, production will decline further, impacting the economy and the lives of citizens," Wahiduzzaman warned.

REHAB underscored the broader economic impact, saying over 200 linkage industries — including rods, cement, bricks, tiles, cables, paints, elevators, and sanitaryware — are dependent on the real estate sector.

The industry directly employs about 40 lakh people and supports the livelihoods of nearly two crore, contributing approximately 15 percent to Bangladesh's gross domestic product.

"Currently, the housing sector is stagnant. Naturally, the related industries are also under immense pressure," Wahiduzzaman said, citing the fallout of the Detailed Area Plan (DAP 2022-2035) and restrictive building regulations.

"Due to the FAR (Floor Area Ratio) issue, building height and volume have been drastically reduced, discouraging landowners from partnering with developers."

He claimed that developers are now unable to initiate new projects, which has led to a sharp decline in demand for construction materials.

The demand for rods, the largest component of construction, has dropped by 50 percent, with several manufacturers reducing their production shifts and laying off workers.

REHAB leaders also criticised the annulment of the 2008 Dhaka Metropolitan Building Construction Rules and the 2010 Master Plan.

"This was done under pressure from a vested group supported by a former autocratic regime," Wahiduzzaman alleged.

The association claimed the resulting regulatory discrimination paralysed development in Dhaka and other cities, stalled numerous industries, and had a direct impact on revenue generation and employment.

"Unemployment and resulting social unrest are threatening the legal and social fabric of the country," he said.

As the national budget approaches, REHAB has called for a people-friendly and business-friendly fiscal plan.

At present, the apartment registration charge is 8 percent and VAT is 4.5 percent. These are borne by buyers and create extra burden, he said.

"There are significant value-added tax (VAT) and tax-related challenges for both the housing and linkage industries. We urge the interim government to present a realistic budget that stimulates investment and employment," Wahiduzzaman said.

The association also revealed it is in talks with various ministries and plans to submit a comprehensive proposal aimed at reviving the sector.

"There is deep dissatisfaction among landowners, developers, and investors regarding the discriminatory DAP. Even flat buyers are losing confidence," he added.

"We expect the interim government to take decisive steps to address these challenges without delay."

He also demanded that the NBR reduce registration fees and VAT by 50 percent.

Sheikh Masadul Alam Masud, founding chairman of the Bangladesh Steel Manufacturers Association (BSMA), said the real estate slowdown is severely impacting related industries.

US tariffs have increased financial stability risks: IMF

AFP, *Washington*

Donald Trump's stop-start tariff rollout has significantly increased global financial stability risks, the International Monetary Fund said in a new report published Tuesday.

The IMF's Global Financial Stability Report (GFSR) was published as global financial leaders gather for meetings in Washington under the cloud of policy uncertainty triggered by Trump's tariff announcements.

The administration's tariff plans "triggered a bout of policy uncertainty," which was only exacerbated by the retaliatory measures unveiled by China, the IMF said.

Against this backdrop, the GFSR's authors found that "global financial stability risks have increased significantly, driven by tighter global financial conditions and heightened economic uncertainty."

The Fund identified three vulnerabilities to financial stability: High valuations in "key" equity and corporate debt markets; highly-leveraged financial institutions including some hedge funds; and the possibility of "further turbulence" in sovereign bond markets in countries with high debt levels.

The bond markets became an unlikely cause for concern in the United States earlier this month, with yields jumping sharply after Trump's tariffs went into effect.

The risk, however, extends far beyond the decisions taken in Washington, with higher bond yields in countries considered a safe bet feeding through into even higher borrowing costs elsewhere.

"Emerging market economies already facing the highest real financing costs in a decade may now need to refinance their debt and fund fiscal spending at higher costs," the IMF said.

Deal signed for constructing

FROM PAGE B1

Terming the project as a strategic investment for the country's future, the adviser said once operational, the port will be capable of handling large ships of up to 100,000 deadweight tonnage capacity.

"With this port, which will help reduce congestion at the existing port facilities and speed up the supply chain, the country will turn into an important energy and transhipment hub," the adviser said.

Under phase-1, a terminal comprising a 460-metre container jetty and a 300-metre multi-purpose jetty will be built.

The terminal, which will have a deep navigation channel, will allow the berthing of container ships up to 350-metres long and capable of carrying 8,200 TEUs (twenty-foot equivalent unit) of containers.

The Chattogram port can currently allow feeder container ships of only up to 200-metre with at best 2,500 TEU capacity.

These transport export containers to hub ports in Colombo, Singapore, Port Klang and Tanjung Pelepas, where mother ships arrive.

Port users hope that such a facility will significantly reduce the cost and time of foreign trade as exports and imports will not have to depend on transhipment ports.

Khairul Alam Suzan, vice-president of Bangladesh Freight Forwarders Association, pointed out one of the Matarbari port's key advantages.

It can accommodate container ships which are over three times larger than the feeder ships that arrive in Chattogram at present, he said.

"Such berthing facilities will reduce transportation costs and, most importantly, direct shipping services to Europe and the US could be introduced. This will place Bangladesh in a more advantageous position in international trade," he said.

CPA Member (Engineering) Commodore Kausar Rashid, also the project director, said the whole Matarbari deep sea port will be developed in two major phases.

The first phase will have two packages and be completed by 2035, said Rashid, adding that under the two packages a container jetty, a multipurpose jetty and three other jetties to handle LNG, LPG and liquid cargo would be developed.

The second package is expected to be completed by 2041. By then, the port will have turned into an important commercial and industrial hub, according to project documents.

Meanwhile, the government published a gazette on April 1 informing that a 17-member coordination committee, headed by the principal secretary to the chief adviser, would coordinate the activities of a fast-track project titled "Moheshkhali-Matarbari Infrastructure Development Initiative".

Customs flags hurdles

FROM PAGE 1

ceiling and limited capacity.

The space may be required to handle as many as 7,000 to 8,000 passengers at a time, but it can accommodate only around 300 people.

"There are 16 belts at the new terminal compared to only 8 now at Dhaka airport. Just imagine how long the queue of passengers will be for customs checks at the new terminal," said a senior customs official.

Officials fear the cramped conditions will lead to long queues even before passengers reach the hall.

The low ceiling could also cause poor ventilation and congestion, slowing down clearance processes.

"It may require a longer time for passenger clearance and, as a result, may have a negative impact on the overall performance indicator of the airport," the customs letter mentioned, recommending an expansion of the customs area.

Spanning 230,000 square metres, the third terminal features 115 check-in counters, 66 departure immigration desks, 59 arrival desks, and three VIP counters.

Upon full operation of the new terminal, the annual passenger handling capacity of Dhaka airport will rise to 2.4 crore, including throughput from the existing terminals.

At present, the airport manages around 800,000 passengers and 500,000 tonnes of cargo per year.

With the new terminal in operation, cargo handling capacity at the airport is also expected to double, but customs authorities have pointed out a number of issues.

For instance, there is no designated warehouse for high-value or transit goods, posing a security risk for seized items.

"It poses a security risk for seized items," customs officials wrote, seeking a secure storage space with restricted access to prevent theft or misuse of seized goods.

"This could lead to inefficiencies, operational delays, and increased risks in customs handling. If not addressed, it may result in revenue loss, smuggling opportunities, and challenges in passenger baggage management," the report said.

Concerns have also been raised about the placement of the duty-free shop, which sits directly after immigration.

Customs said this layout could facilitate the concealment of dutiable goods and recommended stricter staff access control and enhanced surveillance in the area.

Offer duty-free

FROM PAGE B1

"Additionally, we are preparing to send an official BTMA delegation to the United States, in collaboration with the National Cotton Council of America, at the earliest possible date," Russell said.

"This mission, comprising 12-13 representatives, will engage in high-level dialogue and negotiations with key US government and private sector stakeholders to advance our shared goals," the BTMA stated.

In both letters, the BTMA noted that it is a trade body representing 1,856 member mills engaged in yarn and fabric manufacturing, dyeing, printing, and finishing — and has been a cornerstone of Bangladesh's industrial and export economy.

To date, the textile sector has attracted cumulative investments of over $23 billion, the association added.

"On behalf of Bangladesh's textile and apparel industry, we express our appreciation for the enduring and fruitful partnership with the United States," the letter said, adding that in 2024, Bangladesh imported approximately $270 million worth of US cotton, accounting for around 12 percent of the country's total cotton imports.

"We strongly believe this volume can be increased by four to five times in the near future with mutual collaboration and policy support," Russell also stated.

Over 90 percent of total exports to the USA are garment items, which face over 15 percent duty, while Bangladesh levies 2.2 percent duty on imports of US goods.

Alongside the chief adviser's letter to the Trump administration, Commerce Adviser Sk Bashir Uddin, in a separate letter sent to US Trade Representative Jamieson Greer, offered zero-duty benefits to 100 additional US goods, on top of the existing 190 products.

Stocks fall

FROM PAGE B1

Many listed firms have already published lacklustre financial reports for recent quarters. So, it has had an impact on their share prices. However, most of the listed banks showed handsome operating profits this year.

Still, the high operating profits could be eaten by their bad assets and high non-performing loans, apprehend investors.

Investors are losing confidence as they sense a lack of coordination within the Bangladesh Securities and Exchange Commission (BSEC), said Saiful Islam, president of the DSE Brokers Association of Bangladesh (DBA).

So, it is not showing the right direction regarding stock market-related issues, he said.

For instance, brokerage houses have been seeking directives for the last couple of months regarding adjustment of their negative equity issues. For this, they have been unable to prepare their financial reports, he claimed.

The deadlines for allowable provisioning against negative equity and unrealised loss expired last December 2024 and February 2025 respectively.

This would compel brokers to maintain full provisioning or write-off of negative equity against margin loan accounts in order to comply with accounting rules of International Financial Reporting Standards (IFRS).

Full provisioning against unrealised losses in dealers' portfolios would compel almost all brokers in the industry to recognise substantial and unsustainable losses at once although some part of it is actually contingent upon market sentiment.

Yesterday, top officials of 20 leading brokerage houses were finally able to meet the BSEC top brass at the latter's office in the capital in order to discuss the negative equity issue.

A clear message came only yesterday, said Md Saifuddin, vice-president of the DBA.

The BSEC ordered submission of a plan on how the loss will be written off with full details of time schedule considering capital, capacity, and loss size of every dealer, he said.

"To me, it is the right decision because the capacities of all the houses are not the same.

Bangladesh GDP

FROM PAGE B1

For FY26, it said Bangladesh's inflation might ease further to 5.18 percent, which is slightly higher than its earlier forecast of 5 percent.

"Sustaining the pace of structural reforms is crucial for tackling the country's economic challenges," Papageorgiou said.

"Improving governance and increasing transparency will play a vital role in creating a more favourable investment environment, boosting foreign direct investment (FDI), and expanding export sectors beyond ready-made garments," he added.

Why onion prices are rising abruptly

SUKANTA HALDER, AHMED HUMAYUN KABIR TOPU *and* SUZIT KUMAR DAS

Onion prices have been increasing over the past weeks, as farmers and traders release fewer stocks to local markets in the hope of better returns amid the government's suspension of imports.

Despite it being the peak harvesting season, onions have now joined the ranks of other rising kitchen essentials such as rice, soybean oil and vegetables.

In Dhaka's kitchen markets, locally grown onions are currently selling for around Tk 70 per kilogram -- up from Tk 55 to Tk 60 just a week ago.

Official data from the Trading Corporation of Bangladesh (TCB) also shows that retail prices in the capital range from Tk 40 to Tk 65, a rise of 23.5 percent compared to a month earlier.

Only a week ago, consumers could still buy onions for Tk 40 to Tk 55 per kilogramme, according to TCB data.

Retailers and wholesalers in Dhaka, along with farmers in major onion-growing districts like Pabna and Faridpur, said the bulbs were still being sold directly from the fields up until about three weeks ago. But farmers have since harvested the entire crop and stored the better-quality produce.

Earlier in the season, many farmers rushed their onions to market to recover cultivation costs. This temporarily flooded the supply and pushed prices down.

But now, with the entire crop harvested, they are storing high-quality onions that can last longer, giving them more flexibility in timing their sales.

Md Abdur Rahim, director of the plant quarantine wing at the Department of Agricultural Extension (DAE), said that the government has suspended onion imports since March to ensure local growers receive fair prices.

Onions are usually planted in December and start arriving in markets around March or April.

Earlier in the year, farmers made headlines lamenting market prices that fell below their production costs.

According to Agriculture Secretary Mohammad Emdad Ullah Mian, farmers spent between Tk 35 and Tk 48 to produce each kilogramme of the bulb this season.

The DAE estimates the total output this season to be more than 39 lakh tonnes. While this should be sufficient to meet the country's demand, the agency projects a need to import another 6–7 lakh tonnes to cover post-harvest losses.

In Pabna, one of the country's major onion-growing districts, wholesale prices have surged past Tk 2,000 per maund in recent days, a sharp rise from Tk 800 to Tk 1,000 a month ago.
PHOTO: AHMED HUMAYUN KABIR TOPU

FROM FIELD TO RETAIL, PRICES RISING AT EVERY STAGE

Saiful Islam, a resident of Farmgate area in Dhaka, said onion prices rose abruptly by Tk 10-Tk 15 per kilogramme.

Nurul Alam Shikdar, a retailer at Pallabi area of Mirpur in Dhaka, echoed this, saying local onion prices have jumped to Tk 70 per kilogramme compared to the previous week.

Md Kalam Sheikh, a wholesale trader at Karwan Bazar, said, "We are buying onions at higher prices from farmers or suppliers. That is why prices are high in the kitchen markets of Dhaka."

Mohammad Abdul Mazed, general secretary of the Shyambazar Onion Wholesalers Association, a major wholesale hub in Dhaka, said supplies have been insufficient despite it being the harvest season.

"Yesterday, local onions were sold at Tk 47 to Tk 50 per kilogramme in wholesale markets, up from Tk 30 to Tk 32 just a week ago," he added.

He linked the increase to the suspension of onion imports.

MARKET TIGHTENS IN ONION HEARTLANDS

In Pabna, one of the country's major onion-growing districts, wholesale prices have surged past Tk 2,000 per maund (37.65 kg) in recent days, a sharp rise from Tk 800 to Tk 1,000 a month ago.

Md Robiul Islam, a wholesaler in Pabna, said that up until two weeks ago, many farmers were still selling onions straight from the fields.

"Now, farmers are storing onions that can be preserved for a long period due to their good quality. So, they are choosing to sell based on prevailing market conditions," he explained.

Montu Khan, a farmer from Sujanagar upazila in Pabna, harvested over 500 maunds of onions but decided not to sell when prices dipped.

"Last month, prices were around Tk 800 to Tk 900 per maund. As it was too low to cover production costs, I have stored the entire stock at home to sell gradually throughout the year," he said.

Prices are also increasing in Faridpur's Saltha upazila, with rates rising to Tk 1,700 to Tk 1,800 per maund.

Kamal Hossain, a wholesale trader in Faridpur sadar, said many farmers are holding on to their produce instead of selling according to market demand. This has led to shortages even in peak season.

He added that some traders are also stockpiling onions, expecting prices to rise further.

Shahadat Hossain, senior agricultural marketing officer in Faridpur, said, "Many farmers are preserving their onions, which has reduced the market supply.

"Besides, traders are buying and storing onions, expecting higher future prices. These factors together have led to the recent price hike," added Hossain.

Agriculture Secretary Emdad Ullah Mian said that to ensure a fair profit for farmers, the ideal retail price should be around Tk 60 per kilogramme, factoring in a 15 to 20 percent margin over production costs.

"When onions were selling below Tk 60 in retail, farmers were largely incurring losses," Mian told The Daily Star.

Why every startup founder must master unit economics

MD TAJDIN HASSAN

In the glittering world of startups -- where valuations, funding rounds, and user growth often dominate headlines -- what remains understated yet absolutely vital is the understanding of unit economics. For any founder serious about building a sustainable and scalable business, grasping this financial foundation is not optional; it's essential.

Unit economics is, in essence, the financial anatomy of your product or service. It tells you how much it costs to acquire a customer (Customer Acquisition Cost or CAC), how much it takes to deliver the product (COGS), and what remains (Gross Margin and EBITDA) after subtracting those costs. These are not just numbers on a spreadsheet -- they are the pulse of your business.

Take EBITDA, for example -- Earnings Before Interest, Taxes, Depreciation, and Amortisation. This simple metric gives you a clear picture of whether your business is capable of generating profits even before financial and accounting complexities come in. Any investor worth their salt will look at EBITDA before putting money on the table. Why? Because it reveals the core profitability of your operations, without the noise of interest payments or tax shields.

Then comes the contribution margin -- how much you really earn from each unit after covering variable costs. This figure can help you determine breakeven points and understand how many units you need to sell before you actually start making a profit. More importantly, it signals whether your business model is viable in the long run or just temporarily sustained by external funding.

From the lens of a founder, understanding unit economics is like having night vision in a dark jungle. It helps you navigate decisions -- whether it's pricing, marketing spend, or choosing between growth and profitability. It's easy to get lost in vanity metrics like app downloads or social media followers. But unless each unit sold pushes your business closer to profitability, growth is just an illusion.

From the experience of working in the edtech and e-commerce industries, we may focus on three key areas: reducing Customer Acquisition Costs (CAC), increasing Customer Lifetime Value (LTV), and optimising pricing and cost structures.

High CAC can quickly erode margins and limit growth. To bring acquisition costs down, utilise organic channels such as community-driven marketing, strategic influencer partnerships, and institutional collaborations with universities or corporations. Implementing referral incentives and affiliate programmes can further reduce dependence on paid acquisition without sacrificing lead quality.

Increasing LTV requires more than just repeat purchases -- it's about building a relationship. This means improving product or course quality, adding personalised user experiences, and offering post-purchase or post-enrolment value. When users see tangible outcomes or benefits, they tend to stay longer, upgrade plans, and refer others. A higher LTV justifies a higher CAC and creates a healthier financial model.

Lastly, pricing and cost structure optimisation is vital. We experimented with tiered pricing, bundling, and flash sales to find the sweet spot between value and affordability. On the cost side, we re-evaluated team structures, vendor partnerships, and marketing spends -- focusing on ROI over assumptions.

In conclusion, startups shouldn't chase scale blindly. Before dreaming of being the next unicorn, a founder must ensure their unit economics make sense. Because in the end, sustainable growth isn't built on fundraising -- it's built on fundamentals.

The writer is the chief business officer of The Daily Star and the chief operating officer of Keeron, an upskilling platform in Bangladesh.

PHOTO: AFP/FILE

A ship of German container shipping firm Hapag-Lloyd is seen in Rotterdam harbour. In the long run, shipping companies expect a decline in freight rates -- as happened in 2018-2019 during Donald Trump's first term.

Bangladesh Submarine Cables' profit rises 8% in Q3

STAR BUSINESS REPORT

Bangladesh Submarine Cables PLC (BSCPLC) saw its profit grow in the January-March quarter of the fiscal year 2024-25 (FY25).

The state-run company reported an 8 percent year-on-year increase in profit to Tk 43.58 crore.

Its diluted earnings per share (EPS) stood at Tk 2.33 during the quarter, up from Tk 2.16 in the same period a year ago, the company said in a disclosure posted on the Dhaka Stock Exchange (DSE) website yesterday.

Shares of the company went up 1.72 percent to close at Tk 124.20 on the DSE.

However, its nine-month EPS from July 2024 to March 2025 dropped to Tk 6.83, down from Tk 8.99 in the corresponding period of the previous fiscal year.

The company said its net operating cash flow per share (NOCFPS) fell to Tk 7.83 in the first three quarters of the current financial year from Tk 14.06 over the same period a year ago.

Global shipping navigates Trump tariffs uncertainty

AFP, *Paris*

Shifting trade announcements have led to unprecedented volatility in the global shipping industry in recent weeks, with industry players having to constantly adapt to new US tariffs.

Cargo ships put to sea half empty, fluctuating freight rates and possible shipping route changes are some of the recent adjustments industry specialists have noted.

The global economy has been riding a rollercoaster since US President Donald Trump returned to the White House in January and kicked off a tariff offensive.

Trump's recent walk-back, announcing a 90-day pause on some previously announced levies -- with the exception of those targeting China -- has once again upset the balance.

"In the three weeks leading up to the announcement, we saw a slowdown in trade and many ships were only 50 percent full on the transatlantic and transpacific trades to the United States," said Alexandre Charpentier, transport specialist at consulting firm Roland Berger.

During that time, sea freight rates fell and many companies held on to their stocks as a precaution.

"As of last week, we've had the opposite effect," Charpentier said. "People want to ship as much as possible to the United States, they're destocking and there has been a rush for space."

And prices have started to rise again. Adding to the headwinds facing shipping are new US port fees for Chinese-built and -operated ships, unveiled by Washington on Thursday and due to kick in from mid-October.

Those come on top of the tariffs of up to 145 percent the Trump administration has introduced on a large number of Chinese imports, resulting in a top tax line as high as 245 percent on some products.

China builds nearly half of all ships launched, ahead of South Korea and Japan.

In the long run, shipping companies expect a decline in freight rates -- as happened in 2018-2019 during Trump's first presidential term.

Back then liners "experienced an oversupply of shipping capacity, decreased shipping rates, increased operational costs and ultimately, a reduction in revenue," said Sandy Gosling, specialist in transport and logistics at consulting firm McKinsey.