



DHAKA WEDNESDAY MAY 14, 2025

REGD. No. DA 781

VOL. XXXV No. 115

BAISHAKH 31, 1432 BS

www.thedailystar.net

ZILQAD 15, 1446 HUJI

16 PAGES: Tk 15.00



**WHO warns of lasting impact of hunger on Gaza's entire generation**  
P5



**We must reduce deficit for sound budget management**  
P6



**Trump's Saudi visit: Can it be 'game over' for Netanyahu?**  
P7



**The quiet bias keeping skilled professionals out of jobs**  
P10

## Tax authority split in major overhaul

Govt publishes an ordinance to separate revenue policy from administration

STAFF CORRESPONDENT

The interim government has replaced the five-decade-old tax authority with two new entities as part of sweeping reforms aimed at modernising tax administration and boosting revenue receipts.

The newly established Revenue Policy Division will be responsible for designing tax laws, setting rates, and managing international tax treaties while the Revenue Management Division will oversee enforcement, audits, and compliance for income tax, VAT and customs.

The restructuring, enacted through an ordinance late Monday, dissolved the Internal Resources Division and the National Board of Revenue (NBR), an agency established in 1972 to mobilise revenue for the newly independent nation. The new ordinance will take effect upon the issuance of a separate circular.

The move is widely seen as a response to long-standing calls from multilateral lenders and domestic experts to raise Bangladesh's chronically low tax base.

- Govt dissolves NBR, Internal Resources Division
- Forms 2 divisions for revenue policy, revenue management
- Will appoint secretaries to the new divisions
- An advisory committee will come up with tax policy

The reform is tied to a condition under a \$4.7 billion loan programme from the International Monetary Fund, which requires the separation of tax policy and administration, an international best practice aimed at reducing conflicts of interest and improving governance.

Officials said the overhaul is critical as the country confronts mounting fiscal pressures, including a decline in foreign exchange reserves. The interim administration, led by Nobel laureate Muhammad Yunus, has framed the change as part of a broader effort to strengthen public finance and institutional efficiency.

"The NBR has consistently failed to meet its revenue targets," the Chief Adviser's Office said in a statement yesterday, adding that Bangladesh's tax-to-GDP ratio is approximately 7.4 percent, one of the lowest in Asia.

For context, the global average stands at 16.6 percent.

"To achieve the development aspirations of its people," Bangladesh must raise its tax-to-GDP ratio to at least 10 percent, according to the statement.

"Restructuring the NBR is critical to this goal. There is growing consensus that a single institution should not be responsible for both creating tax policy and enforcing it -- such an arrangement breeds conflicts of interest and promotes inefficiencies," the Chief Adviser's Office added.

However, the move has been met with strong resistance from within the tax bureaucracy. NBR officers and staff demonstrated in front of the agency's headquarters yesterday, demanding the repeal of the ordinance. Under the banner of the NBR Reform Unity Council, they also announced a three-day pen-down strike beginning today, though they pledged to exempt international passenger services, export operations, and budget-related activities.

Critics within the Customs and Income Tax cadres argue that the ordinance sidelines experienced tax professionals, transferring policy-making powers to officials from the general administration cadre. They claim the final ordinance includes only a minor revision from the draft version, slightly narrowing the policy division's scope.

SEE PAGE 2 COL 1



Dhaka University yesterday introduced electric shuttle cars as a means for students to get around the campus more conveniently. Under an initiative supported by the Green Future Foundation, four "Campus Shuttles" will operate daily from 8:00am to 8:00pm. Fares will be between Tk 10 and Tk 20, depending on the route. Each vehicle can accommodate around a dozen people. The photo was taken yesterday at TSC.

PHOTO: FIROZ AHMED

## RAMNA BATAMUL CASE HC commutes sentences of 10 Huji leaders

STAFF CORRESPONDENT

The High Court yesterday reduced the sentences of 10 convicted leaders of the banned militant outfit Harkat-ul-Jihad al-Islami (Huji), who had been sentenced to either death or life imprisonment by a trial court in a 2001 Ramna Batamul blast murder case.

**The 2001 Ramna Batamul blast constituted one of the most brutal killings in the country's history -- HC**

Meanwhile, it upheld the life sentence of one convict.

Of the total 14 convicts in the murder case, two have died and one has been executed in connection with a separate grenade explosion case.

After the Ramna blast incident, two cases were filed -- one was for murder and the other under the Explosive Substances Act.

SEE PAGE 2 COL 4

## WORK IN MALAYSIA Recruitment cartel gearing up again

MD ABBAS

A cartel of overseas recruitment agents that once exploited Bangladeshi workers migrating to Malaysia is allegedly becoming active again -- this time without the involvement of Awami League leaders.

Industry insiders say this has been happening just as the interim government is trying to get Malaysia to resume taking Bangladesh workers. Overseas employment Adviser Prof Asif Nazrul is expected to visit Malaysia on May 15 to discuss the matter.

Amid reports of irregularities, Malaysia suspended hiring Bangladeshi workers several times, the latest being in June 2024.

Before the suspension, thousands of crores of taka changed hands, with each worker having to spend around Tk 544,000 even though the ceiling set by the government was just Tk 78,990.

The Anti-Corruption Commission is currently investigating ex-finance minister AHM Mustafa Kamal, and former lawmakers Nizam Uddin Hazari, Lt Gen (retired) Masud Uddin Chowdhury,

SEE PAGE 2 COL 4

## BANGLADESHI MIGRANTS IN MALAYSIA

### Dhaka's uphill battle to break syndicate chains

The 2 countries begin talks tomorrow

PORIMOL PALMA and MOHAMMAD JAMIL KHAN

Starting tomorrow, Bangladesh and Malaysia will hold a series of meetings, as the former faces an uphill task of reforming the labour recruitment system long plagued by syndication and corruption.

Expatriates' Welfare Adviser Asif Nazrul will meet Malaysian Human Resources Minister Steven Sim and Malaysian Home Minister Saifuddin Nasution Ismail in Putrajaya tomorrow, according to official documents.

Afterwards, the third official level joint working group meeting will take place in Dhaka on May 21-22, followed by a meeting between Bangladesh Chief Adviser Prof Muhammad Yunus and Malaysian Prime Minister Anwar Ibrahim in mid-July.

Following the formation of the interim government, Anwar Ibrahim was the first head of a foreign government to visit Bangladesh and meet the chief adviser last October.

The prominent topic of discussions was cooperation on labour recruitment and welfare, alongside other agendas including trade, investment and regional cooperation.

Now, as Malaysia prepares to begin fresh labour recruitments, opening the market to Bangladeshis and ensuring migrants' rights will figure high in the upcoming meetings.

Speaking to The Daily Star yesterday, Sarwoer Alam, deputy secretary of the expatriates' welfare ministry, said,

SEE PAGE 2 COL 1

## BUSINESS

### BB to adopt more flexible exchange rate to meet IMF terms

After a months-long stalemate, the Bangladesh Bank (BB) is finally set to adopt a more flexible exchange rate regime to fulfil conditions tied to a \$4.7 billion International Monetary Fund (IMF) loan programme, which will likely enable Bangladesh to receive \$1.3 billion in the fourth and fifth tranches.

The central bank is likely to issue a circular in this regard today.

Currently, banks in Bangladesh are following a crawling peg rate system for spot purchases and sales of US dollars, where the mid rate is set at Tk 119 with a 2.5 percent corridor per greenback.

The banking regulator may increase the corridor to 4 or 5 percent as part of its initiative to bring more flexibility to the foreign exchange market, The Daily Star learned from central bank officials.

As a result, banks will be able to quote 4 to 5 percent higher or lower than the mid-rate for spot purchases and sales of US dollars.

STORY ON BI

## Foreign ministry tells India to stop push-ins

DIPLOMATIC CORRESPONDENT

Bangladesh has called on India to immediately stop the recent push-in of people across the border, warning that such actions pose risks to security and undermine mutual understanding.

In a letter sent on May 8, the foreign ministry raised concern over people being pushed into the country and urged New Delhi to adhere to established repatriation mechanisms, people with knowledge of proceedings told The Daily Star.

The move follows reports that India's Border Security Force (BSF) pushed in around 300 people, including Rohingyas, into Bangladesh between May 7 and May 9 through remote points along the border.

These include areas such as Panchari, Jamini Para and Khedachhara in Khagrachhari; areas in Moulvibazar; the Raumari char regions in Kurigram; and the remote Mandarbaria island in the Sundarbans.

Amid such incidents, the BGB has ramped up patrols and heightened vigilance along the borders, he added.

The foreign ministry's letter warned that such actions could jeopardise overall security and fuel negative public sentiment.

The push-ins violate existing bilateral frameworks, including the 1975 India-Bangladesh joint guidelines for border

SEE PAGE 5 COL 5



A bulldozer crushes and carries away a battery-run autorickshaw as part of Dhaka North City Corporation's drive to remove such vehicles from major streets in an effort to reduce traffic congestion and improve road safety in the capital. More than 100 illegal auto-rickshaws were seized during yesterday's drive between Dhanmondi-27 intersection and Asad Gate.

PHOTO: PALASH KHAN

## DU JCD leader stabbed to death on campus

STAFF CORRESPONDENT

A Dhaka University student was stabbed to death on the campus late last night.

Shahriar Alam Samyo, 25, was the literature and publication secretary of the Sir AF Rahman Hall unit of Jatiyatabadi Chhatra Dal.

Inspector Muhammad Faruk, in-charge of the police outpost at Dhaka Medical College Hospital, said Samyo was bleeding profusely when he was brought to the hospital by his classmates around midnight. Doctors pronounced him dead.

He sustained a sharp weapon injury to his right leg, he added.

His body has been sent to the morgue for autopsy.

Ashraful Islam Rafi, a fellow student, said Samyo was a student of international relations (2018-19 session) and a resident of Room 222 of the dorm. His hometown was Ullapara, Sirajganj.

Rafi said that Samyo was riding his motorcycle near the Suhrawardy Udyan when his bike collided with another bike. This led to an altercation and a scuffle. At one point, an unidentified individual stabbed him in the right thigh before fleeing.

DU unit of JCD in a message confirmed the incident.

Shahbagh Police Station Officer-in-Charge Khaled Mansur said police were looking for the suspect.