

Govt to consider NBR officials' concerns

STAR BUSINESS REPORT

The government will duly consider demands from protesting officials of the National Board of Revenue (NBR), who have been observing a pen-down strike since the interim government passed an ordinance aimed at dissolving the revenue board on May 12.

The assurance came following a meeting at the Secretariat between NBR officials and three government advisers, after which the finance ministry issued a statement.

The dialogue took place in the wake of five days of pen-down strikes observed by NBR officials across the country under the banner of the "NBR Reform Unity Council" to stop the government from splitting the NBR into two separate entities: the Revenue Policy Division and the Revenue Administration Division.

Speaking to reporters after the meeting, Finance Adviser Salehuddin Ahmed said the separation of functions within the NBR would remain unchanged.

However, he noted that the concerns raised by officials would be taken into account when the government issues the notification under the new ordinance.

He also announced there would be no further formal meetings with NBR officials on this issue. "NBR officials can raise their concerns through the advisory committee, which has been formed earlier to reform the NBR," he said.

However, the NBR officials were 'unhappy',

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To appease US, NBR to offer zero-duty for 100 more goods

Highlights

Bangladesh's goods face a 16% tariff in US market
Additional 37% tariff to be slapped without a deal
Bangladesh's weighted avg tariff on US products 6.10%

Timeline: US tariff hike and Bangladesh's response

Apr 2: Trump announces reciprocal tariff
Apr 7: CA requests Trump to postpone new tariff for three months
Apr 9: Trump announces a 90-day tariff pause
Apr 23: US seeks precise proposal from Bangladesh
May 7: US asks Bangladesh for written proposals

BANGLADESH OFFERS

Dedicated duty-free bonded warehouses for US cotton
Zero duty on 100 more US items

Major items considered for duty-free entry

Textile raw materials
Machinery
Defence equipment
Agriculture items
Zero-duty benefit to 100 US-linked goods likely in FY26
Tariff exemption not country-specific
NBR gets Tk 600cr import revenue from 100 US items in FY25
Presently 190 US goods get duty-free entry

MOHAMMAD SUMAN, *Chittagong*

The National Board of Revenue (NBR) is set to propose zero import duties on an additional 100 goods in the upcoming national budget, aiming to boost bilateral trade with the United States and cushion higher tariffs on Bangladeshi products entering the American market.

The move received policy-level approval from Chief Adviser Professor Muhammad Yunus during a meeting with National Board of Revenue (NBR) officials on Monday, where Finance Adviser Salehuddin Ahmed was also present.

According to NBR sources, while tariff exemptions cannot legally be granted based on the country of origin, the curated list that was proposed features 161 items that are predominantly imported from the US.

Officials say the selection was made carefully to minimise any significant impact on government revenue.

The items on the list include raw materials and capital machinery used in the textile and garments sector, such as garnetted stock of cotton, cotton waste, raw or retted

flax, textured polyester yarn, synthetic yarn, artificial filament tow, synthetic staple fibres, and textile machinery.

The list also covers military and law enforcement equipment, including turbojets, turbo propellers, weapons such as guns, howitzers, mortars, rocket launchers, grenade launchers, standard-issue military arms, muzzle-loading firearms and target shooting shotguns and rifles, as well as other firearms imported by or on behalf of the government of Bangladesh.

Additionally, various machinery for the energy, medical, agriculture, and poultry sectors have been included.

The initiative comes in response to the Donald Trump administration's decision to impose a 37 percent tariff on imports from Bangladesh, announced on April 2, under his sweeping "reciprocal tariffs" policy.

The announcement triggered a global market crash and sparked widespread diplomatic and economic uncertainty.

However, a 90-day pause was declared within a week.

Bangladeshi exports to the US already face a 15 percent tariff, meaning the imposition of

an additional 37 percent supplementary duty would raise the effective tariff to 52 percent – posing a serious threat to the country's access to the US market.

In light of these developments, Chief Adviser Yunus formally requested a three-month deferral of the new US tariffs on Bangladeshi exports to allow time for bilateral engagement and review.

To help address the emerging trade imbalance and mitigate the impact of the new US tariff regime, Bangladesh decided to expand its list of zero-duty items for US-origin imports.

A letter from Commerce Adviser Sheikh Bashir Uddin to US Trade Representative Jameson Greer confirmed that 100 more products would be added to the existing list of 190 items that already enjoy duty-free access.

As per the NBR data, until April of FY25, Bangladesh imported 4.5 lakh tonnes of goods from the United States, valued at Tk 27,245 crore, under the product categories proposed for duty exemptions.

The government collected Tk 595 crore in duties from these imports, which currently

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Trump's remittance tax plan poses threat to Bangladesh

AHSAN HABIB

The US House Budget Committee voted late on Sunday to move forward with President Donald Trump's "One Big Beautiful Bill Act", a proposal that could make sending money back home more expensive for three lakh Bangladeshis currently living in the United States.

The bill proposes a 5 percent tax on all international money transfers made by non-US citizens, including holders of non-immigrant visas such as the H-1B and green card holders.

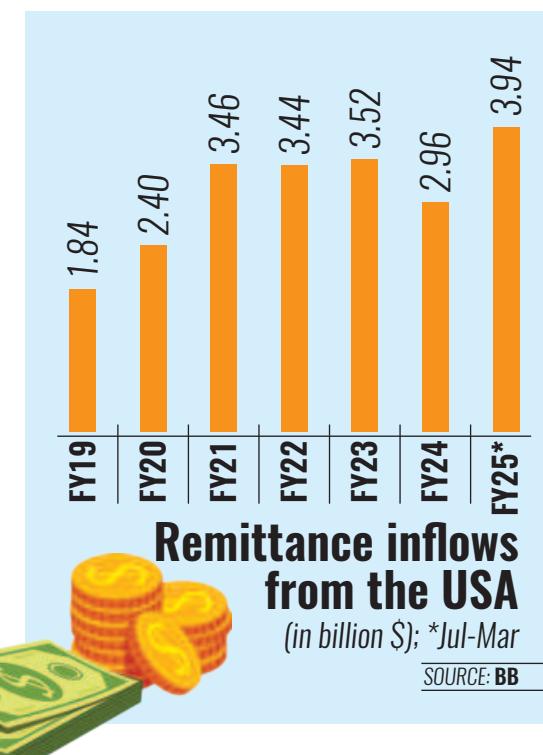
During the January-March quarter of this year, Bangladesh received the highest amount of remittances from the US – which was more than 18 percent of the total inflow.

"This is a matter of concern for Bangladesh. It would deal a massive blow to our increasing remittance inflow," said Birupaksha Paul, a professor of economics at the State University of New York in Cortland.

In the first nine months of the 2024-25 fiscal year, Bangladesh received \$3.94 billion in remittances from the US, according to the Bangladesh Bank.

If enacted, the US law would deduct 5 percent from the transferred amount at the point of transfer. No minimum exemption has been proposed, meaning even

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Farmers are the main risk-takers in value chain

BB study finds

STAR BUSINESS REPORT

Shortfalls in supply are the primary cause of price increases of major essential commodities such as rice, potatoes, onions, and eggs, while farmers are the main risk-takers, a central bank study found.

The study, titled "A Study on Value Chain Efficiency of the Agricultural Products in Bangladesh", was released by the banking regulator on Tuesday.

It found that supply shortages typically occur during off peak seasons and are also associated with decreased cultivation areas replaced by other profitable products, production being hampered by floods, and increased pest attacks.

The findings indicate that farmers or producers are the main risk-takers as they might earn a reasonable profit or face losses depending on supply, demand, competition, and production costs.

Other players, such as intermediaries, typically add cost and profit margins before selling products to the next actor, as per the findings.

"During our survey, we saw that farmers and producers are the main risk-takers. They make profits sometimes, but sometimes they face losses," Md Salim Al Mamun, director (research) of the chief economist's unit at the central bank, told The Daily Star.

The study also said imports can help stabilise prices of the select agricultural products during the off-peak months, when supply is naturally low.

To ensure price stability without hurting local producers, the government can lower or eliminate import duties before certain months when there are shortages in the supply of respective commodities, it added.

The survey was conducted jointly by the Chief Economist's Unit and the Governor's Office of the central bank. The team surveyed 14 districts on five essential agricultural products: rice, potatoes, onions, eggs, and broiler chicken.

The study found that a significant amount of profit is earned by the farmers while intermediaries and wholesalers gain small margins in the case of rice and paddy production during the survey period.

Rice millers in the supply chain play a crucial role, setting prices based on milling costs and market demand and supply conditions for paddy and rice, and making profits both from rice sales and byproduct income, as per the study.

The study finds that big wholesalers, colloquially known as aratdars, and retail sellers for rice, both in local and urban markets, set prices

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Only 5 of 28 locally developed tea varieties popular

SUKANTA HALDER

Out of the 28 varieties of tea plants developed by state-run Bangladesh Tea Research Institute (BTRI), only five are widely cultivated in the country, based on their high yield, quality, and climate resilience.

These varieties are also called tea clones – plants produced through vegetative propagation like cuttings or grafting from a single, selected parent plant, rather than from seeds.

This method allows for the creation of genetically identical plants with specific desirable traits, like high yield or disease resistance.

The five clones, named BT-1 (developed in 1966), BT-2 (1975), BT-4 (1981), BT-5 (1985), and TV-1 (1949), yield around 3,000 to 4,000 kilogrammes (kg) of tea per hectare on average, said BTRI Director Md Ismail Hossain.

BT-2 is the most popular due to its drought tolerance and flavour resembling Darjeeling tea, which is appreciated for its delicate taste, floral aroma, and wine-like notes reminiscent of muscat grapes, he added.

Speaking to The Daily Star yesterday, Hossain said BT-2 can be used to produce premium-quality black tea and green tea.

However, he added that, given the size of the country's tea industry, the number of clones developed so far is not sufficient and research is ongoing for new ones.

Traditionally, people tend to trust what is old and proven – and the same holds true in the tea sector, he said. Tea garden owners

prefer cultivating older, tried-and-tested clones, while adoption of newer ones remains limited, the researcher also added.

As such, garden owners usually cultivate three to five select clones to ensure that their operations are not commercially affected in any way, he added.

He informed that developing a high-quality clone takes around 13 years and its economic lifespan is around 50 years.

They garden owners said the BTRI needs to develop more clones focusing on climate resilience and high quality to boost tea production and sales.

Bangladesh's tea industry dates back 184 years. There are currently 170 tea gardens, mostly in the northeast.

In 2024, 93.04 million kg of tea was

produced in the country against an annual demand of 85-90 million kg, according to industry sources.

What tea garden owners and officials say

An official of one of the leading tea manufacturers, requesting anonymity, said they were cultivating BT-2 on nearly 50 percent of their plantation area given its high yield, quality, low susceptibility to pest attacks, drought tolerance, and low mortality rate.

They also planted TV-1, said the official, opining that more clones, focused on climate resilience for product diversification, were required.

Kamran Tanvirul Rahman, chairman of the Bangladesh Tea Association (BTA), a platform of tea garden owners, said there was a shortage of high-yield varieties and the BTRI needs to focus on this.

More drought-tolerant clones must also be developed as the country experiences little to no rainfall for five to six months of the year. Irrigation is not feasible everywhere, as it would increase production costs, he added.

Luthful Kabir Shaheen, director of business development at City Group, a leading conglomerate which owns the Bengal Tea brand and eight tea gardens, said their plants include the popular BT 1, BT 2 and TV 1 varieties.

"These clones have been prioritised due to their climate resilience, superior aroma, and sweetness, which make them more desirable in the market," he said.

Walton expands to Singapore

STAR BUSINESS REPORT

Walton Hi-Tech Industries PLC entered into a global distributorship agreement with Singapore-based Flair M&E Pte Ltd, appointing the company as its authorised distributor in Singapore for the next five years.

According to a disclosure posted on the Dhaka Stock Exchange (DSE) website yesterday, Flair M&E – a private company incorporated in Singapore – will be responsible for selling, distributing, and marketing Walton products in the country.

An agreement was signed between Walton Hi-Tech Industries PLC and Flair M&E Pte Ltd in this regard on Monday. The agreement came into effect on the date of signing, according to the disclosure.

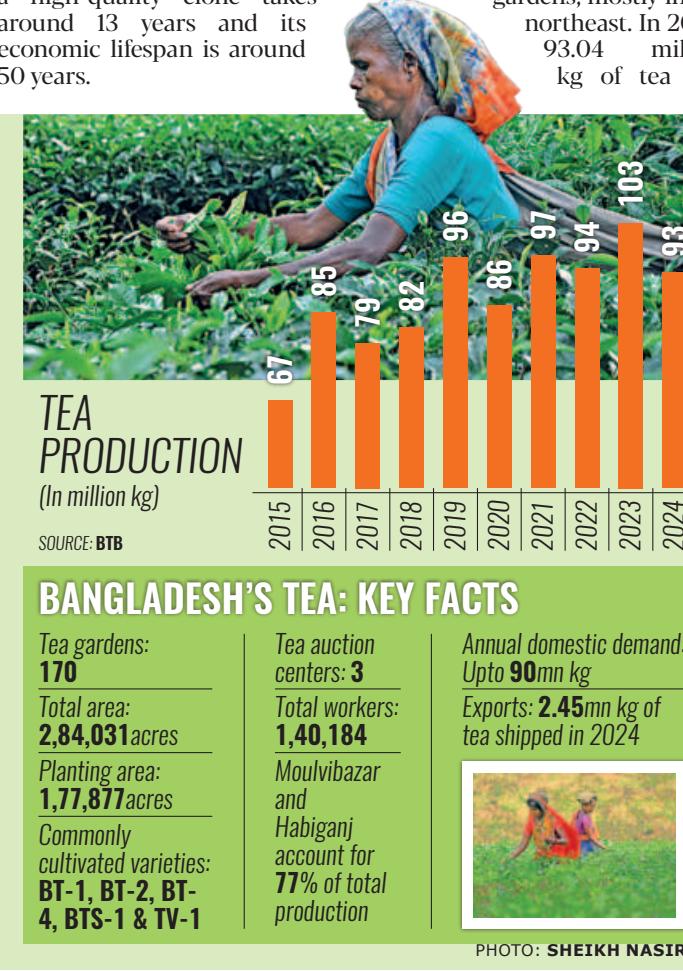
Following the announcement, Walton's share prices rose 0.47 percent, closing at Tk 407.

Abdur Rouf, head of global business at Walton, said the partnership is part of the company's broader strategy to strengthen its global presence.

Walton currently exports electronics and appliances to 67 countries, including the US, UK, Australia, Germany, India, and Nigeria.

The company sells products under its own brand in 41 markets such as India, Mexico, Nigeria, Sri Lanka, and Vietnam, offering a full range that includes refrigerators, televisions, air conditioners, and home appliances.

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Ziaul Hasan, deputy managing director, CAMLCO and head of channel banking at Bank Asia PLC, poses for group photographs with participants of a training programme on "Prevention of Money Laundering & Combating the Financing of Terrorism" at the Bank Asia Institute for Training and Development in the capital's Lalmatia recently.

Prime Bank pens deal with ShareTrip

STAR BUSINESS DESK

Prime Bank PLC has entered into a strategic partnership agreement with ShareTrip, a leading travel-tech company in Bangladesh.

Md Nazeem A Choudhury, deputy managing director of the bank, and Sadia Haque, co-founder and CEO of the travel tech company, signed the agreement at the bank's corporate office in the capital's Gulshan recently, according to a press release.

Through this collaboration, Prime Bank customers will enjoy benefits when availing themselves of services offered by ShareTrip.

Joarder Tanvir Faisal, executive vice-president and head of cards and retail asset at the bank; Md Nafiz Chowdhury, assistant general manager for marketing; and Md Tousif Uddin, deputy manager for marketing of ShareTrip, along with other senior officials from both organisations, were also present.



Sadia Haque, co-founder and CEO of ShareTrip; and Md Nazeem A Choudhury, deputy managing director of Prime Bank PLC, pose for photographs after signing the agreement at the bank's corporate office in the capital's Gulshan recently.

PHOTO: PRIME BANK

EXIM Bank opens relocated branch in Madhabdi

STAR BUSINESS DESK

Export Import Bank of Bangladesh PLC, known as EXIM Bank PLC, has recently inaugurated a relocated branch at Madhabdi Bazar in Madhabdi upazila of Narsingdi.

M Akhter Hossain, managing director (current charge) of the bank, inaugurated the branch as the chief guest, according to a press release.

In his speech, Hossain stated that EXIM Bank always prioritises the needs of its customers. It is for this reason that the Madhabdi branch has been relocated to this site on a larger scale.



M Akhter Hossain, managing director (current charge) of EXIM Bank PLC, inaugurates a relocated branch of the bank at Madhabdi Bazar in Madhabdi upazila of Narsingdi recently. Sanjib Chatterjee, head of corporate affairs and branding division of the bank, and Mohammad Ali Ashraf Khan, manager of Madhabdi branch, were also present.

PHOTO: EXIM BANK

United Commercial Bank signs MoU with CCC



Mohammad Mamdudur Rashid, managing director and CEO of United Commercial Bank PLC, and Sheikh Muhammad Tauhidul Islam, chief executive officer of Chattogram City Corporation, shake hands and exchange signed documents of the memorandum of understanding at the bank's head office in Dhaka recently.

PHOTO: UNITED COMMERCIAL BANK

aimed at fostering a greener Chattogram.

In accordance with the MoU, the long-abandoned playground adjacent to Karnaphuli Shishir Park in Agrabad is set to be transformed into a modern, child-friendly recreational centre, equipped with

contemporary facilities to serve the community.

Sheikh Muhammad Tauhidul Islam, chief executive officer of CCC, and Mohammad Mamdudur Rashid, managing director and CEO of UCB, signed the MoU at the bank's head office in Dhaka recently, according to a press release.

During the event, Rashid reiterated UCB's steadfast commitment to impactful corporate social responsibility (CSR) initiatives, underscoring the bank's role in supporting sustainable community development.

Sahadat Hossain, mayor of the CCC, and Sharif Zahir, chairman of UCB, also attended the ceremony.

The CCC mayor praised UCB's sustained engagement in promoting an environmentally conscious and greener Chattogram, describing the bank's efforts as truly laudable.

In a city of nearly seven million inhabitants, access to playgrounds and recreational areas is vital for the physical and mental development of children and adolescents.

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Ahmed Zahid Hossain, managing director of Bangladesh Specialised Hospital PLC, and Mohammad Wahiduzzaman, head of the card division of Social Islami Bank PLC, shake hands and exchange signed documents of the agreement in Dhaka recently.

Bank Asia arranges training on prevention of money laundering

STAR BUSINESS DESK

Bank Asia PLC recently organised a daylong training programme on "Prevention of Money Laundering & Combating the Financing of Terrorism" at the Bank Asia Institute for Training and Development, located in the capital's Lalmatia.

Ziaul Hasan, deputy managing director, CAMLCO and head of channel banking at Bank Asia PLC, poses for group photographs with participants of a training programme on "Prevention of Money Laundering & Combating the Financing of Terrorism" at the Bank Asia Institute for Training and Development in the capital's Lalmatia recently.

channel banking at the bank, inaugurated the programme, according to a press release.

The training was designed to enhance knowledge and awareness of anti-money laundering (AML) and combating the financing of terrorism (CFT) among employees, with the objective of fostering a robust culture of compliance throughout the organisation.

Management trainees and officials

from various divisions, branches, centres, and Islamic windows within the bank's Dhaka zone participated in the session.

Sharif Ahmed, Md Hashibul Alam, and Md Samiul Karim from the AML and CFT division of the bank, conducted the training.

Among others, Md Rezaul Islam, head of AML and CFT division of the bank, and Mahbub A Alam, chief digital officer, were also present.

Midland Bank strikes MoU with NPA to facilitate pension scheme

STAR BUSINESS DESK

Midland Bank PLC has signed a memorandum of understanding (MoU) with the National Pension Authority (NPA) to support the government's implementation of the Universal Pension Scheme (UPS).

Md Mahiuddin Khan, executive chairman of the NPA, and Md Ahsan-uz Zaman, managing director and CEO of the bank, signed the MoU at the conference room of the Finance Division at the Ministry of Finance in the capital recently, according to a press release.

Md Khairuzzaman Mozumder, secretary to the finance ministry, attended the ceremony as the chief guest.

Under the agreement, Midland Bank will facilitate customer registration and the collection of contributions for all active pension schemes such as Progoti, Suraksha, Somota, and Probash.



Md Ahsan-uz Zaman, managing director and CEO of Midland Bank PLC, and Md Mahiuddin Khan, executive chairman of the National Pension Authority, shake hands and exchange signed documents of the memorandum of understanding at the conference room of the Finance Division at the Ministry of Finance in the capital recently.

PHOTO: MIDLAND BANK

IFIC Bank donates bus to Patuakhali Science and Technology University

STAR BUSINESS DESK

IFIC Bank PLC has generously donated a bus to Patuakhali Science and Technology University (PSTU) to enhance student transportation facilities.

Md Mahmood Husain, chairman of the bank, ceremonially handed over a symbolic bus key to Prof Kazi Rafiqul Islam, vice-chancellor of PSTU, at a recent event held at the TSC Conference Hall of the university in Patuakhali, according to a press release.

During the handover ceremony, Husain stated that IFIC Bank is not merely a financial institution but one that is steadfast in its commitment to fulfilling its social responsibilities.



Prof Kazi Rafiqul Islam, vice-chancellor of the Patuakhali Science and Technology University, receives a symbolic bus key from Md Mahmood Husain, chairman of IFIC Bank PLC, at the TSC conference hall of the university in Patuakhali recently.

PHOTO: IFIC BANK

Government of The Peoples Republic of Bangladesh
Local Government Engineering Department
Office of the Executive Engineer
District: Naogaon.
www.lged.gov.bd

Memo No.: 46.02.6400.07.000.001.24-1370

Date: 20/05/2025 শুক্রবা
০৬/০২/১৪৩২ বঙ্গাব্দ

e-Tender Notice No :72/2024-25

Tendering Method (OTM)

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following Packages :

Sl No	Description of Work & Package No.	Tender Last Selling (Date & Time)	Tender Closing (Date & Time)	Tender Opening (Date & Time)	Tendering Method
01	Improvement of Delubari Pacca Road -Sofapur-Shohid Bazar Road from Ch:00-500m & Construction of 01 No U-drain (6.00x0.625x0.600m) Ch: 233m on the same Road under Manda Upazila, District:Naogaon.Salvage Cost TK=9,71,662.00Tk Road ID:164474127 (Package No. NDRIDP/W-209). (Tender ID-1111805).	23-Jun-2025 17:00	24-Jun-2025 12:00	24-Jun-2025 12:00	OTM
02	Improvement of Moha sorak-Baddapur Chairman Yeasin Ali (Raza) House - Moinom GPS Road from Ch:00-500m & Construction of 02 Nos U-drain (6.00x0.625x0.600m) Ch: 122m & 180m on the same Road under Manda Upazila, District:Naogaon.Salvage Cost TK=5,48,909.00 Road ID:164474107 (Package No. NDRIDP/W-198). (Tender ID-1111804).	23-Jun-2025 17:00	24-Jun-2025 12:00	24-Jun-2025 12:00	OTM
03	(A) Improvement of (Uni-Block) on Gandhosail- Volkpur Road from Ch:00-1000m (B) Construction of 02 Nos 0.60x0.60m Culvert 07m Long at Ch:210m & 510m on the same Road under Niamatpur Upazila, District: Naogaon. Road ID:164695022. (Package No. NDRIDP/UNI/30). (Tender ID-1111803).	23-Jun-2025 17:00	24-Jun-2025 12:00	24-Jun-2025 12:00	OTM
04	(A) Improvement of Kashunda bazar (via kola moddya boalia) joyshara road from ch:00-1250m (B) construction of 03 nos U-Drain size (.625x.600x7m) long at ch: 500m, 800m & 1135m on the same road under atrai upazila District naogaon Road ID: 164035093 (Package No. NDRIDP/W-557). (Tender ID-1106779).	23-Jun-2025 17:00	24-Jun-2025 12:00	24-Jun-2025 12:00	OTM
05	Improvement of Bandaikhara GC-Prosadpur GC via jobebazar Road from ch: 500m-2800m under hatkalupara union Atrai Upazila District Naogaon Road ID: 164032013 (Package No. NDRIDP/W-534). (Tender ID-1106778).	23-Jun-2025 17:00	24-Jun-2025 12:00	24-Jun-2025 12:00	OTM
06	Improvement of kochra bandh-badolghata GPS-shikil more-hazi gobinpur GCCR road from ch: 00m-1730m & construction of 01 no U-Drain size (6.00x0.625x0.600m) at ch: 315 m under manda upazila District: Naogaon. Salvage cost 1136771.00 Tk. Road ID: 164474084. (Package No. NDRIDP/W-134). (Tender ID- 1106777).	23-Jun-2025 17:00	24-Jun-2025 12:00	24-Jun-2025 12:00	OTM
07	Improvement of Mithapur Hat-par simla-Fatepur Hat Road from Ch: 3000m-4000m & construction of 02 nos U-drain size (6.00x0.625x0.600m) at ch: 3280m & 3720m under manda upazila , District: Naogaon. Road ID: 164474037 (Package No. NDRIDP/W-131). (Tender ID- 1106776).	23-Jun-2025 17:00	24-Jun-2025 12:00	24-Jun-2025 12:00	OTM

This is an online tender where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender registration in the National e-GP system portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender Documents from the National e-GP System Portal have to be deposited online through any registered Banks Branches up to Last Selling Date & Time as mentioned above. Further information and guidelines are available in the National e-GP system portal and from e-GP help desk (helpdesk@eprocure.gov.bd)

(Tofail Ahmed)
Executive Engineer
Ph: 01708-123218
e-mail: xen_naogaon@lged.gov.bd

GD-1223



Tareq Rafi Bhuiyan Jun

JAGARAN CHAKMA

Japanese investment in Bangladesh has grown steadily over the past decade. But with clearer policies, improved infrastructure and a more predictable regulatory environment, there is room to attract much more.

These were the key observations shared by Tareq Rafi Bhuiyan Jun, president of the Japan-Bangladesh Chamber of Commerce and Industry (JBCCI).

"There are now over 350 Japanese companies running in Bangladesh, which is nearly three times more than a decade ago," Jun said in a recent interview with The Daily Star.

"That is a positive sign, but it is not where it could be. Many Japanese companies are still in a wait-and-see mode because of recurring uncertainties in policy and regulation."

While Japanese firms are interested in Bangladesh's prospects, especially in light engineering, logistics, IT services, infrastructure, human resources and manufacturing, they are also wary of the country's investment climate.

"We are not just competing with ourselves," Jun said. "We are competing with countries like Vietnam, Indonesia, and India. Investors compare policies, timelines, and ease of doing business. In too many of these areas, Bangladesh still lags."

One promising development Jun pointed to is the Bangladesh Special Economic Zone in Araihazar area of Narayanganj, a joint venture between Japan's Sumitomo Corporation and the Bangladesh Economic Zones Authority (Beza).

Several Japanese and international firms, including Singer, Art Nature, Lion Corporation and IRIS, have already begun setting up operations there.

"The infrastructure of the zone at Araihazar is truly world-class," Jun said. "It gives Japanese investors confidence that things can be done right here. But one zone is not enough. The pace of such developments must be accelerated and backed by consistent policies."

However, even where infrastructure exists, policy instability often undercuts progress. According to Jun, predictability now matters more to investors than low costs.

"Cost matters, but stability matters more," he said. "Sudden changes to tax laws, customs rules, or investment incentives cause hesitation. Investors plan for decades, not for five-year electoral terms."

Japanese firms often cite political uncertainty, unclear policies, complex tax structures and customs delays as key concerns. These not only increase costs but also create unnecessary confusion for companies operating under tight schedules.

"Many of our member companies have experienced long delays at ports, inconsistent duty assessments, and

with local companies that cut corners on wages, taxes, or workplace safety, it creates an uneven playing field," he said.

He urged the government to reward ethical business conduct by offering incentives and support to both foreign and local firms that play by the rules.

"If compliance becomes a burden, investors will go elsewhere. We must align our systems so that the most responsible companies are also the most competitive."

Jun believes Bangladesh can strengthen its partnership with Japan by investing in its people. With Japan's ageing population, the demand for skilled

he commented. "Whether it is infrastructure for logistics, power stability for manufacturing, or certifications for IT, these need to be mapped out clearly. Investors need visibility."

He also added that public-private consultation must be institutionalised and continuous, citing the Japan-Bangladesh Public-Private Economic Dialogue (PPED) as a platform that identifies and resolves key issues faced by investors.

"Happy investors work as ambassadors to attract further FDI," he added.

"Dialogue must not be ceremonial. It must feed directly into policy decisions, and its outcomes should be measurable."

Several major Japanese-backed infrastructure projects are already under way, including the Matarbari Deep Sea Port, the Dhaka Metro Rail, and the third terminal at Hazrat Shahjalal International Airport.

Jun believes these could be transformative, if completed on schedule.

"These are game changers," he said. "They will reduce logistics costs, boost efficiency, and make the country more attractive to investors."

Jun expressed optimism about the upcoming visit to Tokyo by Chief Adviser Professor Muhammad Yunus, calling it an opportunity to reset and deepen bilateral investment ties.

"This visit can demonstrate that Bangladesh is serious about long-term partnerships. But we must ensure deliverables, such as investment pledges, new agreements or knowledge-transfer initiatives."

He also praised the interim government's efforts to engage with all political parties, saying it had sent a reassuring message to foreign investors.

"Japanese investors want to see unity and continuity. Political alignment on economic goals builds long-term confidence."

"The next five years are make-or-break. If we make our systems more efficient, commit to policy stability, and deliver infrastructure on time, Japanese FDI will not just grow, it will multiply."

"But we cannot take this window for granted," he added. "Vietnam, Thailand, India, they are moving fast. If Bangladesh wants to compete, we must act now."

TAKEAWAYS

- More than 350 Japanese firms are now running in Bangladesh
- Araihazar SEZ attracts big Japanese investors with better infrastructure
- Policy instability, tax issues, and customs delays slow Japanese FDI growth
- Bangladesh competes with Vietnam, India & Indonesia for Japanese investment
- Investors for long-term policy consistency over short-term cost advantages

overlapping regulations," Jun said. "For firms importing high-precision machinery or perishable components, this can be devastating."

The Japan-Bangladesh chamber president called for urgent reform of customs procedures, including the digitisation of clearance systems and a reduction in the discretionary powers of officials at checkpoints.

He welcomed government initiatives such as the Bangladesh Single Window (BSW) and the Authorised Economic Operator (AEO) schemes, describing them as steps in the right direction.

Jun also raised concern over the disadvantages faced by companies that follow the rules.

"Japanese firms follow global standards in labour, safety, import procedures and environmental compliance. But when they compete

foreign workers is rising and Bangladesh has the demographic advantage.

"If we can align our vocational and technical training systems to Japanese standards, our youth can find employment both at home and in Japan," he said.

Jun also pointed to the growing significance of the IT sector in Japan-Bangladesh ties.

"There is high demand for software development, business process outsourcing, and engineering services. But to meet this demand, we need collaboration between academia and industry, better training and greater exposure to global best practices."

To attract targeted Japanese investment, Jun said Bangladesh should develop sector-specific investment roadmaps.

"Each sector has its own requirements,"

he added. "What we have observed is that the destruction of institutional capacity over the past 15 years has led to the rise of several cronies in our economy," he said. "This has created an extremely unequal distribution of wealth and empowered certain cronies to block new competitors from entering the market," the commerce adviser added.

He noted that, like many other institutions, the capacity of the Competition Commission had also been dismantled, which is why the public

sectors, he added. "People want to see the benefits of competition reflected in their daily lives. The Commission must be strengthened to deliver on that front," he said.

The adviser also said many dishonest businesses are forming alliances to harm smaller enterprises, at times selling products at loss-making prices to eliminate competition.

"The Competition Commission must take action to penalise such offenders," he added.

Uneven enforcement undermines our FDI aspirations

MASUD KHAN

Concerns over legal unpredictability and uneven regulatory enforcement continue to cast a shadow over Bangladesh's investment climate. In recent years, several senior executives of multinational firms have been drawn into criminal proceedings over alleged labour law violations – cases many in the business community view as excessive and disproportionate.

Such developments directly undermine Bangladesh's ambition to position itself as a competitive destination for foreign direct investment (FDI). The Bangladesh Investment Development Authority (BIDA) has played a proactive role in promoting the country's potential. But investor confidence depends not just on facilitation, but on the consistent and fair application of laws – something increasingly in question.

On the ground, many multinational corporations (MNCs), particularly in fast-moving consumer goods (FMCG) and cosmetics, report an uneven playing field. They face stricter scrutiny than local firms – from aggressive audits and VAT refund delays to rigid enforcement of tax and labour laws. Meanwhile, domestic competitors often operate in the informal economy with minimal oversight, distorting competition and discouraging compliance.

Over the years, several global pharmaceutical companies have exited Bangladesh, citing policy inconsistency, bureaucratic red tape, and regulatory unpredictability. These quiet departures are far more telling than rankings alone, and mirror the country's low standing in international ease-of-doing-business indices.

One particularly troubling issue is the enforcement of the Workers' Profit Participation Fund (WPPF). Many local firms and even entire sectors operate without complying with this law, often without consequence. Yet

foreign companies have faced swift and punitive action. In some instances, disputes over whether WPPF applies to seasonal or contractual workers have escalated into criminal charges, rather than being handled through labour courts or regulatory processes. The legal system should protect rights, not serve as a tool of pressure.

The cosmetics sector highlights this imbalance even further. MNCs face unclear and shifting regulations regarding product labelling, classification, and safety testing. Even items widely approved abroad must clear redundant local hurdles. Imported products are regularly delayed at customs due to discretionary value assessments or ambiguous documentation requirements. Local producers, by contrast, often bypass these same standards with little pushback, giving them a clear cost and time advantage.

The core issue is not regulation itself, but its selective and inconsistent application. Some sectors have successfully lobbied for formal exemptions from rules like the WPPF. Others simply ignore them without repercu

ssion. Yet foreign firms are often subject to abrupt enforcement actions, reinforcing the perception that they are held to a different, and higher, standard.

Such signals do lasting damage. Legal compliance is essential, but enforcement must be transparent, proportionate, and uniform. Public threats of punitive action or comments suggesting forced exits do not enhance accountability; they erode trust and deter long-term investment.

Foreign investors exploring Bangladesh often reach out to MNCs already operating in the country. These companies effectively serve as informal ambassadors. When they share concerns about legal unpredictability, surprise inspections, and selective prosecution, it sends a discouraging message – one that no branding campaign can override.

As Bangladesh moves toward graduating from least-developed country (LDC) status and sets its sights on upper-middle-income classification, attracting high-quality FDI becomes more critical. Incentives alone won't be enough. Investors need to see a rules-based environment where laws are applied fairly and disputes are resolved through proper legal channels.

To build a credible and enabling investment climate, Bangladesh must ensure all businesses, foreign or domestic, are subject to the same standards, protected by the same rights, and held accountable through the same mechanisms. A level playing field is not a branding issue; it is the foundation of investor confidence and long-term economic resilience.

The writer is the chairman of Unilever Consumer Care Limited.

Institutions systematically weakened in past 15 yrs: Adviser

STAR BUSINESS REPORT

The institutional capacity of various organisations in Bangladesh has been systematically weakened over the past 15 years, both in the public and private sectors, said Commerce Adviser Sk Bashir Uddin.

This has significantly hindered the development of local industries and disrupted the natural competitiveness of the market, he said.

He made the remarks yesterday at a seminar titled "Competition Policy

in Bangladesh: Prospects, Challenges, and the Way Forward", held at the InterContinental Dhaka.

The event was jointly organised by the Bangladesh Competition Commission and the United Nations Development Programme.

"Since taking responsibility, I have faced numerous challenges," the adviser said.

However, due to several positive initiatives, improvements are now being seen in remittance inflows and exports, with success gradually extending to other

sectors, he added. "What we have observed is that the destruction of institutional capacity over the past 15 years has led to the rise of several cronies in our economy," he said.

"This has created an extremely unequal distribution of wealth and empowered certain cronies to block new competitors from entering the market," the commerce adviser added.

He noted that, like many other institutions, the capacity of the Competition Commission had also been dismantled, which is why the public

has yet to see tangible benefits from its work.

"People want to see the benefits of competition reflected in their daily lives. The Commission must be strengthened to deliver on that front," he said.

The adviser also said many dishonest businesses are forming alliances to harm smaller enterprises, at times selling products at loss-making prices to eliminate competition.

"The Competition Commission must take action to penalise such offenders," he added.

Weaker Donald Trump will struggle to keep promises

ANALYSIS

REUTERS, London

Donald Trump can still cut deals and issue orders. But the US president's power has waned since he imposed sky-high tariffs in April, only to backtrack. In particular, the balance of power between the United States and China, which should be critical to his promise to "Make America Great Again", has shifted in Beijing's favour.

Trump deploys his power in three main ways. The first is by giving commands. He spews out executive orders and makes pronouncements on social media, expecting people to snap to attention. The second is as a card player. As he told Ukrainian President Volodymyr Zelenskiy in their infamous meeting in the White House in February: "you don't have the cards right now". The president often seems to think he can cut good deals because he holds the best hand. The third is by taunting opponents.

That was the approach Trump took with former Canadian Prime Minister Justin Trudeau, mocking him as the country's "governor". At the apogee of Trump's power, he faced little opposition. A blizzard

of activity, combined with the fact that his Republican Party controls both houses of Congress, gave the impression that his second administration would be all-conquering. There was little point for opponents in resisting either the president or key lieutenants such as Elon Musk, the world's richest man who was given the job of slashing government spending.

The opposition Democratic Party was in disarray. Critics in the Republican Party and business kept quiet for fear that Trump would turn on them. Targets such as Columbia University and law firm Paul Weiss made concessions in an attempt to persuade him to back off.

One of Trump's sources of power is the perception that he is a winner. His trip to Saudi Arabia, Qatar and the United Arab Emirates last week, when he announced deals worth more than \$1 trillion, burnished these credentials. His personal relationships with Gulf leaders also underlined his charisma – another source of his power.

In recent weeks, however, Trump has also given the impression that he will back off when faced with signs of trouble. He delayed bespoke tariffs on trading partners after financial markets tumbled, suggesting a low threshold for economic pain. He

struck a more emollient tone towards Canada after new Prime Minister Mark Carney hit back with tariffs and tough rhetoric.

The most important retreat, however, was last week's decision to slash US tariffs on Chinese imports for at least 90 days without any significant concessions from Beijing. Trump may have feared that an enduring standoff could fuel stagflation. The US ceasefire with Houthi also suggests

a less belligerent approach. Although the Yemeni fighters agreed to stop attacking US ships in the Red Sea, they continued to launch missiles at Israel, one of Washington's closest allies.

In all these cases, Trump seems to have overestimated his hand and underestimated the cards held by his opponents. Others may draw the lesson that he does not have the stomach for long fights. The president is also facing more resistance at

home. Harvard University and some law firms have stood up to him. Opponents have won a series of legal cases against his administration's actions.

Meanwhile, Musk's chainsaw approach to government and Health Secretary Robert F. Kennedy Jr.'s handling of a measles outbreak are unpopular. Although Trump's overall popularity ratings have recently risen after an initial drop, Republicans will need public support to keep control of Congress after next year's midterm elections. Without that, the president's power will further erode.

Republicans in Congress are also finding their voice. Several senators, including the Republican Senate Majority Leader John Thune, have questioned Trump's desire to accept a \$400 million airplane from Qatar. Many are backing tougher sanctions against Russia, making it harder for the president to swing back to supporting the Kremlin. Meanwhile, Trump is about to face a big test of his power as he tries to get the divided Republican Party in Congress to back massive tax cuts.

Even some of Trump's successes may not be quite as good as they look. For example, while he got the United Kingdom to agree to a one-sided trade pact, this will boost export opportunities for US companies

by only \$5 billion, according to the administration – a mere 0.02 percent of US national output.

Meanwhile, a deal to help the UAE build a massive artificial intelligence campus has raised concerns from some in the US government that the advanced chips might find their way to China. Moreover, commitments to invest do not necessarily translate into actual investments, says Simon Evenett, professor of geopolitics and strategy at IMD.

The US president's success in getting European allies such as Germany to ramp up defence spending could also have a sting in the tail. While his threat to stop supporting countries that spend too little on defence could cut the burden on US taxpayers, Trump has shattered the trust of American allies. Europe will try to become less dependent on Washington as it boosts its own defences. That could ultimately weaken the United States in its superpower rivalry with China, as it probably needs allies to prevail.

One problem with Trump's dominant modes for exercising power is that they look at the world through the prism of winners and losers. Such zero-sum thinking is only one way of deploying power, says Steven Lukes, a political scientist who has studied power.



US President Donald Trump speaks to the media while signing executive orders in the Oval Office of the White House, in Washington, DC, on May 5, 2025.