Leather exports drop 64% in 10 years as CETP woes linger

STAR BUSINESS REPORT

The country's leather exports have plunged by over 64 percent in the past decade, due mainly to the failure to complete the Central Effluent Treatment Plant (CETP) at the Savar Tannery Estate -- a key requirement for obtaining international environmental certifications.

In the fiscal year (FY) 2014, the country exported leather worth $397 million. By FY2024, that figure had fallen to just $142.54 million.

Leather exporters described the stalled CETP as the single biggest hurdle to achieving Leather Working Group (LWG) certification, the globally recognised benchmark for environmental compliance in production.

Without LWG certification, Bangladeshi leather remains locked out of premium international markets, said Syed Nasim Manzur, president of the Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB).

"Without LWG certification, we are invisible to major global buyers who demand verifiable sustainable sourcing" said the association president at an event organised by the Dhaka Chamber of Commerce and Industry (DCCI) in the capital yesterday.

Following years of resistance, tanneries were relocated from Hazaribagh area in Dhaka to the capital's outskirts Savar in 2017.

Leather exporters described the stalled CETP as the single biggest hurdle to achieving Leather Working Group (LWG) certification, the globally recognised benchmark for environmental compliance in production

The move was meant to improve environmental standards, but the CETP still remains incomplete and largely non-functional.

Unable to meet the strict compliance demands of leading global brands, Bangladesh consequently sells leather at cut-price rates to Chinese intermediaries.

LFMEAB President Manzur urged the government to take immediate action, including appointing an internationally accredited operator for the CETP, offering green financing, and extending the same policy support enjoyed by the readymade garment sector.

That includes bonded warehouse facilities and duty-free imports of machinery. Manzur said that a fully functioning CETP could potentially double leather exports.

As international markets increasingly prioritise sustainability, he called for rapid reforms to establish Bangladesh as a responsible producer.

"The local leather sector can thrive in the post-LDC era," Manzur added, "but only if we deliver on compliance, starting with a fully operational, LWG-ready CETP."

Speaking at a separate focus group on post-LDC export strategies, Adilur Rahman Khan, adviser to the Ministry of Industries, echoed this urgency.

With Bangladesh set to graduate from least developed country (LDC) status by 2026, the adviser said the country must prepare fast.

Despite earning around $1.2 billion annually from leather, leather goods and footwear, Bangladesh accesses only a sliver of the $420 billion global leather market, Khan added.

"Achieving the government's $12 billion export target by 2030 will require bold reforms, international certification and a modernised value chain," he said.

Md Saiful Islam, chairman of the Bangladesh Small and Cottage Industries Corporation (BSCIC), said that the Savar CETP can currently treat only 14,000 cubic metres of effluent daily.

It is well below the 32,000 to 35,000 cubic metres required during the peak season after Eid-ul-Azha, the second largest festival for Muslims involving the ritual of sacrificing animals.

Islam said six individual Effluent Treatment Plants (ETPs) have been approved, two of which are nearing completion. Another 8 to 10 are in the pipeline, expected to add an extra 8,000 to 10,000 cubic metres of capacity.

According to the BSCIC chairman, a technical committee has been tasked with upgrading the CETP's capacity to 25,000–26,000 cubic metres, with long-term plans to reach 40,000. This effort is backed by a European Union-supported project.

Md Hafizur Rahman, administrator of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), said the leather sector is struggling to attract foreign investment and buyers because of its lack of certification.

He said it was unclear how quickly these challenges could be resolved, but stressed that the issues surrounding the CETP must be addressed without further delay.

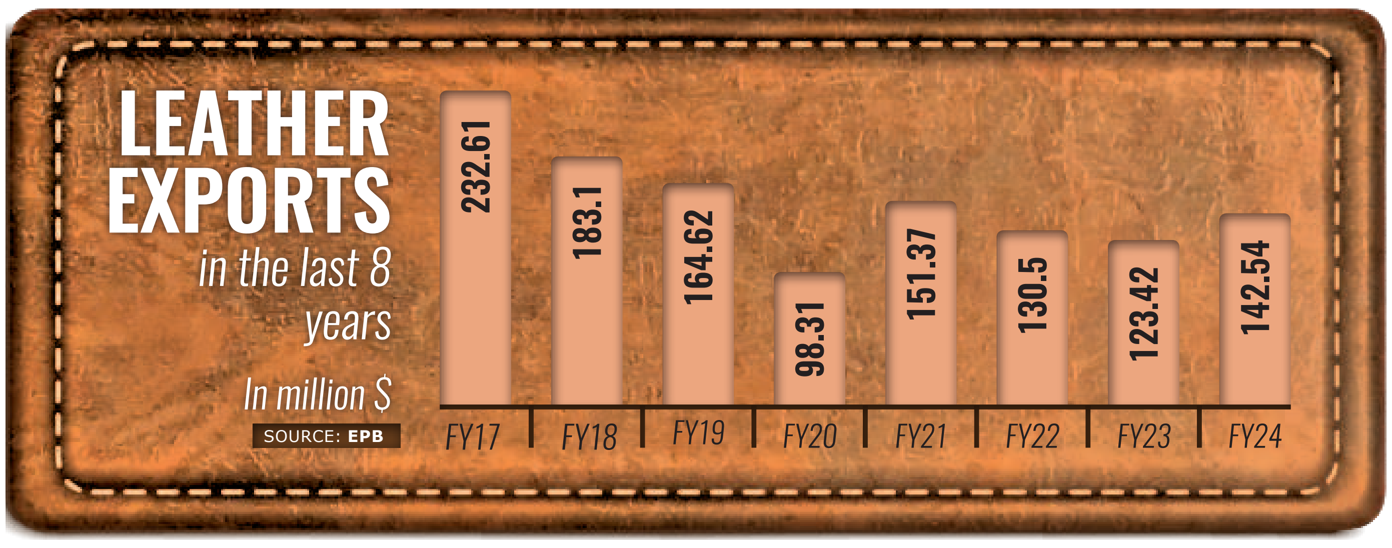
Nazneen Kawshar Chowdhury, additional secretary of the WTO wing at the Ministry of Commerce, said the post-LDC era would come with significant challenges, but also with opportunities.

She urged the private sector to prioritise compliance with environmental and labour standards and said the government was open to collaboration in enhancing the CETP's capacity.

Md Ariful Haque, director general of the Bangladesh Investment Development Authority (Bida), said the country's economy has the potential to double in size over the next 15 years, but achieving this will require close coordination between public and private sectors.

To support local businesses and spur growth, Haque said Bida is stepping beyond conventional approaches and directly engaging with foreign investors, which he believes will bring promising results.

The event was moderated by DCCI President Taskeen Ahmed. It was also addressed by Md Nurul Islam, CEO of the Bangladesh Tanners Association (BTA); Ibnul Wara, managing director of Austan Ltd; Md Nasir Khan, managing director of Jennys Shoes Ltd; Ziaur Rahman, managing director of Bay Group; and M Abu Huraira, former vice-president of DCCI.



Why we must invest in women

SHAMIMA AKHTER

When I started working in the early 2000s, women in Bangladesh were making significant strides. The media celebrated their entry into traditionally male-dominated fields such as aviation, defence, and engineering, showing a hopeful sign of progress towards gender equality. Even today, women continue to make their mark across sectors, from corporate boardrooms to border patrols. In 2023, Bangladesh was recognised as the leader in gender equality in South Asia by the World Economic Forum. According to the Bangladesh Bureau of Statistics (BBS), women's participation in the workforce increased from 30 percent in 2010 to 42 percent in 2023.

Despite this progress, we are beginning to see setbacks. Barriers such as school dropouts and early marriages threaten to erode these achievements. While 92 percent of girls enrol in school, many do not complete secondary education. After the pandemic, 55 percent of school dropouts were girls, with many being pushed into early marriage. Unicef reports that 41.6 percent of girls marry before the age of 18, the highest rate in South Asia, cutting short their education and confining them to unpaid domestic roles.

The difference between rhetoric and reality is also evident in how we allocate resources for gender issues.

Bangladesh was once a regional leader in introducing gender budget statements across more than 40 ministries. The proportion of the national budget categorised as gender-relevant rose from 25 percent to 34.11 percent. However, the share of GDP allocated to spending that supports gender equality declined from 5.19 percent in 2024 to 4.86 percent in 2025, raising questions about our genuine commitment to this cause.

Moreover, budget allocations often overlook key drivers of women's economic participation, such as skills training, entrepreneurship, and digital access. In 2024, only 15.8 percent of the ICT Division's budget and 2.2 percent of the Ministry of Science and Technology's budget were earmarked for women-focused projects. This underinvestment in women's inclusion in STEM (Science, Technology, Engineering, and Mathematics), a rapidly growing field, risks leaving women behind.

This issue is especially urgent as Bangladesh prepares for a tighter budget in 2026. The Annual Development Programme (ADP) is expected to shrink by Tk 35,000 crore, potentially threatening funding for initiatives that support women's employment and workplace safety.

In this context, we must move beyond symbolic gestures, such as tax breaks for women, towards meaningful investment. Priorities should include childcare, safe transportation, workplace grievance mechanisms, and stronger incentives for businesses to adopt gender equity policies.

Development partners also underscore the urgency. The World Bank links Bangladesh's resilience to increased female workforce participation. The International Monetary Fund (IMF) estimates that closing the gender gap could boost GDP by nearly 40 percent. These are not merely moral imperatives, they are economic necessities.

Targeted investments in women's leadership and STEM participation through scholarships, mentorships, and internships, especially for rural women, are vital. We must also enhance representation in politics, public service, and corporate boards by establishing clear pathways and providing adequate funding.

Additionally, we cannot ignore the informal economy, where many women remain invisible. Gender budgeting must allocate resources to support these women by ensuring access to credit, legal protections, and digital tools.

History is on our side. In the 1990s, Bangladesh improved girls' education through stipends and fee waivers, raising female literacy from 26 percent in 1990 to 75.8 percent in 2023. Over the same period, GDP per capita grew from $298 to an expected $2,690 in 2025, surpassing Pakistan. This progress was powered by the very girls we educated.

As we look ahead to the 2026 budget, decisive action is needed. Growth that excludes women is not only unjust but also unsustainable. Let this budget reflect a genuine commitment to gender equality and deliver real impact. The future we envision depends on it.

The writer is the director of corporate affairs (partnerships and communications) at Unilever Bangladesh Limited

Four more companies seek NTTN licences

MAHMUDUL HASAN

Four new companies have applied to the Bangladesh Telecommunication Regulatory Commission (BTRC) for Nationwide Telecommunication Transmission Network (NTTN) licences, reflecting renewed interest in the transmission business in the country.

According to state guidelines, the licence is primarily for building, maintaining, and managing a nationwide fibre-optic transmission network and sharing infrastructure for telecom operators and internet service providers.

The four applicants are Mango Teleservices Limited, VEON, Bangladesh Computer Council (BCC), and Army Transmission Company Limited, according to official documents.

Earlier, Bangla Phone applied for the licence for a second time on September 30, 2024.

The BTRC has decided to forward the application to the Ministry of Posts, Telecommunications and Information Technology for prior approval—a prerequisite for the BTRC to issue a licence.

The four applicants are Mango Teleservices Limited, VEON, Bangladesh Computer Council, and Army Transmission Company Limited

Mango Teleservices currently holds a nationwide internet service provider (ISP) licence.

As per the Regulatory and Licensing Guidelines for ISPs in Bangladesh, a single entity cannot concurrently hold an ISP licence and an NTTN licence.

Based on this regulation, the BTRC has decided not to grant Mango Teleservices an NTTN licence and will issue a formal notification soon.

The current guidelines also prohibit mobile operators and their shareholders from applying for the licence.

This means VEON, the parent company of mobile operator Banglalink, is not supposed to get one.

However, as the government is reviewing these policies based on recommendations from a Network Topology Reform Committee, the BTRC has decided to keep VEON's application on hold pending further government decisions.

In the case of the BCC, the BTRC expressed caution about granting another government-run entity an NTTN licence, since state-owned Bangladesh Telecommunications Company Limited already holds one.

The BTRC will review the matter further before making a decision.

The application from Army Transmission Company Limited was submitted through D-Nothi, the government's digital file management system, rather than the BTRC's License Issuance & Management System portal.

The BTRC will review it once it is formally received through the proper channel.

"There are government companies that already have NTTN licences, so we will further review the BCC application. Since Mango holds an ISP licence, it cannot get an NTTN licence," said BTRC Chairman Maj Gen (retd) Md Emdad ul Bari.

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Reforms to help stock market reach new heights

Says press secretary to chief adviser

STAR BUSINESS REPORT

The interim government is undertaking reforms to create broad space for the economy to take off, which would take the share market to a new height, said Shafiqul Alam, press secretary to the chief adviser.

Bangladesh's share market has become a "den of robbers", with one robber's exit ushering in another, for which the chief adviser has laid emphasis on bringing about major reforms in this sector, he said.

Alam made these remarks at an event organised by the Capital Market Journalists' Forum (CMJF), a platform of capital market reporters, at its office in the capital's Paltan yesterday.

The event, titled "CMJF Talk with Shafiqul Alam", was presided over by CMJF President Golam Samdani Bhuiyan and moderated by General Secretary Abu Ali.

Alam said historically, those who brought about reforms in Bangladesh's share market always prioritised the interests of vested groups.

As a result, it has always provided advantages to the big investors. In contrast, small investors have mostly been victims of manipulation and fraud, he said.

Therefore, those who are now implementing reforms must have no connection to vested groups, while the reforms must be beneficial for all, said Alam.

He said some groups have manipulated the stock market in a highly organised manner. "However, no government has taken strong action against them," he said.

As per the chief adviser's suggestion, foreign experts would be engaged to give advice on ways to take the share market to international standards within three months, and steps will then be taken accordingly, he said.

"The share market does not involve rocket science such that a foreigner wouldn't understand the scenario in Bangladesh. Globally, there are standard procedures and norms for the stock market," said Alam.

READ MORE ON B3

'Little, little screws' one of many hurdles to US-made iPhones

REUTERS, *New York/Washington*

President Donald Trump's bid to bring manufacturing of Apple's iPhone to the United States faces many legal and economic challenges, experts said on Friday, the least of which are the insertion of "little screws" that would need to be automated.

Trump threatened on Friday to impose a 25 percent tariff on Apple for any iPhones sold, but not made, in the United States, as part of his administration's goal of re-shoring jobs. He told reporters later on Friday that the 25 percent tariff would also apply to Samsung and other smartphone makers. He expects the tariffs to go into effect at the end of June.

"Otherwise it wouldn't be fair" if it did not apply to all imported smartphones, Trump said. "I had a understanding with (Apple CEO) Tim (Cook) that he wouldn't be doing this. He said he's going to India to build plants. I said that's OK to go to India but you're not going to sell into here without tariffs."

Commerce Secretary Howard Lutnick told CBS last month that the work of "millions and millions of human beings screwing in little, little screws to make iPhones" would come to the United States and be automated, creating jobs for skilled trade workers such as mechanics and electricians.

But he later told CNBC that Cook told him that doing so requires technology not yet available.

"He said, I need to have the robotic arms, right, do it at a scale and a precision that I could bring it here. And the day I see that available, it's coming here," Lutnick said.

The fastest way for the Trump administration to pressure Apple through tariffs would be to use the same legal mechanism behind punishing tariffs on a broad swath of imports, trade lawyers and professors said.

The new iPhone 16 Pro Max is displayed during a special event at Apple headquarters in Cupertino, California on September 9, 2024. PHOTO: AFP/FILE

The law, known as the International Emergency Economic Powers Act, allows the president to take economic action after declaring an emergency that constitutes an unusual and extraordinary threat to the United States.

"There's no clear legal authority that permits company-specific tariffs, but the Trump administration may try to shoehorn it under its emergency power authorities," said Sally Stewart Laing, a partner at Akin Gump in Washington.

Other means of levying company-specific tariffs rely on lengthy investigations, Laing said.

But tariffs on only Apple "would provide a competitive advantage for other important phones, which undermines Trump's goals of bringing manufacturing to the United States," Laing said.

Experts said Trump has viewed IEEPA as a flexible and powerful economic tool because it is not clear that courts have the power to review the president's response to a declared emergency.

"In the administration's view, as long as he enacts the ritual of declaring an emergency and pronouncing it unusual or extraordinary, there is nothing a court can do," said Tim Meyer, an international law professor at Duke University.