



# Bangladesh retains 2nd spot in global apparel exports

REFAYET ULLAH MIRDHA

Bangladesh maintained its position as the world's second-largest apparel exporter in 2024, behind only China, according to World Trade Organization (WTO) data.

The nation exported garments worth \$38.48 billion last year, marking a slight increase of 0.21 percent year-on-year. This export value represented 6.90 percent of the total global market, which stood at \$557.50 billion in 2024. A year earlier, Bangladesh's market share in apparel was 7.38 percent.

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The WTO data shows that China remained the largest apparel exporter in 2024, capturing 29.64 percent of the total market. It exported apparel items valued at \$165.24 billion, a 0.30 percent year-on-year increase. However, China's market share declined, as had happened in the case of Bangladesh. Its share in garment exports was 31.64 percent in 2023.

Vietnam registered higher export growth than both China and Bangladesh, even though it was the third-largest garment exporter in 2024. It exported garment items worth \$33.94 billion, an increase of 9.34 percent year-on-year, the data showed. Vietnam's apparel export share rose to 6.09 percent in 2024 from 5.96 percent a year earlier.

Turkey secured the fourth position, followed by India, Cambodia, and Pakistan. Indonesia was the eighth-largest garment exporter, while the US secured the ninth position, according to WTO data.

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# BB to seek new investors for Nagad

Governor says post office lacks capacity to run the MFS provider efficiently

MD MEHEDI HASAN

Bangladesh Bank (BB) Governor Ahsan H Mansur said the Directorate of Posts, which owns mobile financial service provider Nagad, does not have the capacity to run it efficiently, making it necessary to bring in new investors.

"The ownership of Nagad still lies with the Directorate of Posts. However, it is not a very functional institution anymore, and it is not really possible for the post office to run Nagad," Mansur told The Daily Star in an interview.

He said a competent institution needs to take over, suggesting the post office might retain a minority stake of 20 to 30 percent.

"The MFS should be handed over quickly to a reputed international private sector institution," he said. "A large telecom company could take it, as they have the necessary technical knowledge. Alternatively, a major financial institution could also take it over."

Discussing irregularities at Nagad, the governor said there is clear evidence that over Tk 1,600 crore, earmarked for social welfare, was embezzled at Nagad.

"Instead of distributing the money to poor and needy people, they transferred the funds to the accounts of fictitious beneficiaries and misappropriated them. This has been proven," he said.

Mansur added that Nagad had also created e-money illegally. "They generated around Tk 630 crore worth of additional e-money, meaning they did not receive the actual funds but still created the money on their system."

"Using this illegally created e-money, they paid salaries, bonuses, travel expenses, and other operational costs," said the BB governor.

**RECOVERY OF LAUNDERED ASSETS MUST CONTINUE**

On efforts to recover laundered assets, Mansur said the interim government is working to freeze those funds through government-to-government arrangements.

"We have had some success in the United Kingdom, and we are working on it in other jurisdictions as well. This is an ongoing process; it's not something that can be resolved easily or in a

**Nagad ownership & future**

- Post Office lacks capacity to run Nagad efficiently
- Bangladesh Bank is inviting new investors
- Large telecom or financial institutions may be considered to take over
- The Post Office may retain **20-30%** ownership

**Financial irregularities at Nagad**

- Tk **1,600cr** misappropriated from social welfare funds
- Tk **630cr** illegal e-money was created without fiat currency backing
- The illegal e-money was used to pay salaries, bonuses, and expenses

**Asset recovery & int'l cooperation**

- Efforts underway to freeze laundered assets through G2G channels
- Progress made in the UK, with ongoing efforts in other countries
- Legal process could take **3-5 years**

**OTHER DEVELOPMENTS**

**MONEY LAUNDERING DEPARTMENT**

A new BB department is being set up to assist BFIU

Cooperation secured from Dubai FIU; similar talks planned in Singapore

US support is resuming after previous delays due to political transition

short time," he commented.

In June, Britain's serious crime agency froze UK property worth £170 million belonging to Saifuzzaman Chowdhury, the former land minister of the previous Awami League government.

In February, the agency froze £90 million in assets tied to two members of the family of Salman F Rahman, a businessman and former adviser to ousted prime minister Sheikh Hasina.

The governor said the asset recovery process usually takes three to five years. "The next government will have to carry this process forward," he said.

"The interim government has initiated the process. We might be able to reach the stage of freezing the assets, but once it moves into the legal phase, the entire process becomes more complex. In that stage, the responsibility may fall on the next

government to carry the legal proceedings forward."

The governor said the central bank is setting up a new department focused on tackling money laundering. Its main role will be supporting the Bangladesh Financial Intelligence Unit (BFIU).

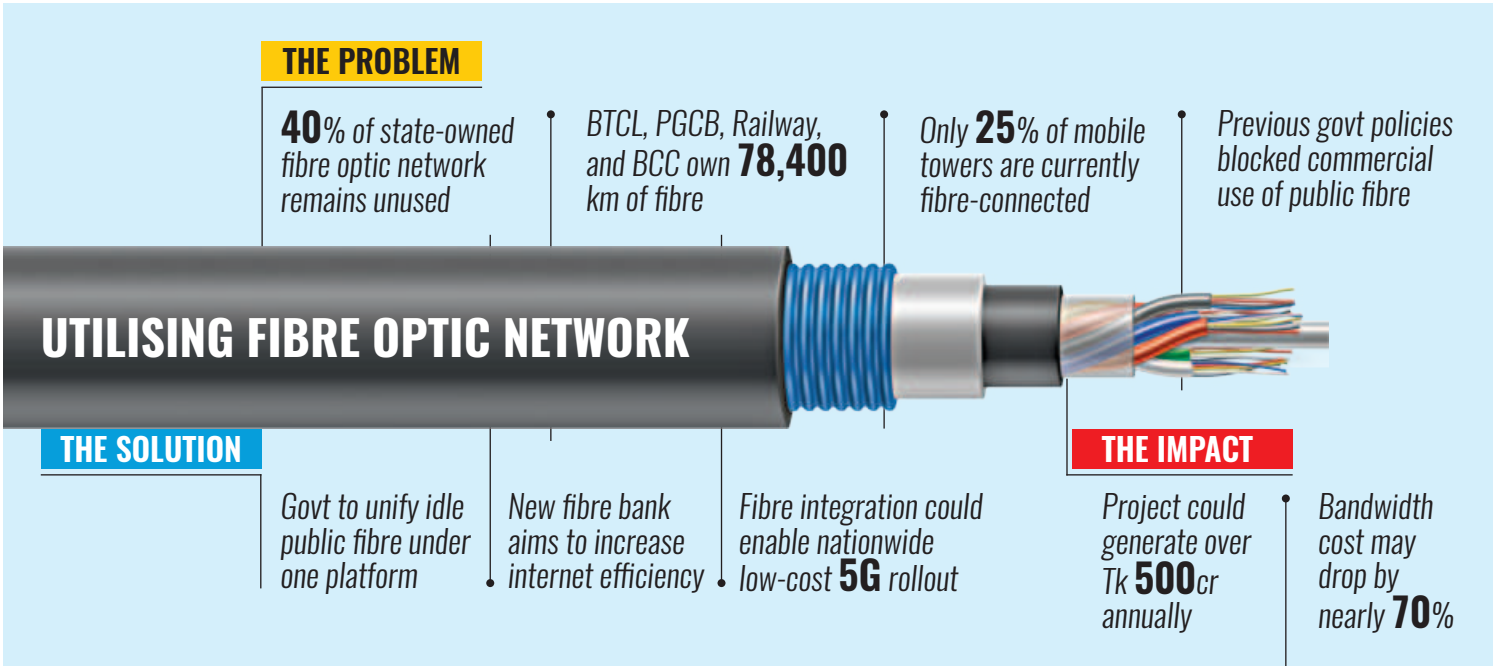
"We went to Dubai, where we met with the Dubai Financial Intelligence Unit. After discussions, they assured us of their support. They explained how we should send them official requests and said they would consider those and stay in touch. From my perspective, their response was quite positive."

Mansur also said the central bank plans to visit Singapore soon for similar talks. "We are working individually with each country, seeking their cooperation, and we are receiving support."

He said the United States offered strong backing in the beginning, but progress slowed following a change in government.

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# Govt plans 'fibre optic bank' to use idle networks



MAHMUDUL HASAN

The government has decided to establish a national "fibre optic bank", which will bring all unused fibre optic resources from state-owned entities under a single platform in a bid to accelerate digital transformation.

The telecom and ICT divisions have officially invited Bangladesh Railway and the Power Grid Company of Bangladesh (PGCB) to join this fibre-sharing consortium, alongside Bangladesh Telecommunications Company Limited (BTCL) and Bangladesh Computer Council (BCC).

Faiz Ahmad Taiyeb, special assistant to the chief adviser with executive authority over the Ministry of Posts, Telecommunications and Information Technology, recently sent a letter to Railways and Power Adviser Muhammad Fouzul Kabir Khan, outlining the government's vision for this initiative and urging participation.

**40% OF PUBLIC FIBRE NETWORKS REMAIN UNUSED**

The letter, seen by The Daily Star, states that over the past decade, different government agencies have installed thousands of kilometres of optical fibre—much of which remains underutilised or completely idle.

The letter notes that, in total, BTCL, PGCB, Railway, and BCC own 78,400 kilometres (km) of fibre network. Of this, an estimated 40 percent remains unused.

"We are wasting a vital national asset by leaving large portions of optical fibre unused. It's time we came together and built a centrally managed, transparent, and efficient fibre ecosystem for all," Taiyeb said.

He also said Chief Adviser Muhammad Yunus has verbally endorsed the plan, enabling the Posts and Telecom Division to formally invite PGCB and Bangladesh Railway to the consortium.

**In his letter to the Ministry of Railways, Taiyeb states that leasing out the idle fibre networks could generate more than Tk 500 crore annually**

"This is not just about connectivity. It's about bringing digital transformation where every union has high-speed access and every public resource is optimally used," he added.

Taiyeb's letter to Adviser Fouzul details that BTCL possesses a fibre network stretching over 39,500 km, 90 percent of which is underground.

BCC, on the other hand, has deployed 27,695 km of fibre under the InfoSarkar-3 project, which aims to expand high-speed internet access to rural areas covering 2,600 unions, with work ongoing for an additional

7,000 km expansion.

Meanwhile, PGCB has around 8,000 km of fibre along the power grid, a large portion of which remains unused. In addition, Bangladesh Railway owns 3,205 km of fibre lines, a significant part of which remains unused.

Bringing fibre from the InfoSarkar-3 project, however, may not turn out to be that smooth, as the government inked a deal in 2023 with Summit Communications and Fibre@Home for maintenance, upgradation, replacement, and operation of the project.

The two private companies receive 90 percent of the revenue under the agreement. The ICT Division has recently sought to amend the deals.

Taiyeb, in the letter, said the lack of interconnectivity among these networks, combined with restrictive policies under the previous government, prevented entities like PGCB and Railway from offering last-mile connectivity to telecom operators—causing massive underutilisation of national assets.

The proposed national fibre bank aims to fix these issues by unifying the fibre networks of all four agencies into a single, centrally coordinated platform.

**MORE REVENUE, FASTER INTERNET**

In his letter to the Ministry of Railways, Taiyeb states that leasing out the idle fibre networks could generate more than Tk 500 crore annually.

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# Reserves slip to \$24.45b

STAR BUSINESS REPORT

Bangladesh's foreign exchange reserves declined by \$2.02 billion after routine payments under the Asian Clearing Union (ACU) mechanism on Monday.

Gross reserves stood at \$29.52 billion as of July 7, 2025, according to Bangladesh Bank data.

However, calculated under the IMF's prescribed method, reserves stood at \$24.45 billion.

The ACU is an arrangement for settling payments for intraregional transactions among eight countries: Bangladesh, Bhutan, India, Iran, the Maldives, Myanmar, Nepal, Pakistan and Sri Lanka. Bangladesh clears payments to ACU members every two months.



Reserves have remained under stress over the past two years, hurt by elevated import bills, sluggish export growth, and moderate remittance inflows.

Earlier, the country's foreign exchange reserves had risen above \$31 billion after three multilateral lenders released \$925 million to Bangladesh on June 26. A surge in remittance inflows ahead of Eid-ul-Azha also contributed to the earlier uptick.

# Don't punish us for the misconduct of others

Say business leaders as they call for smarter stock regulation

STAR BUSINESS REPORT

Top business leaders called on the government not to penalise honest entrepreneurs because of a few bad actors in the stock market.

Speaking at a discussion in Dhaka yesterday, they said that rigid regulations could discourage strong companies from entering the stock market.

At the programme, footwear entrepreneur Syed Nasim Manzur cited the example of initial public offerings (IPOs), where investors are often denied fair pricing, eventually leading to a lack of incentive for quality firms to list.

"There was once a policy that ensured proper stock valuation," said Manzur, managing director of Apex Footwear. "But it was scrapped after some misused it to artificially inflate share prices."

**Rigid regulations could discourage strong companies from entering the stock market, experts say**

As a special guest at the discussion titled "Expansion of the Capital Market: A Framework for Sustainable Economic Growth", he referred to rules that restrict companies from using more than one-third of raised funds to repay loans and questioned the logic of placing such limits.

"If you don't trust a company, then don't let it go public," he said. "But if you do allow it to raise funds, then give it some flexibility."

"Say I raise funds today, and tomorrow there is a flood. My needs will change. If I have no flexibility in how I use the funds, that creates problems," said Manzur at the discussion organised by the Bangladesh Merchant Bankers Association.

He urged policymakers not to let isolated cases of fund misuse dictate regulations for everyone.

"If someone smuggles money out to buy a house in Dubai, you should not punish the whole sector for that," said the Apex Footwear MD. "Don't tie our hands for some bad guys."

Manzur also called for a wider gap in corporate tax rates between listed and non-listed firms. "If the difference remains below 15 percent, the cost of compliance is simply not worth it," he said.

He added that while the Bangladesh Securities and Exchange Commission (BSEC) should monitor whether declared dividends are properly disbursed, it should not dictate how much a company pays out.

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