

Star BUSINESS



Bangladesh's tax-GDP ratio lowest in Asia-Pacific: OECD

SOHEL PARVEZ

Bangladesh sits at the bottom of a list of 37 countries in the Asia-Pacific region in terms of the tax-to-GDP ratio, largely stemming from the failure to tap into the potential originating from the steady growth of the economy and a lack of reform.

The South Asian country had a tax-GDP (Gross Domestic Product) ratio of 7.3 percent in 2023, almost one-fifth of the Pacific Island nation Niue, which had a tax-GDP ratio of 35.3 percent, according to the latest report by the Organisation for Economic Co-operation and Development (OECD).

Bangladesh's revenue collection was also far below the regional average of 19.6 percent of GDP across the region as a whole, shows the report titled Revenue Statistics in Asia and the Pacific 2025.

It states that tax revenues increased on average across the Asia-Pacific region for the third consecutive year in 2023, driven by higher VAT receipts.

Most revenue comes from VAT, import tariffs

As per the OECD report, Bangladesh, along with 23 other countries in the region, is heavily dependent on value-added tax (VAT) and import tariffs for its tax revenue.

In 2023, the country collected most of its revenue — 4.7 percent of its GDP — from goods and services, namely through VAT and import tariffs, it states.

In terms of direct taxes, the country's income tax collection amounted to only 2.5 percent of the GDP, well below the average of 7.4 percent of GDP in Asia-Pacific, the report also states.

In total, 34 percent of the revenue collected by the country in 2023 came from income taxes, while the rest came from taxes on goods and services.

The OECD report noted that Bangladesh, like many other developing economies, struggles

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Taka gains ground under flexible rate regime

BB buys \$171m as economists back rebound to ease inflation

MD MEHEDI HASAN

Local currency taka has started to gain strength against the US dollar for the first time in several years, as a steady inflow of foreign currency drives down the official exchange rate.

Over the past five days, the inter-bank rate for selling dollars has fallen by Tk 2.20. As of Monday, it stood at Tk 120.1, down from Tk 122.3 on July 9, according to the Bangladesh Bank (BB).

The buying rate at the inter-bank level was Tk 119.5 per dollar.

This is completely the opposite of the weakening trend that began in 2022. Following the economic shocks of the Covid-19 pandemic, the taka depreciated by roughly 30 percent as instability hit both the global and domestic markets.

Industry insiders point to several reasons behind the currency's recent recovery.

These include a rise in remittance flows after the political changeover last year, a drop in illegal cross-border transactions and money laundering, and fresh fund disbursements by multilateral lenders.

Remittances in the recently concluded fiscal year (FY) 2024-25 reached a record \$30.32 billion, up by 26.81 percent or \$6.4 billion year-on-year, according to BB data.

In May this year, the central bank moved towards a more flexible exchange rate regime,

one of the conditions tied to the ongoing \$4.7 billion loan package from the International Monetary Fund (IMF).

Although there were initial concerns that this would lead to further depreciation of the taka, it has shown the opposite effect so far.

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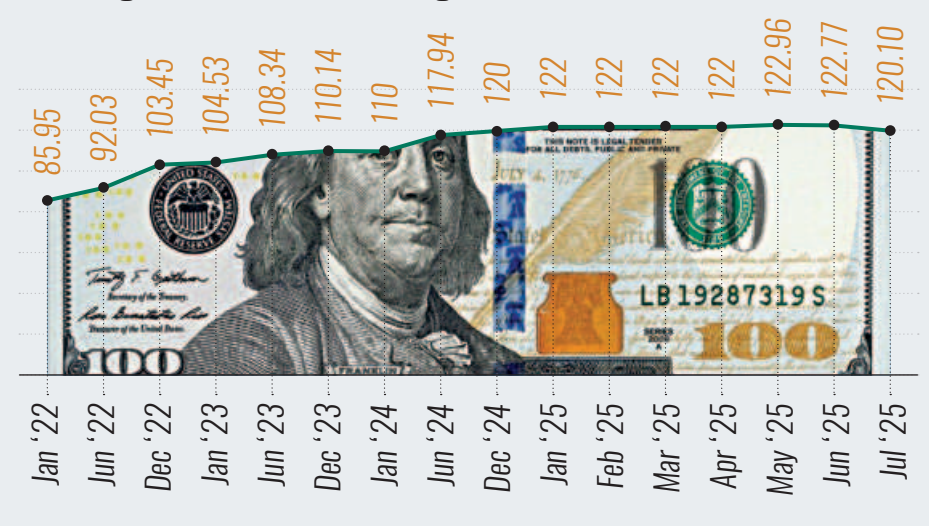
WHAT STABILISED THE MARKET

- Record remittance inflow
- A drop in hundi
- Floating exchange rate

KEY POINTS

- Stronger taka may help ease inflation
- BB bought \$171m from 18 banks on July 13 to prevent excessive weakening of dollar
- BB intervened to ensure market stability, says spokesperson

Exchange rate of US dollar against taka



SOURCE: BB



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BSTI opens lab to certify halal products

STAR BUSINESS REPORT

State-run Bangladesh Standards and Testing Institution (BSTI) yesterday opened two laboratories to certify whether products labelled halal meet Islamic dietary laws and ethical standards, and whether helmets meet safety requirements.

Adilur Rahman Khan, adviser for the industries and housing and public works ministries, inaugurated the two labs at the BSTI.

The government is working to establish a multidimensional and resilient industrial sector, he said.

Establishing the halal certification laboratory is a timely and crucial milestone that will help Bangladesh tap into the growing global demand for halal products, he added.

"I am confident that this laboratory will play a vital role in expanding Bangladesh's exports," he said.

Md Obaidur Rahman, secretary to the industries ministry, said global demand for halal-certified products was rising steadily.

Against this backdrop, the launch of the halal certification laboratory and BSTI's journey into issuing halal certifications is a timely decision, he said.

He also urged all stakeholders involved in manufacturing, selling, and using helmets to ensure that products bear the BSTI logo and QR codes before they are purchased and used.

Highlighting the safety concerns associated with motorcycle use, the industries secretary said

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Middlemen, extortion push up vegetable prices: report



Vegetable traders say that vegetable-laden vehicles are extorted by "law enforcement agencies" and "private organisations" at key entry points to Dhaka, such as Jatrabari, Aminbazar, and Abdullahpur, according to a report by Bangladesh Trade and Tariff Commission.

PHOTO: STAR/FILE

SUKANTA HALDER

The dominance of middlemen, a lack of information, extortion, and unpredictable transportation costs have a significant impact, resulting in the high retail prices of vegetables, according to a recent Bangladesh Trade and Tariff Commission (BTTC) report.

On June 29, the BTTC sent the report to the Ministry of Commerce identifying problems in vegetable market management, recommending solutions, and seeking necessary action.

According to data from the Bangladesh Bureau of Statistics for 2024, the agriculture sector accounts for 11.52 percent of the country's gross domestic product.

In order to prepare the report, a four-member team from the commission visited more than 20 wholesale and retail markets in the districts of Bogura, Gaibandha, Faridpur, Jashore, and Dhaka.

The Daily Star obtained a copy of the report, which

said middlemen hold significant dominance in the vegetable market, buying produce from farmers at low prices and selling it at high rates.

Due to the lack of timely access to information on market demand, product pricing, and modern agricultural practices, farmers are often unable to make the right decisions at the right time, it said.

Vegetable traders have reported that vegetable-laden transport vehicles are extorted by "law enforcement agencies" and "private organisations" at key entry points to Dhaka, such as Jatrabari, Aminbazar, and

Abdullahpur, it added.

However, they did not specify the amount of money extorted.

Truck rental costs vary depending on availability. For example, if a return trip fare cannot be secured, the rental charges increase, the report mentioned.

The report quoted a vegetable wholesaler in Bogura as saying that he faces

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BFIU seeks bank account details of Islami Bank chair, family

STAR BUSINESS REPORT

The Bangladesh Financial Intelligence Unit (BFIU) has sought bank account details of Md Obayed Ullah Al Masud, chairman and independent director of Islami Bank Bangladesh, and his family members.

The anti-money laundering agency has instructed banks to submit all relevant information and documents of accounts related to Masud, in the names of his family members or in any other names connected to their interests, by July 15.

The BFIU has instructed banks to submit all relevant information and documents by July 15

The requested information includes all types of accounts (account opening forms and updated transaction statements), information related to savings certificates and bonds, locker services, student files, credit cards, prepaid cards, gift cards, and transaction vouchers involving amounts of Tk 5 lakh or above, according to the BFIU letter.

Following the political changeover on August 5 last year, Bangladesh Bank formed a new board of directors for the crisis-hit Islami Bank Bangladesh, appointing five independent directors to the Shariah-based lender.

Masud had earlier served as managing director of Rupali Bank.

Ring Shine directors, auditors face action over share scam

STAR BUSINESS REPORT

Top executives, directors, auditors, and issue managers of Ring Shine Textiles are facing regulatory action after a share placement scandal came to light.

The Bangladesh Securities and Exchange Commission (BSEC) yesterday said the company fraudulently raised Tk 275 crore through a private placement of shares, but the funds were never deposited.

Rather, it artificially inflated the firm's paid-up capital to Tk 285 crore and misled investors and the regulator.

After an investigation, the stock regulator yesterday said that it would forward the case to the Anti-Corruption Commission (ACC) and impose travel bans on more than a dozen individuals.

The travel ban covers former directors, managing directors, the executive director, chief financial officer, and company secretary. The BSEC accused them of submitting false information in the company's initial public offering (IPO) prospectus.



The regulator made these decisions during a commission meeting at its headquarters in Dhaka.

The BSEC said it would bar the chief executives of two issue managers of the company, AFC Capital and CAPM Advisory, from taking part in any stock market activities for five years.

In the BSEC investigation, both firms were found to have submitted false information in due diligence certificates and IPO documents, eventually contributing to the fraudulent capital raising by Ring Shine.

The commission also began the process of cancelling their issue management licences.

In 2019, Ring Shine raised Tk 150 crore from the stock market through an IPO, in addition to the Tk 275 crore it claimed to have secured privately.

The BSEC will also refer four audit firms to the Financial Reporting Council (FRC) for certifying false financial statements covering the years 2015-16 through 2019-20. The firms are Ahmed and Akhter, Shiraz Khan Basak and Co, Mahfel Huq and Co, and ATA Khan and Co.

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Asian Paints unveils 'Colour of the Year 2025' in Bangladesh

STAR BUSINESS DESK

Asian Paints, one of the largest paint manufacturers in Asia, has launched an initiative "Colour of the Year 2025" under the title "Colour and Material Trends-ColourNext 2025" in Bangladesh. The initiative follows an extensive global research collaboration with creative professionals across diverse disciplines.

Joseph Eapen, chief executive officer of Asian Paints International Limited, inaugurated the programme as the chief guest at an event held at the Radisson Blu Water Garden Hotel in the capital, according to a press release.

The launch event convened leading figures from Bangladesh's interior design, architecture and creative industries.

In his remarks, Eapen stated, "Today's consumers seek more than colour—they desire spaces that tell a story and evoke emotion. With ColourNext 2025, we've merged global insights with local nuances to offer a design toolkit that reflects both lifestyle and sentiment." He added, "Our aim is to continue curating colour and material solutions that are not only visually compelling but also meaningful, enhancing both aesthetic appeal and everyday usability."

Budhaditya Mukherjee, regional head for South Asia and the South Pacific Islands at Asian Paints International, commented: "ColourNext serves as a lens through which we interpret what genuinely resonates with people. Cardinal speaks to the emotional truth of our time, and we are proud to bring that narrative to Bangladesh."

Each year, Asian Paints collaborates with thought leaders across architecture, design, fashion, media and sociology to produce ColourNext, an authoritative forecast of emerging trends in colour, material, texture and finish.

Since its inception in 2003, the initiative has explored the intersection of culture and design, gradually becoming Asia's most respected colour and material intelligence platform.

In Bangladesh, Asian Paints remains the only home décor brand to undertake such rigorous and nuanced trend research.

This year's spotlight was on Cardinal, named the Colour of the Year 2025. A dusky, soulful purple, Cardinal reflects emotional depth and unfiltered authenticity. Inspired by contemporary identity and introspection, it introduces softness, sophistication, and a grounded emotional resonance to interior spaces.



Joseph Eapen, chief executive officer of Asian Paints International Limited, and Budhaditya Mukherjee, regional head for South Asia and the South Pacific Islands at Asian Paints International, inaugurate the initiative titled "Colour of the Year 2025" at the Radisson Blu Water Garden Hotel in Dhaka recently.

PHOTO: ASIAN PAINTS

EU still seeks trade deal after new Trump tariff threat

AFP, Brussels

The EU still hopes to strike a deal with the United States despite President Donald Trump's ramped-up threat of 30-percent tariffs, the bloc's trade chief said Monday, with pressure on Brussels to toughen its stance.

The US leader threw months of painstaking talks into disarray on Saturday by announcing he would hammer the bloc with the sweeping tariffs if no agreement is reached by August 1.

Heading into Brussels talks with EU trade ministers, the bloc's trade chief Maros Sefcovic said despite Trump's latest threat he "felt" Washington was ready to continue negotiating—and he planned to speak with his US counterparts later in the day.

Sefcovic, who is leading talks on behalf of the EU's 27 states, said reaching a deal remained the priority—while acknowledging calls from countries including key power France for the bloc to flex its muscles in negotiations.

"The current uncertainty caused by unjustified tariffs cannot persist indefinitely," Sefcovic told reporters, adding the EU was preparing for "all outcomes", including "well-considered, proportionate countermeasures". European Commission chief Ursula von der Leyen on Sunday delayed a package of retaliatory measures over US tariffs on steel and aluminium—a day before they were set to kick in—as a sign of goodwill.

Eastern Bank signs deal with Norwegian Refugee Council



Ali Reza Iftekhar, managing director and chief executive officer of Eastern Bank PLC, and Sehnaz Ozdamar, country director for Bangladesh at the Norwegian Refugee Council, pose for photographs after signing the agreement at the bank's head office in Dhaka on Sunday.

PHOTO: EASTERN BANK

STAR BUSINESS DESK

Eastern Bank PLC (EBL) has entered into a strategic partnership agreement with the Norwegian Refugee Council (NRC), an independent humanitarian organisation.

Sehnaz Ozdamar, country director for Bangladesh at NRC, and Ali Reza Iftekhar, managing director and chief executive officer of the bank, signed the agreement at the bank's head office in Dhaka on Sunday, according to a press release.

Under the terms of the agreement, Eastern Bank will provide NRC with a comprehensive suite of banking products and services aimed at enhancing operational efficiency and streamlining financial processes across the organisation's operations in Bangladesh.

Among others, Michele Carezis, advocacy and communications manager of NRC Bangladesh; Monirul Huda, human resources manager; Ahmed Shaheen, additional managing director of the bank; and Md Jabelul Alam, head of transaction banking and corporate banking; were also present.



Md Rabiul Islam, managing director and chief executive officer (current charge) of SBAC 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 in Dhaka yesterday.

PHOTO: SBAC BANK

Mercantile Bank organises training for management trainee officers

STAR BUSINESS DESK

Mercantile Bank PLC has recently conducted a month-long foundation training programme for the 14th batch of its management trainee officers.

A total of twenty-four officers took part in the programme.

Mati Ul Hasan, managing director of the bank, inaugurated the training as the chief guest at the bank's training institute in Dhaka, according to a press release.

In his inaugural address, Hasan urged the trainees to adhere strictly to banking ethics and regulatory guidelines, and to demonstrate initiative in delivering exceptional service to the bank's customers.

The programme was moderated by Javed Tariq, principal of the bank's training institute, and was attended by members of the bank's senior management team.



Mati Ul Hasan, managing director of Mercantile Bank PLC, poses for group photographs with participants of the training programme at the bank's training institute in Dhaka recently.

PHOTO: MERCANTILE BANK

SBAC Bank signs MoU with National Pension Authority

STAR BUSINESS DESK

SBAC Bank PLC yesterday signed a memorandum of understanding (MoU) with the National Pension Authority (NPA) to facilitate and promote the Universal Pension Schemes.

Md Mahiuddin Khan, executive chairman of the NPA, and Md Rabiul Islam, managing director and chief executive officer (current charge) of the bank, signed the MoU at the conference room of the Finance Division under the Ministry of Finance in Dhaka, according to a press release.

Under the terms of the agreement, SBAC Bank will be authorised to register individuals and collect monthly instalments for various Universal Pension Schemes—namely Pragoti, Surakkha, Samata and Probash—through both online and offline channels.

Md Khairuzzaman Mozumder, secretary of the finance division, attended the ceremony as the chief guest.

Md Masoodur Rahman, senior executive vice-president and head of banking operations division at the bank, was also present, along with senior officials from both organisations.

Government of the People's Republic of Bangladesh

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Sundarban East Forest Division
Bagerhat

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E-mail: sundarbaneastbagerhat@gmail.com

Memo No. 22.01.0000.481.29.011.25.2993

Date: 10/07/2025

e-Tender Notice

This is an online tender, where only e-Tenders will be accepted in e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, please register on e-GP System Portal (<http://www.eprocure.gov.bd>). e-Tenders are invited in e-GP System Portal (<http://www.eprocure.gov.bd>) by Sundarban East Forest Division, Bagerhat.

Tender ID Package No.	Name of work	Tender document last selling/ downloading date and time	Last date and time for tender security submission	Tender closing date and time
Tender ID: 1129719 Package No. SEFD/WD-10/Tiger/2024-25	Construction and installation of 25 Nos. Signboard at different place of Sundarbans.	28 July, 2025 16.00pm	29 July, 2025 13.00pm	29 July, 2025 15.00pm
Tender ID: 1129693 Package No. SEFD/WD-09/Tiger/2024-25	Construction of RCC Observation tower for fire monitoring in Sundarbans (with two landing station and 50 feet height including soil test) at Nangli and Dhansagor.	28 July, 2025 16.00pm	29 July, 2025 13.00pm	29 July, 2025 15.00pm
Tender ID: 1129686 Package No. SEFD/WD-08/Tiger/2024-25	Construction of forts/elevations (earth work) for shelter of Tigers and game animals (each 50mx22mx3m) at 2 different place of Sundarbans.	28 July, 2025 16.00pm	29 July, 2025 13.00pm	29 July, 2025 15.00pm
Tender ID: 1129682 Package No. SEFD/WD-07/Tiger/2024-25	Nylon rope fence will be constructed in the area adjacent to Sundarban locality (14 km).	06 August, 2025 16.00pm	07 August, 2025 13.00pm	07 August, 2025 15.00pm

(Signature)

Md. Rezaul Karim Chowdhury
Divisional Forest Officer
Sundarban East Forest Division
Bagerhat

GD-1575

সামরিক চিকিৎসা সার্ভিস মহাপরিদপ্তর প্রতিরক্ষা মন্ত্রণালয়, ঢাকা সেনানিবাস

জরুরি দরপত্র বিজ্ঞপ্তি

১। সশস্ত্র বাহিনীর জন্য দেশীয় মুদ্রায় ছকে উল্লিখিত উৎসবসূহ অন্যান্য প্রতিরক্ষা ও মহাপরিদপ্তরের তালিকাভুক্ত ব্যবসায়ী/প্রকৌশলী/আমদানীকারক/ইন্ডাস্ট্রি প্রতিষ্ঠানের নিকট হতে সীল মোহরকৃত খামে দরপত্র আহ্বান করা যাবে।

২। দরপত্রের সিডিউল নিম্নের ছকে উল্লিখিত তারিখ ও সময় মোতাবেক সামরিক চিকিৎসা সার্ভিস মহাপরিদপ্তর, ঢাকা সেনানিবাস থেকে নম্বর মুদ্রা (অক্ষরযোগ্য) সপ্রস্তুত করা যাবে। প্রয়োজনীয় তথ্যাবলীসহ দরপত্র সীল মোহরকৃত খামে এই মহাপরিদপ্তরে রক্তিত টিকার বক্রে আগামী ২৪ জুলাই ২০২৫ তারিখ ০৯০০ ঘটিকা হতে ১৩০০ ঘটিকা পর্যন্ত জমা নেয়া হবে এবং একই দিন ১৩০৫ ঘটিকার দরদাফতের উপস্থিতিতে (যদি বেহে উপস্থিত থাকেন) দরপত্র উন্মুক্ত করা হবে।

ক্রমিক নং	প্রার্থীর বিবরণ	দরপত্র বিক্রয়ের তারিখ	দরপত্র জমা এবং উন্মুক্তের তারিখ	দরপত্র নম্বর
ক।	মেডিসিন	১০-০৭-২০২৫	২৪-০৭-২০২৫	04/2025-2026/Corres/Open

৩। দরপত্রের সাথে নিম্নলিখিত তথ্যাদি/নথিপত্র সংকলিত করতে হবে:
ক। প্রিন্টিংপাল এর নিকট থেকে ছায়ায় এজেক্সট সনদপত্র।
খ। প্রকৌশলীর কোম্পানির নাম ও দেশ।
গ। দরপত্রের সাথে আইটেমের নম্বর/ক্যাটাগরি।
ঘ। বাংলাদেশ উৎস প্রাপ্ত অধিকার কর্তৃক প্রদানকৃত রেজিস্ট্রেশন নম্বর/এমএ নম্বর/অন্যপতি সনদ (NOC) এর কপি।
ঙ। দরপত্রের ছাড়া কপি সহ MS Word এ প্রস্তুতকৃত সফট কপি সেনা ড্রাইভে।
চ। দরপত্র জমা হ্রদিশ।

৪। নির্ধারিত সময়ের পরে আর কোন দরপত্র গ্রহণ করা হবে না।
৫। কার্যসেপ্তার প্রক্রিয়ার পর দেশীয় আইটেমের ক্ষেত্রে ২০ (বিশ) এবং বিদেশী আইটেমের ক্ষেত্রে ৪৫ দিনের মধ্যে সরবরাহ করতে হবে।
৬। কর্তৃপক্ষ কোন কারণে দরপত্র ছাড়াই দরপত্র সিডিউলে উল্লিখিত আইটেমের পরিমাণ বৃদ্ধি/কমানো এবং দরপত্র বাতিল করার অধিকার রাখবে।
৭। পিপিআর/২০০৬ ও পিপিআর/২০০৮ মোতাবেক দরপত্রের সকল শর্তাবলী।
৮। দরপত্রের সফট কপি অন লাইনে দাখিল না করিলে দরপত্রটি বাতিল বলে গণ্য করা হবে।
৯। বিকল্প অফার (Alternative Offer) গ্রহণযোগ্য নয়।

আই এস পি আর/বিবিধ/২১৮

সে কর্তৃক
সহ-মহাপরিদপ্তর (স্টেশনার)
সামরিক চিকিৎসা সার্ভিস মহাপরিদপ্তর
প্রতিরক্ষা মন্ত্রণালয়
তারিখ: ১০ জুলাই ২০২৫

China exports

FROM PAGE B4

The strong export figures "help to partly offset the weak domestic demand and likely keep GDP growth around the government target of five percent in the second quarter", Zhang said.

"But the outlook for the second half of the year is unclear, as the frontloading of exports (to the United States) will fade out sometime," he said.

Customs official Wang Lingjun told a news conference on Monday that Beijing hoped "the US will continue to work together with China towards the same direction", state broadcaster CCTV reported.

The tariff truce was "hard won", Wang said. "There is no way out through blackmail and coercion. Dialogue and cooperation are the right path," he added.

Analysts say China's economy is expected to have expanded more than five percent in the second quarter thanks to its strong exports. Official figures are due to be released on Tuesday. But they also warn Trump's trade war could cause a sharp slowdown in the final six months of the year.

Beijing is targeting an overall expansion of around five percent in 2025—the same as last year but a figure considered ambitious by many experts.

First-quarter growth came in at 5.4 percent, beating forecasts and putting the economy on a positive trajectory.

Beijing has struggled to sustain growth since the pandemic as it battles a prolonged debt crisis in the property sector, chronically low consumption and high youth unemployment.

Data released last week showed that consumer prices edged up in June, barely snapping a four-month deflationary dip, but factory gate prices dropped at their fastest clip in nearly two years.

Many economists argue that China needs to shift towards a growth model propelled more by domestic consumption than the traditional key drivers of infrastructure investment, manufacturing and exports.

Beijing has introduced a slew of measures since last year in a bid to boost spending, including a consumer goods trade-in subsidy scheme that briefly lifted retail activity.

Pension authority partners with 17 more banks to expand coverage

STAR BUSINESS REPORT

The National Pension Authority (NPA) has teamed up with 17 more private banks to facilitate registration, contribution collection, and the integration of application programming interfaces as part of efforts to implement the universal pension scheme.

The banks are: Bank Asia, Bangladesh Commerce Bank, Bangladesh Development Bank, BASIC Bank, Bengal Commercial Bank, Dhaka Bank, EXIM Bank, Jamuna Bank, Meghna Bank, Mercantile Bank, NRB Bank, NRBC Bank, SBAC Bank, Standard Bank, Shimanto Bank, Social Islami Bank, and United Commercial Bank.

Md Mahiuddin Khan, executive chairman of the NPA, presided over the signing ceremony of the memorandum of understanding with the banks yesterday at the Finance Division, which was attended by bank managing directors, according to a press release.

Finance Division Secretary Md Khairuzzaman Mozumder called upon banks to actively promote the scheme and ensure wider participation.

"The successful execution of the universal pension scheme depends largely on the sincerity and proactive involvement of our banking partners," said Mozumder.

He urged banks to encourage customers to register and contribute, aiming to build a financially secure future for all.

With yesterday's signing, a total of 41 banks have now partnered with the NPA to support the scheme's operations.

The authority plans to extend similar agreements to all remaining domestically owned banks.

Piecemeal steps won't restore stock investor confidence

Says BNP leader Amir Khosru

STAR BUSINESS REPORT

Simply raising the tax gap between listed and non-listed firms and taking some piecemeal steps would not restore investors' confidence in the stock market, BNP Standing Committee member Amir Khosru Mahmud Chowdhury said yesterday.

"Many foreign investors want to invest in the stock market, but when they see there is a lack of coordination and the market is more regulated, they back off," he said while addressing a workshop titled "Capital market restructure and reality" in Dhaka.

"In order to restore people's confidence, a coordinated and holistic approach in policymaking, coordination among regulators, and ownership by the government is necessary," he also said at the event organised by the Economic Reporters' Forum (ERF) and the DSE Brokers Association of Bangladesh (DBA).

Stating that the capital market

can provide long-term funding to both the private and public sectors, he said, "However, it is not even conceptualised in the system that the government can raise funds for its projects."

"The government can raise funds through issuing municipal bonds and in many other ways. Actually, the capital market was not taken as an important sector by the previous government," said Chowdhury.

He pledged that if the BNP is elected to power, the party "will own the stock market" and refrain from "political appointments" in regulatory bodies like the Bangladesh Securities and Exchange Commission and Bangladesh Bank.

He went on to say that political appointments did not exist during the previous BNP-led regime, and so there was no bank collapse or capital market loot.

Furthermore, the BNP leader pledged to focus on the democratisation of the economy in order to connect more people to economic activities if his party

comes to power. "When people's participation in economic activities rises, their confidence will also rise."

Mentioning that the BNP will focus on self-regulation, he said, for instance, DSE will have a self-regulatory structure while the BSEC will monitor whether the stock exchanges are being properly regulated.

"In the self-regulation process, stock exchanges will have to raise their capacity so that they can truly play their due roles," he added.

He also criticised the interim government for talking about "bringing foreign experts to reform the stock market when there is a huge number of local experts" who can contribute effectively to reforming the market.

Also speaking at the event, DSE Chairman Mominul Islam said the premier bourse is already aiming to allow 10 initial public offerings (IPOs) in the next one year.

Besides, IPO issuance time will be reduced to two months, which currently takes a couple of years, he added.

BB appoints chief economist

STAR BUSINESS DESK



Professor Akhtar Hossain, an economist with extensive national and international experience, has been appointed as the chief economist of Bangladesh Bank, effective from 1 July.

Hossain began his academic career as a lecturer in the Department of Economics at Jahangirnagar University in 1981,

where he served for approximately one year.

His career includes a long and distinguished tenure at the University of Newcastle in Australia, where he served for nearly three decades and retired as an associate professor of economics in 2020. He has since maintained an affiliation with the university as a conjoint (honorary) associate professor, according to a press release.

In 2024, he joined United International University as a Professor of Economics, from which he will take a leave of absence to assume his new role at Bangladesh Bank.

Throughout his illustrious career, Hossain has held several significant positions across renowned institutions. He served as an International Economist at the IMF-Singapore Regional Training Institute for three years and as the World Bank's Resident Economic Adviser at Bangladesh Bank, where he focused on macroeconomic policy-oriented research.

He has also held visiting academic positions at several prestigious institutions, including the University of Illinois at Urbana Champaign, Stanford University.

Bangladesh's tax-GDP ratio lowest

FROM PAGE B1

to improve the quality of revenue officials.

"Developing economies in Asia and the Pacific struggle to raise the quality of their tax administration staff, in part because it is difficult for governments to pay competitive salaries, but also because of rigidities in civil service systems and reluctance to reform.

"Bangladesh is a case in point, even if it is not unique in the region for this problem," it says.

Speaking on the matter to The Daily Star, Towfiqul Islam Khan, senior research fellow at the Centre for Policy Dialogue (CPD), said Bangladesh's ability to mobilise tax revenue is becoming a binding constraint for its development finance.

"Our entire development finance is now dependent on borrowing, and the debt burden and debt servicing liability are increasing exponentially. In fact, we are now paying back our

outstanding debt related payments by borrowing more," he pointed out.

"The policy solutions are largely known. Tax reform should result in an increasing tax-GDP ratio," he also said, adding that it should be based on two fundamental approaches — establishing tax justice and curbing tax evasion.

In the past, he said, these fundamental pillars were undermined.

Speaking on the ongoing tax reform initiative by the government, he said, "The process needs to be transparent, participatory, and accountable. A medium-term approach will be critical.

"Unfortunately, the political actors are completely absent in this process to date, either by design or due to lack of demand. The political parties need to realise that most of their political pledges in the run-up to the election may not be delivered if tax reforms are not done prudently."

Middlemen, extortion

FROM PAGE B1

extortion at at least seven spots on the road from Mahasthangarh Bazar in Bogura to wholesale markets in Dhaka.

Traders from Jashore and Manikganj have reported similar experiences.

The report also said traders are forced to pay a "market development fee" of Tk 1,200 to Tk 1,500 per truck, depending on the vehicle size, at wholesale markets in and near Dhaka.

This money is distributed among "government and non-government agencies", political parties, and others, it added.

The report also mentions that middlemen play a big role in setting vegetable prices in Dhaka's retail markets, and on average, a middleman makes about Tk 8,000 to Tk 10,000 each night.

However, they do not pay income tax because they

do not exist in the taxation system, it said.

For this, the government loses a lot of tax revenue while consumers pay higher prices, it added.

Receipts are non-existent and trade is carried out verbally, enabling traders to frequently increase or decrease product prices at their own discretion, it said.

Although several policies related to proper agricultural market management have been formulated over time, they are not implemented due to a lack of effective coordination, it further said.

The number of cold storage and warehouse facilities for preserving vegetables is inadequate, making it difficult to store perishable goods properly during times of high yields, it added.

As a result, during such periods, farmers are often

FROM PAGE B1

Preferring anonymity, a senior Bangladesh Bank official said the policy shift helped restore market confidence, which in turn contributed to an uptick in foreign currency reserves.

As of July 10, reserves stood at \$24.54 billion under the BPM-6 calculation method maintained by the IMF, up from \$21.06 billion a year earlier.

BB steps in to stabilise market

Reacting to the sharp drop in the dollar rate, the BB on July 13 bought \$171 million from 18 commercial banks through an auction, the first such move under the floating rate system.

Aref Hussain Khan, executive director and spokesperson of the central bank, told The Daily Star that the regulator acted to prevent excessive volatility.

"We want to keep the forex market stable, because both a rise and a fall are not good indicators," he said. "If the dollar weakens too much, exporters and remitters feel discouraged

and suffer losses."

"We purchased \$171 million from 18 commercial banks, and the cut-off rate was Tk 121.5 per dollar," he added.

Mixed signals from economists

While some economists believe the taka's rebound could ease inflation, others remain cautious about whether the trend will last.

Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank, said the central bank's move to support the dollar rate made sense.

He said that from mid-2022, the forex market had been deteriorating rapidly.

"While the dollar was strengthening globally, the taka was in freefall. So clearly, some macroeconomic fundamentals must have improved on our side for this reversal to happen," he said.

However, the top banker added that the broader economy remained sluggish.

"Real employment

isn't happening. Sure, informal employment has been generated, but formal employment isn't increasing," Rahman said, adding that while inflation had cooled off slightly, most people still do not have disposable income.

Zahid Hussain, former lead economist of the World Bank's Dhaka office, cited both positive and negative factors behind the dollar's decline.

"The good reason is that there used to be an additional demand for settling various outstanding payments. For example, electricity bills of the IPPs, payments for fertilisers and LNG, and the backlog of deferred LCs; most of these have now been cleared."

That demand has faded, suggesting stronger financial management, Hussain said. But there is also a less encouraging side.

According to the economist, the main reason the demand for dollars has weakened is

that investment remains stalled. Imports linked to investment, especially capital machinery, have slumped.

Capital machinery imports fell by 19.6 percent to \$2.62 billion during the July-May period of FY25, he said.

Hussain also questioned the central bank's intervention in the market, arguing that allowing the dollar rate to drop further could help contain inflation.

"Over the past three years, various analyses have been presented regarding why inflation has risen in Bangladesh. While there are differing opinions, there is one point where everyone seems to agree: the rise in the value of the US dollar."

He added that bringing the rate down from Tk 120 to around Tk 110 could have made a remarkable difference in taming inflation.

"So, the question is, why is this opportunity to curb inflation being missed?"

BSTI opens lab

FROM PAGE B1

although quality helmets have long been categorised as mandatory products under BSTI regulations, the country lacked its own testing facilities.

"With world-class testing equipment now in place, both domestically produced and imported helmets can be tested for quality and compliance," said Rahman.

"This initiative will not only protect consumers but also help reduce fatalities in road accidents," he said.

Addressing the event, SM Ferdous Alam, director general of the BSTI, said the global demand for halal products was no longer limited to Muslim-majority countries and was growing rapidly across global markets.

"Halal is not merely a reflection of the practice of religion anymore—it has become a global quality standard linked to food safety, health, and conscious consumer behaviour," he said.

He said the two laboratories would significantly strengthen

Bangladesh's quality-certification infrastructure, enhancing its competitive position in regional and global trade.

"These initiatives will be milestones in facilitating entry into international halal markets and ensuring road safety," he added.

To mark the inauguration, the BSTI organised an event showcasing halal products and featuring 10 companies that have received halal certifications from the institution.

The 10 are Remark HB Limited, Olympic Industries Limited, Pran Agro Limited, Akij Bakers Limited, New Zealand Dairy Products Bangladesh Limited, Nestlé Bangladesh PLC, Cocola Food Products Limited, Bangladesh Edible Oil Limited, Bengal Meat Processing Industries Limited, and Chhuya Frozen Foods Limited.

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Stocks close lower

STAR BUSINESS REPORT

The Dhaka Stock Exchange closed slightly lower yesterday, extending its losing run for the second consecutive session.

The DSEX, the benchmark index of the bourse, went down by 4.6 points, or 0.09 percent, to settle at 5,061.83.

However, the Shariah-compliant DSES edged up 0.08 percent to 1,104.01.

On the other hand, the DS30, comprising blue-chip shares, was almost unchanged, declining 0.44 percent to close at 1,900.02.

Turnover, a key gauge of investor participation, dropped to Tk 564.37 crore, down from Tk 665.99 crore in the previous session.

A total of 188,894 trades were executed, while block transactions amounted to Tk 15.83 crore across 27 scrips.

Market breadth showed a mixed picture, with 156 stocks advancing, 163 declining, and 76 remaining unchanged.

Among A-category scrips, 108 gained and 80 lost.

The B-category saw 25 stocks rise and 46 fall, while there was no trading in the N-category.

Segment-wise performance was mixed. In mutual funds, 23 issues advanced and one declined.

Ring Shine directors

FROM PAGE B1

Meanwhile, the commission said it would request the ACC to take action against individuals who received placement shares without making full payment, as well as against the main figures behind the scheme.

Abdul Kader Faruk, the group's chairman, and Ashok Kumar Chirimar, an Indian national, have been

identified as "key players" in the manipulation. The BSEC described them as the "main culprits" and said formal complaints would be filed with the ACC.

Ring Shine shares closed at Tk 3.20 on the Dhaka Stock Exchange yesterday. The stock has been listed in the junk "Z category" for several years due to poor performance and compliance issues.

In a separate case, the commission in its media release said it would request the ACC to impose overseas travel bans on directors and managing directors of Prime Finance and Investment, PFI Securities, and Prime Finance Capital Management. These firms were involved in providing Tk 296 crore in margin loans, which the BSEC said were laundered.

Titas Gas Transmission and Distribution PLC
(A Company of Petrobangla)
105 Kazi Nazrul Islam Avenue, Kawran Bazar C/A
Dhaka-1215, Bangladesh

Invitation for Tender

1	Ministry/Division	Ministry of Power, Energy and Mineral Resources/ Energy and Mineral Resources Division.		
2	Agency	Titas Gas Transmission and Distribution PLC		
3	Procuring Entity Name	Titas Gas Transmission and Distribution PLC		
4	Procuring Entity District	Dhaka		
5	Invitation for	Hiring vehicle 08 (eight) seated (including driver) Air Conditioned Microbus under Framework Contract for TGTDP/PLC Officials.		
6	Invitation Ref No.	28.13.0000.000.131.99.0001.25/Microbus/3, Date: 13/07/2025		
KEY INFORMATION				
7	Procurement Method	Open Tender Method (OTM)		
FUND INFORMATION				
8	Budget and Source of Funds	Own fund of TGTDP/PLC		
PARTICULAR INFORMATION				
09	Division Name	General Services Division, TGTDP/PLC		
10	Tender Package Name	Hiring vehicle 8 seated (including driver) Air Conditioned Microbus under Framework Contract for TGTDP/PLC Officials		
11	Tender Publication Date	14/07/2025		
12	Tender Selling Schedule	15/07/2025 to 06/08/2025 (10.00 AM to 03.00 PM)		
		Date	Time	
13	Tender Closing Date and Time	07/08/2025	01.00 PM	
14	Tender Opening Date and Time	07/08/2025	02.00 PM	
15	Name & Address of the office(s)	Address: a) Central Accounts Department (TGTDP/PLC), Titas Gas Bhaban, 105, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215. b) Accounts Department, Petrobangla, Petrocentre, 3, Kawran Bazar C/A, Dhaka-1215. c) Accounts and Finance Division, Bangladesh Petroleum Exploration and Production co.ltd.(BAPEX), BAPEX Bhaban, 4, Kawran Bazar, Dhaka-1215.		
16	Tender Document Selling & Receiving	Titas Gas Bhaban, Board Room (2nd floor), 105, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215.		
INFORMATION FOR TENDERER				
18	Brief Eligibility and Qualification of Tenderer	The general experience of tenderer must have Minimum 5 (five) years in microbus rental services. Successfully completed maximum 02 (two) contracts in the last 03 (three) years in specific microbus rental services, the value of which should be at least 1 crore for Lot-1 and 2 crore 40 lakhs for Lot-2. (Details see in the TDS)		
19	Brief Description of services	Type of Vehicle : Microbus Seating capacity : 08 (eight) seats. Model year : Not earlier than 2014.		
20	Brief Description of Related Services	Details see in the TDS		
21	Price of Tender Document (Tk.)	5,000/- (Five Thousand Taka Only)		
22	Lot No.	Identification of Lot	Quantity	Tender Security Amount (except call on basis)
	01	Operations Division, Vigilance Division, Engineering Services Division, Prepaid Meter Division	Regular-08(Eight) + Call On Basis-10 (Ten)= 18 (Eighteen) nos. microbus	Tk. 4,80,000.00
	02	Metro Dhaka Sales Division (South) & Metro Dhaka Sales Division (North)	Regular-20 (Twenty) + Call On Basis-04 (Four)= 24 (Twenty Four) nos. microbus	Tk. 10,00,000.00
Tenderer can participate any number of lot. Tender security must be submitted in separate envelope.				
PROCURING ENTITY DETAILS				
23	Name of Official Inviting Tender	Md. Abu Taher Akhand		
24	Designation of Official Inviting Tender	Deputy General Manager		
25	Address of Official Inviting Tender	198/1, Second colony, Mazar Road, Mirpur-1, Dhaka-1216		
26	Contact details of Official Inviting Tender	ttdtdc.tr.v@gmail.com, 01939-921115		
27	The Procuring Entity reserves the right to reject all tenders or any of the Tender.			

(Deputy General Manager)
Transport Management Department
Titas Gas T & D PLC



Apparel exports from Bangladesh reached \$39.34 billion in the just concluded fiscal year of 2024-25, data from Export Promotion Bureau and Bangladesh Garment Manufacturers and Exporters Association (BGMEA) shows. US accounts for over 19 percent of the country's total apparel exports. PHOTO: STAR/FILE

Chattogram's garment factories fear fallout from US tariffs

DWAIPAYAN BARUA, Ctg

Owners of Chattogram-based readymade garment factories, many of which do business with buyers in the United States, are worried about a US tariff hike to 35 percent set to take effect on August 1.

They, however, are still hopeful that the Bangladesh government will be able to negotiate a reduction. Otherwise, the future is bleak, they said.

Though the country's RMG sector commenced its journey from Chattogram in early 80s, the number of factories in the port city has dropped in the past decade, with many either shutting down or shifting to Dhaka or elsewhere.

Currently, over 300 factories remain operational in Chattogram.

Around 200 factories take orders directly from buyers or brands, and the others work under subcontracts, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), and export processing zones (EPZs).

It is difficult to find accurate data regarding the export volume of the factories in Chattogram. Market insiders opine it is over 9 percent of the total exports.

Apparel export from Bangladesh reached \$39.34 billion in the just concluded fiscal year of 2024-25, data from the Export Promotion Bureau and BGMEA shows.

This was 81.49 percent of the country's total export earnings worth \$48.28 billion in the year.

And Bangladesh's garment exports to the US accounted for over 19 percent of total apparel exports.

Market insiders said most of the factories in Chattogram are engaged in business with US buyers.

Asian Apparels Group has 18 readymade garment factories in Chattogram, and 95 percent of its exports are destined for the US market. In 2024, the group's exports to the US market amounted to \$300 million.

Deputy Managing Director Sakeef Ahmed Salam opines that Chattogram-based garment factories are more engaged in business with US buyers compared to those in Dhaka.

He said US buyers have already asked them to bear a good portion of the extra

tariff on work orders currently under negotiation.

Moreover, many US buyers are not releasing purchase orders for products informed of earlier, the production of which could have started in July or August, as they opted to wait for the final tariff rate, he said.

In the absence of purchase orders, they are not able to start purchasing the required accessories and raw materials, he said.

BGMEA Director SM Abu Tayyab said most of the garment factories in Chattogram are dependent on the US market, and the trade has been running for long.

Last year, Tayyab's factory, Independent Apparels Ltd, exported around \$60 million worth of sportswear and kidswear, and 90 percent of it was destined for the US market.

"Even if the US imposes a 30 percent tariff instead of 35 percent, a good number of these factories would not survive," he said.

If the US tariff can be lowered to that for Vietnam, meaning 20 percent, only

then will Bangladeshi factories be able to compete, said Tayyab.

"Otherwise, US buyers would shift their orders to Vietnam and even to India, as the sector in the neighbouring country has been developing over the last 10 years," he said.

He underscored the need for reducing the tariff through bilateral talks this week.

Most of the 60 RMG factories located inside Chattogram Export Processing Zone (CEPZ) are more or less dependent on the US market.

Syed M Tanvir, managing director of leading denim exporter Pacific Jeans Group, which has eight factories in the CEPZ, said the factories would surely face an immediate impact.

Bangladeshi garment products would become 35 percent more expensive compared to current rates, he said.

He, however, prefers to wait a bit longer to assess the overall impact until the tariff figures are fixed for other competitive sources like India, Pakistan, Egypt, and Jordan.

Tanvir stressed the need for strategies for the factories to individually deal with their customers and face the challenges in the coming days.



China exports beat forecasts in June

AFP, Beijing

China's exports rose more than expected in June, official data showed Monday, after Washington and Beijing agreed a tentative deal to lower swing-tariffs on each other.

Data from the General Administration of Customs said exports climbed 5.8 percent year-on-year, topping the five percent forecast in a Bloomberg survey of economists.

Imports rose 1.1 percent, higher the 0.3 percent gain predicted and marking the first growth this year.

China's exports reached record highs in 2024 -- a lifeline to its slowing economy as pressures elsewhere mounted.

Beijing's efforts to sustain growth have been hit by a bruising trade war with the United States, driven by President Donald Trump's sweeping tariffs, though the two de-escalated their spat with a framework for a deal at talks in London last month.

Monday's customs figures showed Chinese exports to the United States surged 32.4 percent in June, having fallen the month before, according to an AFP calculation based on official data.

"Growth in export values rebounded somewhat last month, helped by the US-China trade truce," Zichun Huang, China economist at Capital Economics, said.

"But tariffs are likely to remain high and Chinese manufacturers face growing constraints on their ability to rapidly expand global market share by slashing prices," Huang said.

"We therefore expect export growth to slow over the coming quarters, weighing on economic growth," she added.

Zhiwei Zhang, president and chief economist at Pinpoint Asset Management, said the figures showed Chinese firms were still "frontloading" exports to the United States -- accelerating shipments in anticipation of further tariffs to come.

READ MORE ON B2

Bitcoin climbs to record \$123,000

REUTERS, Singapore

Bitcoin surpassed \$120,000 for the first time on Monday, marking a milestone for the world's largest cryptocurrency as investors bet on long-sought policy wins for the industry this week.

Bitcoin scaled a record high of \$123,153.22 before pulling back slightly to trade 2.4 percent higher around \$122,000.

Later in the day, the US House of Representatives will debate a series of bills to provide the digital asset industry with the nation's regulatory framework it has long demanded.

Those demands have resonated with US President Donald Trump, who has called himself the "crypto president" and urged policymakers to revamp rules in favour of the industry.

"It's riding a number of tailwinds at the moment," said IG market analyst Tony Sycamore, citing strong institutional demand, expectations of further gains and support from Trump as reasons for the bullishness.

"It's been a very, very, strong move over the past six or seven days and it's hard to see where it stops now. It looks like it can easily have a look at the \$125,000 level," he said.

The surge in bitcoin, which is up 30 percent so far this year, has sparked a broader rally across other

cryptocurrencies over the past few sessions even in the face of Trump's chaotic tariff policies.

Ether, the second-largest token, scaled a more than five-month peak of \$3,059.60, while XRP and Solana gained about 3 percent each.

The sector's total market value has swelled to about \$3.81 trillion, according to data from CoinMarketCap.

"What we find interesting and are watching closely are the signs that bitcoin is now being seen as a long-term reserve asset, not just by retail investors and institutions but even some central banks," said

Gracie Lin, crypto exchange OKX's Singapore CEO.

"We're also seeing increasing participation from Asia-based investors, including family offices and wealth managers.

These are strong signs of bitcoin's role in the global financial system and the structural shift in how it is perceived, suggesting that this isn't just another hype-driven rally," Lin said.

Earlier this month, Washington declared the week of July 14 as "crypto week," during which members of Congress are set to vote on the Genius Act, the Clarity

Act, and the Anti-CBDC Surveillance State Act.

The most significant bill is the Genius Act, which would create federal rules for stablecoins.

Elsewhere, prices of crypto stocks and exchange traded funds advanced.

In US premarket trading, shares of crypto exchange Coinbase surged 1.7 percent, while bitcoin holder Strategy climbed 3.3 percent. Crypto miner Mara Holdings jumped 4.6 percent.

Hong Kong listed spot bitcoin ETFs launched by China AMC, Harvest and Boserá all hit record highs.



Representations of virtual currency Bitcoin are placed on US dollar banknotes in this illustration. Bitcoin scaled a record high of \$123,153.22 before pulling back slightly to trade 2.4 percent higher around \$122,000 yesterday. PHOTO: REUTERS/FILE

Investor confidence wavers

SYED ERSHAD AHMED

While the continued decline in foreign direct investment (FDI) in Bangladesh remains a cause for concern, the first quarter of 2025 showed signs of promise. It reflects growing unease about the country's investment climate and long-term competitiveness, but also presents an opportunity that can be harnessed through timely reforms and consistent, investor-friendly policy actions.

FDI in Bangladesh fell to \$1.47 billion in FY24, down 8.8 percent from \$1.61 billion in FY23. In the January-March quarter of FY25, FDI rose by 76.31 percent from the previous quarter and 114.31 percent year-on-year. While most of the increase came from intra-company loans and equity, the sharp drop in reinvested earnings signals deeper concerns that must be addressed. Letters of credit for machinery imports also declined by 27.46 percent year-on-year, while settlements fell by 25.56 percent. After peaking at \$1.72 billion in FY22, inflows have declined, though the economy has shown resilience. GDP grew by 4.86 percent in the January-March quarter, the fastest pace in nearly two years, thanks to a rebound in industrial and service outputs.

The Bangladesh Bank has stabilised the exchange rate, but this has yet to reignite investor interest. Political uncertainty remains a key reason for caution. Many investors are waiting to see the next national elections before making major commitments. In April 2025, the interim government hosted a major investment summit, where more than 400 foreign delegates made proposals exceeding Tk 3,100 crore. Key commitments include one from China's Handa Industries, worth \$150 million, alongside strong interest from DP World and other global firms. Bida is also working to improve its one-stop service platform.

Vietnam attracted \$36.6 billion in FDI in 2023. Agreements such as RCEP and CPTPP have given it a seamless trade ecosystem. In contrast, Bangladesh struggles with inefficiencies. Chattogram Port ranks 337th out of 405 in the Global Container Port Performance Index. Delays in customs clearance and administrative bottlenecks remain widespread. The Matarbari Deep Sea Port is under construction, and the Rooppur Nuclear Power Plant is nearing completion. However, despite a 50 percent increase in energy capacity, outages persist. An unstable gas supply continues to trouble industrial users. Upgrades to underground grids and solar power partnerships are in progress, but faster execution is vital.

The tax and legal frameworks also require urgent reform. At 30 percent, the corporate tax rate is among the highest in the region. A reduction to 20-25 percent would send a clear signal to investors. Legal clarity in special economic zones is essential. Intellectual property protection must be strengthened to attract investment in pharmaceuticals, IT, and advanced manufacturing. High withholding taxes on dividends and capital gains tax on foreign portfolio investors remain major barriers to sustainable FDI.

Notably, more than 70 percent of Bangladesh's current FDI originates from reinvestments by existing investors. This suggests that while they still see potential, they are holding back. Their needs should be prioritised. Timely connections, quick resolution, and dedicated support for expansion should be ensured. FDI projects should have dedicated managers, and agreements should be upheld to reduce friction. Retaining current investors remains the fastest route to boosting FDI.

Bangladesh should also look beyond garments. Pharmaceuticals, electronics and technology, agro-processing, and green manufacturing are promising areas. Global perception matters. To regain investor confidence, Bangladesh must show policy consistency, professionalism, and transparency. The interim government has shown early promise. The next must act more decisively and effectively.

Bangladesh stands at a crossroads. Investors are watching with interest but remain unconvinced. Delivering energy, logistics, regulatory clarity, and skills development will be key to reviving momentum and attracting FDI through credible, coordinated reforms. The resources are there. Now is the time to realise the country's full potential.

The writer is president of the AmCham Bangladesh and former president of the FICCI.

Gold price hits three-week high

REUTERS

Gold rose to a three-week high on Monday, boosted by safe-haven demand after US President Donald Trump threatened tariffs on the European Union and Mexico, while silver hit a near 14-year peak.

Spot gold was up 0.4 percent at \$3,367.51 per ounce, as of 0957 GMT, after hitting its highest level since June 23 earlier in the session.

US gold futures rose 0.5 percent to \$3,379.30.

Trump said on Saturday he would impose a 30 percent tariff on most imports from the EU and Mexico from August 1, adding to similar warnings for other countries.

Both the European Union and Mexico described the tariffs as unfair and disruptive, while the EU said it would extend its suspension of countermeasures to US tariffs until early August and continue to press for a negotiated settlement.

"Trump tariffs threats are supporting demand for safe haven assets, and gold is a main beneficiary of that," said UBS commodity analyst Giovanni Staunovo.

On the data front, traders await US consumer price index data and the producer price index this week for cues on the Federal Reserve's interest rate path.

Investors are currently anticipating 50 basis points worth of Fed rate cuts by the end of this year, starting in October. Gold tends to thrive in a low-rate environment.