

star

BUSINESS



# US tariffs threaten booming synthetic shoe exports

JAGARAN CHAKMA

The country's growing non-leather footwear industry, which more than doubled its exports in just seven years, now faces a major setback as a steep new tariff from the United States threatens its growth and global competitiveness.

Synthetic shoes, popular worldwide for their comfort and style over leather footwear, helped push export earnings from this segment to \$523 million in the recently concluded fiscal year (FY) 2024-25, up from \$244 million in FY 2017-18.

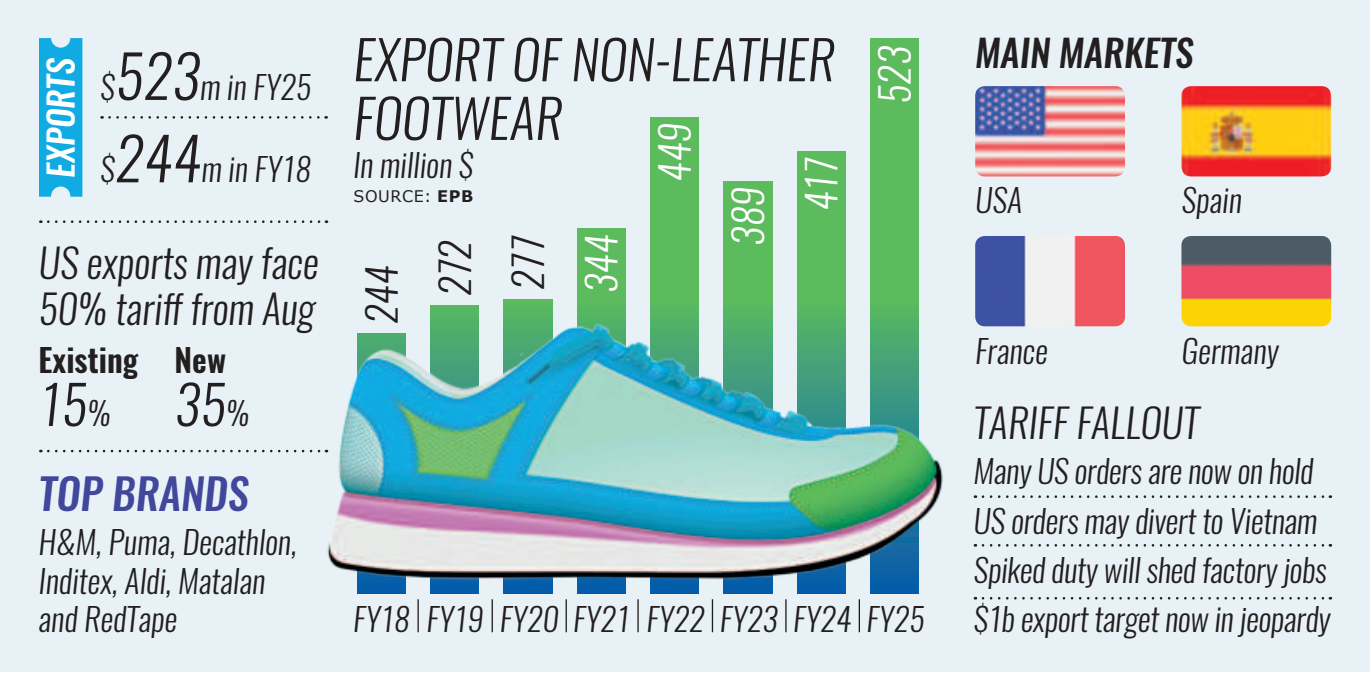
Buoyed by increasing global demand, manufacturers had been eyeing \$1 billion in annual earnings within the next two to three years.

But that optimism is now fading as Bangladeshi exporters will have to contend with a 50 percent tariff on synthetic footwear shipments to the US from August 1.

The rate includes a newly imposed 35 percent duty on top of the 15 percent they were already paying.

Local shoe-makers fear this could reverse a trend that had seen US buyers increasingly shifting their sourcing from China to Bangladesh. The move is likely to hand the advantage to Vietnam, which faces a much lower 20 percent tariff.

"This sector thrives because global buyers see Bangladesh as a cost-effective alternative to China," said Riad Mahmud, managing director of Shoeniverse



Footwear.

"But a 35 percent additional tariff would erase our price advantage and push buyers towards Vietnam, which has to pay a tariff of only 20 percent," he added.

Mahmud said that the sharp rise in duty could wipe out profits, disrupt cash flow, and threaten jobs.

His Shoeniverse plant in Mymensingh alone employs 4,700 workers.

He said, "Around 95 percent of orders from US buyers have been temporarily postponed due to the new tariff. This is not an industry where you can pause for six weeks and simply restart."

Over the years,

Bangladesh has been gaining traction in the global synthetic shoe market, thanks to its competitive labour costs and export experience from the readymade garments sector.

The country's Western buyers include leading brands like H&M, Puma,

Decathlon, Inditex, Aldi, Matalan, and RedTape. After the pandemic, these brands have been placing more orders to diversify away from China.

According to the Bangladesh Investment Development Authority (Bida), the non-leather segment is rapidly catching up with leather footwear, which

earned \$672 million in exports in FY 2024-25, a 23.54 percent increase year-on-year.

But while synthetic shoes are cheaper to make, the profit margins are razor-thin.

Mahmud mentioned that labour makes up 20 to 22 percent of production costs, while raw materials account for around 70 percent. On top of that, delays at customs and unclear trade policies are putting further pressure on the sector.

"Without clarity, planning is impossible. Bangladesh has the skills to lead in synthetic footwear, but we urgently need stable trade conditions," said Mahmud.

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## Govt debt nears Tk 20 lakh crore

STAR BUSINESS REPORT

The government's total outstanding debt increased to nearly Tk 20 lakh crore by March 2025, intensifying the pressure of debt servicing on the national budget.

The total debt reached Tk 1,999,928 crore, posting a 5.88 percent increase from Tk 1,888,787 crore in June 2024, according to the Quarterly Debt Bulletin released by the Ministry of Finance yesterday.

Both domestic and external debt have continued to grow steadily from Tk 1,344,443 crore in June 2022.

According to the bulletin, the government planned to lean more on the domestic debt market in the medium term to reduce exposure to foreign currency risks.

As of March this year, foreign loans made up around 42 percent of total debt, or Tk 841,992 crore, slightly down from 43 percent in December 2024.

Domestic borrowing contributed Tk 1,157,936 crore, with the banking sector alone providing Tk 737,669 crore, according to finance ministry data. By the end of FY24, total debt stood at 37.62 percent of the gross domestic product (GDP).

Although Bangladesh's external debt-to-GDP ratio is still moderate in comparison to some other developing countries and falls within the International Monetary Fund's (IMF) "safe zone", the bulletin pointed to the rapid accumulation of debt, a move towards less concessional financing, and ongoing macroeconomic challenges.

Referring to those as "red flags", the bulletin said they are contributing to mounting risks.

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Experts and other participants are seen at the discussion titled "Protecting the Farmers: The Case for an Agricultural Price Commission," organised by Khani and Participatory Research and Action Network, at The Daily Star Centre in Dhaka yesterday.

PHOTO: RASHED SHUMON

# Form agricultural price commission to protect farmers: experts

STAR BUSINESS REPORT

Bangladesh needs an agricultural price commission to ensure farmers receive fair prices for their produce and safeguard the country's largest employment sector, according to agri economists and civil society representatives.

According to them, although the agriculture sector plays a key role in food security and employment, it remains vulnerable to price volatility, erratic weather, and unchecked profits by middlemen.

With no formal mechanism to regulate or influence field-level pricing, farmers are often left exposed, they said at an event held at The Daily Star Centre yesterday.

The discussion, titled "Protecting the Farmers: The Case for an Agricultural Price Commission", was organised by Khani and the Participatory Research and Action Network (PRAAN).

"An agricultural price commission must be set up to announce minimum support prices and procurement prices for agricultural products, aiming to protect farmers from price volatility and encourage production," said Jahangir Alam Khan, a prominent agri-economist.

He said many countries have set up such bodies to regulate or influence agricultural pricing. "These institutions or bodies play a crucial role in ensuring fair prices for farmers, maintaining stable markets, and safeguarding the interests of consumers."

**Although the agriculture sector plays a key role in food security and employment, it remains vulnerable to price volatility, erratic weather, and unchecked profits by middlemen, experts say**

Khan mentioned that an independent commission could take a scientific approach when recommending prices, taking into account both local and international market conditions to benefit producers and consumers alike.

He pointed out that the National Agricultural Policy previously recommended the creation of a structured "Agriculture Price Commission" under the Ministry of Agriculture.

Bangladesh ranks among the world's top 10 producers in 22 agricultural categories. It is third in rice and vegetable production, seventh in potato, second in jute, and fifth in aquaculture.

However, growth in the farming sector has slowed in recent years, prompting concerns over food security, rural incomes, and broader economic recovery.

Presenting the keynote paper, Umme Salma, programme coordinator at PRAAN, said agriculture grew by just 1.79 percent in the fiscal year 2024-25.

"This growth rate is the lowest in recent years, and one of the main reasons behind it is flooding, followed by drought and heavy rains, which have disrupted cultivation," she said.

"The agri workforce has also declined sharply, from 62 percent in 2000 to 35.27 percent in 2025. Without ensuring reasonable profits, retaining farmers will become even more difficult," she added.

Sharmin Neelormi, professor of economics at Jahangirnagar University, said that between 2000 and 2016, male participation in farming declined while female participation increased.

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# Singer Bangladesh signs MoU with Buet



Prof ABM Badruzzaman, vice-chancellor of the Bangladesh University of Engineering and Technology, and MHM Fairoz, managing director and chief executive officer of Singer Bangladesh Limited, pose for photographs after signing the memorandum of understanding at the vice-chancellor's office on the Buet campus in Dhaka recently.

PHOTO: SINGER BANGLADESH

## STAR BUSINESS DESK

Singer Bangladesh Limited has signed a memorandum of understanding (MoU) with the Bangladesh University of Engineering and Technology (Buet) to collaborate on a range of initiatives, including research and development (R&D) projects, knowledge sharing and workshops, internship programmes, job vacancy announcements and referrals, as well as the organisation and participation in job fairs.

Prof ABM Badruzzaman, vice-chancellor of Buet, and MHM Fairoz, managing director and chief executive officer of Singer Bangladesh Limited, signed the MoU at the vice-chancellor's office on the Buet campus in Dhaka recently, according to a press release.

The MoU marks a significant milestone in fostering academia-industry collaboration and is poised to unlock new opportunities for joint innovation and R&D initiatives.

Moreover, it is expected to play a pivotal role in equipping future professionals in

Bangladesh with enhanced skills and practical knowledge.

Prof A Hasib Chowdhury, pro-vice-chancellor of Buet, and Prof Mohammad Shariful Islam, director of the Research and Innovation Centre for Science and Engineering, attended the signing ceremony.

Syed Zahidul Islam, director of human resources at Singer Bangladesh Limited, and Hakan Altunşik, director of factory, along with other senior officials from both institutions, were also present.

# UCB inks MoU with National Pension Authority



Mohammad Mamdudur Rashid, managing director and chief executive officer of United Commercial 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 Bangladesh Secretariat in Dhaka recently.

PHOTO: UNITED COMMERCIAL BANK

## STAR BUSINESS DESK

United Commercial Bank PLC (UCB) has signed a memorandum of understanding (MoU) with the National Pension Authority (NPA), aiming to enhance the accessibility and operational efficiency of the Universal Pension Scheme (UPS) in Bangladesh.

Md Mahiuddin Khan, executive chairman of the NPA, and Mohammad Mamdudur Rashid, managing director and chief executive officer of the bank, signed the MoU at the conference room of the finance division at the Bangladesh Secretariat in the capital recently, according to a press release issued by the bank.

As part of this strategic collaboration, UCB will serve as a banking service provider for the scheme, facilitating the seamless collection of pension instalments through a broad and secure network of banking channels.

These include UCB's own exchange house, partner exchange houses, bank branches, sub-branches, agent banking outlets, as well as its retail and corporate internet banking platforms and other authorised channels. Md Khairuzzaman Mozumder, secretary of the finance division, attended the signing ceremony as a distinguished guest, alongside senior officials from both organisations and the Ministry of Finance.

# EXIM Bank strikes MoU with National Pension Authority

## STAR BUSINESS DESK

EXIM Bank PLC has signed a memorandum of understanding (MoU) with the National Pension Authority (NPA) to facilitate the collection of registration fees and monthly instalments for various schemes under the Universal Pension Scheme.

Abdul Aziz, managing director (current charge) of the bank, and Md Mohiuddin Khan, executive chairman of the NPA, signed the MoU at the conference room of the finance division at the Bangladesh Secretariat in Dhaka recently, according to a press release issued by the bank.

Under this agreement, registration fees and monthly instalments for the Universal Pension Scheme may be deposited at all branches, sub-branches, and agent outlets of EXIM Bank.

Additionally, expatriate Bangladeshis will be able to make deposits through EXIM Bank's Exchange House.



Md Mohiuddin Khan, executive chairman of the National Pension Authority, and Abdul Aziz, managing director (current charge) of EXIM Bank PLC, shake hands and exchange signed documents of the memorandum of understanding at the conference room of the finance division at the Bangladesh Secretariat in Dhaka recently.

PHOTO: EXIM BANK

# Prime Bank maintains strong standing in sustainability rating

## STAR BUSINESS DESK

The Bangladesh Bank recognised Prime Bank PLC in the "Sustainability Rating 2024", marking the third consecutive year of receiving this achievement.

This accolade underscores the bank's steadfast commitment to sustainability, particularly in areas such as green refinancing, sustainable core banking operations, and corporate social responsibility, according to a press release.

The central bank introduced the Sustainability Rating in 2020 to encourage banks and financial institutions to embed environmental, social, and governance (ESG) principles into their operational and strategic frameworks.

The rating is assessed across five key indicators -- the Sustainable Finance Index, CSR activities, Green Project Financing, the Core Banking Sustainability Index, and Banking Services Coverage.

Through its excellence in these critical domains, Prime Bank continues to reinforce its reputation as a forward-thinking financial institution, dedicated to advancing sustainable development and environmental stewardship within Bangladesh's banking sector.

# bKash rewards top 22 remittance recipients

## STAR BUSINESS DESK

The country's leading mobile financial service (MFS) provider, bKash, has recognised 22 winners of its recent campaign with Hisense deep freezers and 43-inch Hisense Smart TVs for receiving the highest amount of remittances via the bKash app during the promotional period.

In collaboration with renowned home appliance and electronics brand Hisense, bKash launched the campaign ahead of the Eid-ul-Azha, the second-largest religious festival for Muslims, to further promote the use of formal banking channels for remittance transfers.

A total of 22 individuals were awarded in two phases over the course of the campaign. The final group of winners recently received their prize mementoes at a modest ceremony held at bKash's head office in the capital, according to a press release.

At present, expatriates can remit funds directly to their relatives' bKash accounts in Bangladesh from over 140 countries, including the United Arab Emirates, Saudi Arabia, the United States, the United Kingdom, Malaysia, Singapore, Kuwait, Italy, Canada, France and South Korea, through 110 international money transfer operators.

These remittances are settled through 25 leading commercial banks and are instantly deposited into recipients' bKash accounts. The government currently offers a Tk 25 incentive per Tk 1,000 remitted.

In line with Bangladesh Bank regulations, expatriates may remit up to Tk 250,000 per transaction to bKash accounts.

Thanks to these advantages, remitting funds directly to bKash has rapidly gained the trust and confidence of both expatriates and their families in Bangladesh, the press release added.



Winners of the remittance campaign, jointly launched by bKash and the home appliance and electronics brand Hisense, pose for group photographs at bKash's head office in Dhaka yesterday.

PHOTO: BKASH



Alamgir Hossain, managing director of Citizens Bank PLC, inaugurates the Tanbazar sub-branch in Narayanganj recently. Md Mostafizur Rahman and Md Abdul Latif, deputy managing directors, along with other high officials of the bank, were also present.

PHOTO: CITIZENS BANK

**বাংলাদেশ পানি উন্নয়ন বোর্ড**

নির্বাহী প্রকৌশলীর দপ্তর  
চাঁদপুর যান্ত্রিক পানি উন্নয়ন বিভাগ  
বাগাউবা, চাঁদপুর  
Tel: 02334485014 (Off.)  
02334485489 (Res.)

Memo. No. GC/T-4/4474

Office of the  
Executive Engineer  
Chandpur Mech W/D Division  
BWDB, Chandpur  
E-mail ID: [xen.chand.mech@gmail.com](mailto:xen.chand.mech@gmail.com)

Date: 16-07-2025

**e-Tender Notice No. Chandpur Mech./01/2025-26**

e-Tender is invited in the National e-GP Portal (<http://www.eprocure.gov.bd>) for the Procurement of works as stated below:

Sl. No.	Tender ID	Name of work	Package No.	Last selling date & time	Closing date & time	Opening date & time
01	1132009	Selection of Outsourcing Manpower Supply Firm for Providing Outsourcing Manpower of 13 posts for period of 23 months under Chandpur Mech. WD. Division, BWDB, Chandpur during the year 2025-2026 & 2026-2027.	e-T-Chandpur/ Mech/ Outsourcing /25-26	13.08.2025 16:00pm	14.08.2025 12:00am	14.08.2025 12:00am

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 17:00 hrs. 13/08/2025.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

পানি-৭৯/২০২৫-২০২৬  
৫৪৩

MD. Ruhul Amin  
Executive Engineer  
Chandpur Mech. W/D Division  
BWDB, Chandpur

GD-1603

**গণপ্রজাতন্ত্রী বাংলাদেশ সরকার**  
**নির্বাহী প্রকৌশলী, সওজ এর কার্যালয়**  
**সড়ক বিভাগ, ঝালকাঠি।**  
**E-mail: [eejha@rhd.gov.bd](mailto:eejha@rhd.gov.bd)**

স্মারক নং-৩৫.০১.৪২৪০.৪৩২.০৪.০২২.২০২১-১৬৮৬ তারিখঃ ১৭/০৭/২০২৫ই।

**"সীমিত দরপত্র পদ্ধতিতে (LTM) ঠিকাদার তালিকাভুক্তি/লাইসেন্স নবায়ন বিজ্ঞপ্তি"**

এতদ্বারা সস্ট্রিষ্ট সকলের অবগতির জন্য জানানো যাচ্ছে যে, সড়ক বিভাগ, ঝালকাঠি কর্তৃক পাবলিক প্রকিউরমেন্ট বিধিমালা-২০০৮ এর আলোকে সীমিত দরপত্র পদ্ধতির আওতায় ২০২৫-২০২৬ অর্থবছরের জন্য ঠিকাদার তালিকাভুক্ত করা হবে। সিপিটিইউ কর্তৃক নির্ধারিত আবেদন ফরম অত্র দপ্তর হতে অফিস চলাকালীন সময়ে সরবরাহ করা হবে (ছক-২)। ইতোপূর্বে যারা তালিকাভুক্তি হয়েছেন তাদেরকে ছক-১ অনুসরণ করে নবায়ন করার জন্য অনুরোধ করা হলো।

উল্লেখ্য যে, সীমিত দরপত্র পদ্ধতি প্রয়োগের ক্ষেত্রে পাবলিক প্রকিউরমেন্ট বিধিমালা-২০০৮ এর বিধি ৬৩ অনুসরণযোগ্য এবং এ তালিকাভুক্তিকরণ দরপত্র আহবান/কাজ প্রদানের নিম্নস্বত্বা বিধান করে না।

বিবরণ	নবায়ন ফি	ছক-০১ (নবায়ন সংক্রান্ত)			
		ভাট- ১৫%	বিনা জরিমানায় নবায়নের সময়সীমা	৫০% জরিমানায় নবায়নের সময়সীমা	১০০% জরিমানায় নবায়নের সময়সীমা
ঠিকাদারী লাইসেন্স নবায়ন	২০০০/-	৩০০/-	২০/০৭/২০২৫ হতে ২০/০৮/২০২৫ পর্যন্ত	২১/০৮/২০২৫ হতে ২১/০৯/২০২৫ পর্যন্ত	২২/০৯/২০২৫ হতে ৩০/০৯/২০২৫ পর্যন্ত

বিবরণ	তালিকাভুক্তি ফরমের মূল্য	ছক-০২ (নতুন তালিকাভুক্তি সংক্রান্ত)		
		তালিকাভুক্তি ফি	ভাট-১৫%	তালিকাভুক্তি ফরম সংগ্রহ ও জমা প্রদানের সময়সীমা
ঠিকাদারী নতুন তালিকাভুক্তি	১০০০/-	৫০০০/-	৭৫০/-	২০/০৭/২০২৫ হতে ২০/০৮/২০২৫ পর্যন্ত

**শর্তাবলী :-**

- ২০২৫-২০২৬ অর্থবছরে লাইসেন্স নবায়নের জন্য অত্র দপ্তরের হিসাব শাখায় লাইসেন্স নবায়ন ফি ও ভাট জমা পূর্বক মানি রশিদ সংগ্রহ করতে হবে।
- ঠিকাদার তালিকাভুক্তির জন্য ১,০০০/- (একহাজার) টাকা মূল্যের ফরম নির্বাহী প্রকৌশলী, সওজ, সড়ক বিভাগ, ঝালকাঠি/ উপ-বিভাগীয় প্রকৌশলী, সওজ, সড়ক উপ-বিভাগ, ঝালকাঠি কার্যালয় হতে সংগ্রহপূর্বক ফরমে উল্লেখিত শর্তাবলী যথাযথভাবে পূরণ করে অত্র দপ্তরে দাখিল করতে হবে। তালিকাভুক্তি কমিটি কর্তৃক যাচাই-বাছাইয়ের উত্তীর্ণ ব্যক্তি/ প্রতিষ্ঠানের তালিকাভুক্তি কি গ্রহণপূর্বক ঠিকাদার তালিকাভুক্ত করা হবে।
- নির্ধারিত তারিখের পরে কোনক্রমে ঠিকাদারী লাইসেন্স নবায়ন/ তালিকাভুক্তি ফি গ্রহণ করা হবে না।
- ঠিকাদারী লাইসেন্স নবায়ন/তালিকাভুক্তির ক্ষেত্রে কর্তৃপক্ষের সিদ্ধান্তই চূড়ান্ত বলে গণ্য হবে।

*(স্বাক্ষর)*  
১৭/০৭/২০২৫  
(শাহরিয়ার শরীফ খান)  
পরিচিতি নং-৬০২২৪৭  
নির্বাহী প্রকৌশলী, সওজ, (চলো)  
সড়ক বিভাগ, ঝালকাঠি।

GD-1605



# GP profit rises to Tk 879cr in second quarter

The mobile operator declares 110% cash dividend

STAR BUSINESS REPORT

Grameenphone, the country's largest mobile network operator, witnessed a slight 2 percent year-on-year (YoY) increase in second-quarter profit, supported by lower finance and tax expenses, even as revenue declined.

The company posted a net profit of Tk 879 crore in the quarter, up from Tk 862 crore in the same quarter last year, according to a stock exchange filing yesterday.

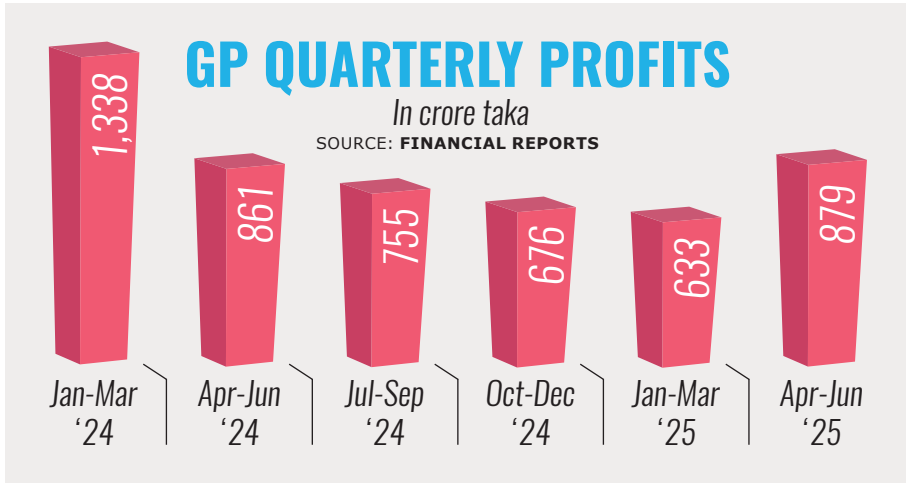
It declared a 110 percent interim cash dividend for shareholders for the April-June period.

The announced dividend payout was made from audited net profits for the first half of the year, which stood at Tk 1,513 crore, down by 31 percent year-on-year, GP said in the statement.

Its earnings per share increased to Tk 6.51, compared with Tk 6.38 a year earlier, it said in the disclosure. Its revenue, however, fell by 3 percent year-on-year to Tk 4,103 crore.

Meanwhile, the company earned Tk 157 per user, a 6.1 percent growth over the previous quarter, on average during the latest quarter.

"Inflation in Bangladesh declined



to 8.48 percent last month, boosting consumer purchasing power, which was reflected in GP's blended average revenue per user growth," BRAC EPL Brokerage, one of the leading stock brokers, noted in an earnings analysis of the telecom service provider.

Year-on-year, however, the blended average still dipped 4.8 percent, which it expects to normalise in upcoming quarters.

The leading telecom service provider also regained the subscriber base it had lost following political unrest in mid-2024. As of June, the company had approximately 8.63 crore subscribers.

The growth in subscribers lifted GP's SIM market share to 46 percent. Data subscriber growth also remained resilient, rising 1.2 percent year on-year, which translated into higher data usage, said the company.

The 10-day Eid holiday in June provided a seasonal boost to the topline, driving higher voice and data usage, it added.

Its net operating cash flow per share declined to Tk 26.94 for January-June 2025, from Tk 28.07 a year earlier. Its net asset value (NAV) per share stood at Tk 42.15 on June 30 this year, down from Tk 53.18 a year ago.

In the statement, the company attributed the decline in NAV to the payment of the final dividend for 2024, which exceeded the profits generated in the first half of 2025.

As of June 30, 2025, sponsor-directors held 90 percent of the GP shares, while institutional investors held 6.50 percent, foreign investors 0.97 percent, and the public 2.53 percent, according to Dhaka Stock Exchange data. BRAC EPL said GP has continued its strong dividend tradition in 2025, consistently distributing both interim and final cash dividends.

"Over the past five years, the company has maintained an average payout ratio of 90.5 percent, signalling a stable and shareholder-friendly policy," it also noted.

Grameenphone stocks rose 1.15 percent to Tk 300.20 yesterday at the Dhaka Stock Exchange.

## Islami Bank chairman resigns amid BFIU move

STAR BUSINESS REPORT



Md Obayed Ullah Al Masud has resigned as chairman and independent director of Islami Bank Bangladesh, just days after the country's financial intelligence agency moved to look into his finances.

He submitted his resignation to the governor of the Bangladesh Bank yesterday.

Requesting anonymity, a senior official of the central bank and an independent director of Islami Bank confirmed the resignation.

In the handwritten letter seen by The Daily Star, Masud cited personal reasons for stepping down. This development comes three days after the Bangladesh Financial Intelligence Unit (BFIU) sought bank account details of Masud and his family members on Monday.

Since then, he has remained absent from the country's largest Shariah-based bank. He also missed a scheduled meeting of the Islami Bank Foundation Committee on Tuesday.

That same day, a BFIU team conducted a special operation, although officials have yet to disclose details.

Masud could not be reached through phone calls or text messages, despite repeated attempts yesterday.

## US tariffs threaten

FROM PAGE B1  
Hasnat Md Abu Obida Marshall, managing director of Maf Shoes Ltd, which supplies footwear items to brands like Kappa and H&M, said many exporters were already feeling the heat, with US orders either on hold or cancelled.

"European buyers have not objected yet, but those in the US market could suffer badly," he said. Marshall said the new tariff imposed by the Trump administration adds to long-standing issues. Unlike China, Bangladesh depends heavily on imported raw materials, often taxed at up to 60 percent, which raises product costs eventually.

"We import everything yet try to compete on price," said Marshall, adding that China not only has local access to raw materials but also offers 7 to 12 percent government incentives. According to him, even an 8 percent cash incentive offered by Bangladesh fails to make a meaningful impact.

"If I pay 60 percent duty and get 8 percent incentive, there is no real benefit left," Marshall said, adding that many exporters skip

the incentive altogether due to the bureaucratic process.

He also identified low productivity as a concern, saying that despite lower wages than in Vietnam, Bangladesh still falls behind in producing value-added footwear.

The shoe-maker also said that the country's graduation from the least-

**The tariff uncertainty could damage Bangladesh's standing in the global footwear market without strong policy support and investment in capacity**

developed country club in November next year further clouds the sector's outlook.

"If we rush into investments, we risk heavy losses and job cuts," he said.

The tariff uncertainty has already rippled into other sectors like garments, he added, and could damage Bangladesh's standing in the global footwear market without strong policy support and

investment in capacity.

Ahsan Khan Chowdhury, chairman and CEO of Pran-RFL Group, said the new US tariff would severely disrupt exports to the American market, especially for companies that had made targeted investments there.

He urged the government to expedite negotiations with US authorities to secure continued access and protect the export sector.

"If Bangladesh exporters fail to remain competitive in the US market, they will have to seek alternative destinations to recover their investments and safeguard the jobs of hundreds of workers," Chowdhury said.

Hasanuzzaman, managing director and CEO of BLING Shoes Ltd, which posted 30 percent export growth last fiscal year, echoed similar concerns.

Hasanuzzaman said he supplies US buyers, including Merrell, Saucony, and Carter, and although none of his current orders have been cancelled, the future is uncertain.

"If the tariff is not reduced, exports will definitely be hampered," he said.

## Form agricultural

FROM PAGE B1  
But from 2016 to 2023, female participation also dropped.

Nurul Alam Masud, chief executive of PRAAN, said agriculture's contribution to GDP is gradually falling, raising concerns about whether the sector is being overlooked.

Farah Kabir, country director of ActionAid Bangladesh, focused on climate-sensitive planning. She said, "We must plan our agricultural production with the impacts of climate change in mind. Interventions should be tailored to the specific needs of each geographical region."

Former agriculture secretary Anwar Faruque said the most pressing challenge now is that farmers are not receiving fair prices for their crops.

"Even minimal support to farmers could have been beneficial for them," he said. "Bangladesh is failing to take even the preliminary steps needed before forming a price commission."

He gave the example of West Bengal, where the government procures 20 percent of total rice production, compared to less than 1 percent in Bangladesh. "In such a situation, how can farmers be ensured fair prices?"

Faruque also pointed to a lack of coordination between relevant ministries, which he said must be sorted out first.

Md Abdul Mueyed, former director general of the Department of Agricultural Extension, said

consumer attitudes often work against farmers.

"Whenever the price of a product rises in the market, they immediately start questioning why it has increased. But they fail to acknowledge the rising production hardships faced by farmers. That's why social awareness needs to be increased," he said.

Mihir Kumar Roy, former dean of business and economics at the City University of Bangladesh, called for political will to tackle the problem. "There is no other way to address this issue."

Md Mahmudur Rahman, additional secretary at the Ministry of Agriculture, said India's minimum support price for 23 products is being studied, but Bangladesh should focus on such pricing for perishable items.

"The government has already started strategic planning in this regard," he said.

Mohammad Emdad Ullah Mian, secretary at the agriculture ministry, said the biggest challenge is the lack of accurate data.

He noted that data manipulation has long been an issue. Reliable statistics, he added, are essential for making informed decisions that benefit farmers.

"Having worked with farmers, we are committed to maintaining a farmer-friendly environment," he said. "We have identified six hotspots in the country and developed nine thematic areas for professional development. Based on this, we are formulating a 25-year agricultural plan."

## Govt debt

FROM PAGE B1  
To ensure long-term sustainability, the bulletin called for prudent debt management, careful selection of new projects, improved project execution, and stronger domestic resource mobilisation.

The Medium-Term Macroeconomic Policy Statement for FY26 to FY28 stressed that addressing the challenges of low revenue collection and rising debt servicing costs is key to keeping the economy stable and on a growth path.

During the first three quarters of FY25, the government's interest payments climbed by 10 percent year-on-year. External interest payments saw a sharper rise of 23 percent during the July-March period compared to the same period in FY24.

So, effective management of interest costs on government borrowing is not just a matter of sound financial management for Bangladesh; it is fundamental to ensuring macroeconomic stability, protecting its foreign exchange reserves, fostering sustainable economic growth, maintaining international creditworthiness, and securing its future

development prospects, said the bulletin.

Interest payments on treasury securities jumped by 45 percent, while payments on national savings certificates fell by 25 percent, according to finance ministry data.

Bangladesh is set to graduate from the least developed country (LDC) status in 2026. Once that happens, access to highly concessional financing is expected to diminish.

The policy statement said that without meaningful reforms in revenue collection, export diversification, and debt management, the debt burden and associated risks could increase.

The government projects total debt will reach Tk 23 lakh crore by the end of FY26. It is forecast to cross Tk 26 lakh crore in FY27 and hit Tk 28 lakh crore by FY28.

As of March 2025, the government's contingent liabilities stood at Tk 66,180 crore, down 7 percent from June 2024.

Most guarantees were issued to entities involved in power generation, mineral resources, fertiliser production, and organisations such as Biman Bangladesh Airlines and the Trading Corporation of Bangladesh (TCB).



Md Azizur Rahman, general manager of the finance department at West Zone Power Distribution Company Limited, and Kimiwa Saddat, managing director (current charge) of Community Bank Bangladesh PLC, pose for photographs after signing the agreement at Khulna Club recently.

PHOTO: COMMUNITY BANK

## Community Bank signs 3-year deal with West Zone Power Distribution Company

STAR BUSINESS DESK

Community Bank Bangladesh PLC has signed a three-year agreement with West Zone Power Distribution Company Limited to facilitate the collection of all categories of electricity bills across the company's western region.

Kimiwa Saddat, managing director (current charge) of the bank, and Md Azizur Rahman, general manager of the finance department at the power distribution company, signed the agreement at a ceremony held at Khulna Club, according to a press release.

Under the terms of the agreement, Community Bank has once again been entrusted with the responsibility of collecting both prepaid and postpaid electricity bills in the designated region for the next three years.

Md Abdul Khaleque, deputy general manager of finance at the power distribution company; Shahin Akter Pervin, superintendent engineer commercial; Ruhul Amin, executive engineer and company secretary; Mohammad Afser Hasan, manager accounts; and Md Moktar Hassain, deputy manager of finance; attended the event.

**Government of the People's Republic of Bangladesh**  
Office of the Executive Engineer RHD  
Road Division, Barishal  
Tel: 02-478831254  
E-mail: [eebar@rhd.gov.bd](mailto:eebar@rhd.gov.bd)

Memo No. 35.01.0651.403.07.019.25-2566 Dated: 17.07.2025

### Invitation for e-Tender

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the works mentioned in the table below:

Invitation Reference No.	01/e-GP/PMP-Roads-Major/BRD/2025-2026.
Tender ID	1132231
Name of works	Surfacing work with DBS Wearing Course, Retaining wall and slope protection at Ch-0+000 (Rahmatpur) to 7+495 (Mirgonj Ferry Ghat) Ch-20+950 (Nobaber Hut) to 24+000 (Muladi Bridge) Ch-24+572 (Kauria Bazar) to 35+830 (Hizla Busstand) of Rahmatpur-Babugonj-Muladi-Hizla Road (Z-8034) under Barishal Road Division during the year 2023-2024.
Qualification criteria	As stated in Tender Notice & Tender Data Sheet (TDS) of the Tender Document.
Tender document price	Tk. 4,000.00 (four thousand) only.
Tender security amount	Tk. 47,50,000.00 (forty-seven lakh fifty thousand) only.
Tender document last selling	Date: 06 August 2025, Time: 17:00
Last date and time for tender security submission	Date: 07 August 2025, Time: 11:30
Tender closing date and time	Date: 07 August 2025, Time: 12:00
Tender opening date and time	Date: 07 August 2025, Time: 12:00

- 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 bank branch.
- Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

*Nazul*  
17.07.25  
**Md. Nazmul Islam**  
ID No. 602232  
Executive Engineer, RHD  
Road Division, Barishal

GD-1604

**সামরিক চিকিৎসা সার্ভিস মহাপরিদপ্তর**  
**প্রতিরক্ষা মন্ত্রণালয়, ঢাকা সেনানিবাস**

### জরুরি দরপত্র বিজ্ঞপ্তি

১। সশস্ত্র বাহিনীর জন্য দেশীয় মুদ্রায় হকে উল্লেখিত চিকিৎসা সামগ্রী ক্রয়ার্থে প্রতিরক্ষা ক্রয় মহাপরিদপ্তরের তালিকাভুক্ত ব্যবসায়ী/প্রস্তুতকারী/আমদানীকারক/ইন্ডেন্ট প্রতিনিধির নিকট হতে সীল মোহরযুক্ত খামে দরপত্র আহবান করা যাচ্ছে।

২। দরপত্রের সিডিউল নিম্নের হকে উল্লেখিত তারিখ ও সময় মোতাবেক সামরিক চিকিৎসা সার্ভিস মহাপরিদপ্তর, ঢাকা সেনানিবাস থেকে নালদ মূল্যে (অফেরথল্যাগ) সংগ্রহ করা যাবে। প্রয়োজনীয় তথ্যাবলীসহ দরপত্র সীল মোহরযুক্ত খামে এই মহাপরিদপ্তরে রক্ষিত টেন্ডার বক্সে আগামী ৩১ জুলাই ২০২৫ তারিখ ০৯০০ ঘটিকা হতে ১৩০০ ঘটিকা পর্যন্ত জমা দেয়া হবে এবং একই দিন ১৩০৫ ঘটিকায় দরদাতাদের উপস্থিতিতে (যদি কেহ উপস্থিত থাকেন) দরপত্র উন্মুক্ত করা হবে।

ক্রমিক নং	প্রবোর বিবরণ	দরপত্র বিক্রেতার তারিখ	দরপত্র জমা এবং উন্মুক্তের তারিখ	দরপত্র নম্বর
ক।	ডিসপোজেশন	১৭-০৭-২০২৫	৩১-০৭-২০২৫ ০৯০০ ঘটিকা	০৭/২০২৫-২০২৬/ Corres/Open

৩। দরপত্রের সাথে নিম্নলিখিত তথ্যাদি/নথিপত্র সংস্কৃত করতে হবেঃ

- ক। গ্রিন্ডপাল এর নিকট থেকে স্থানীয় এজেন্সি সনদপত্র।
- খ। প্রস্তুতকারক কোম্পানির নাম ও দেশ।
- গ। দরপত্রের সাথে আইটেমের নমুনা/ক্যাটালগ।
- ঘ। বাংলাদেশ ঔষধ প্রশাসন অধিদপ্তর কর্তৃক প্রদানকৃত রেজিস্ট্রেশন নম্বর/এমএ নম্বর/অনাপত্তি সনদ (NOC) এর কপি।
- ঙ। দরপত্রের হার্ড কপির সাথে MS Word এ প্রস্তুতকৃত সফট কপির পেন ড্রাইভ।
- চ। দরপত্র ক্রয় বশিদ।

৪। নির্ধারিত সময়ের পরে আর কোন দরপত্র গ্রহণ করা হবে না।

৫। কার্যাদেশ প্রাপ্তির পর দেশীয় আইটেমের ক্ষেত্রে ২০ (বিশ) এবং বিদেশী আইটেমের ক্ষেত্রে ৪৫ দিনের মধ্যে সরবরাহ করতে হবে।

৬। কর্তৃপক্ষ কোন কারণে দরদাতা বাছাই দরপত্র সিডিউলে উল্লেখিত আইটেমের পরিমাণ বৃদ্ধি/কমানো এবং দরপত্র বাতিল করার ক্ষমতা রাখে।

৭। পিপিএ/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/২২৫

সে. কর্নেল  
সহ-মহাপরিচালক (শ্রোটার)  
সামরিক চিকিৎসা সার্ভিস মহাপরিদপ্তর  
প্রতিরক্ষা মন্ত্রণালয়  
তারিখঃ ১০ জুলাই ২০২৫

GD-1600



# Bangladesh, Vietnam to drive global cotton trade next decade: report

SOHEL PARVEZ

Bangladesh and Vietnam will drive global cotton trade over the next decade as mills increase their use of it in making yarn for export-oriented garments, said a recent global report.

World cotton trade is projected to expand steadily over the next decade by 1.6 percent annually and reach 12.3 million tonnes in 2034, said the Organisation for Economic Co-operation and Development (OECD) and Food and Agriculture Organization (FAO).

“This growth is driven by the increasing demand for textiles in Asian countries, particularly Vietnam and Bangladesh, where mill use is expanding rapidly,” said the OECD-FAO Agricultural Outlook 2025-2034, released on July 15.

Bangladesh is projected to account for 18 percent of global raw cotton imports by 2034, registering a yearly 2.4 percent growth.

The country consumes over 1.7 million tonnes of cotton and imports more than three-fourths of its requirement.

The report said global use of raw cotton is projected to grow by 1.2 percent annually, driven by increasing demand for textiles in middle- and low-income countries.

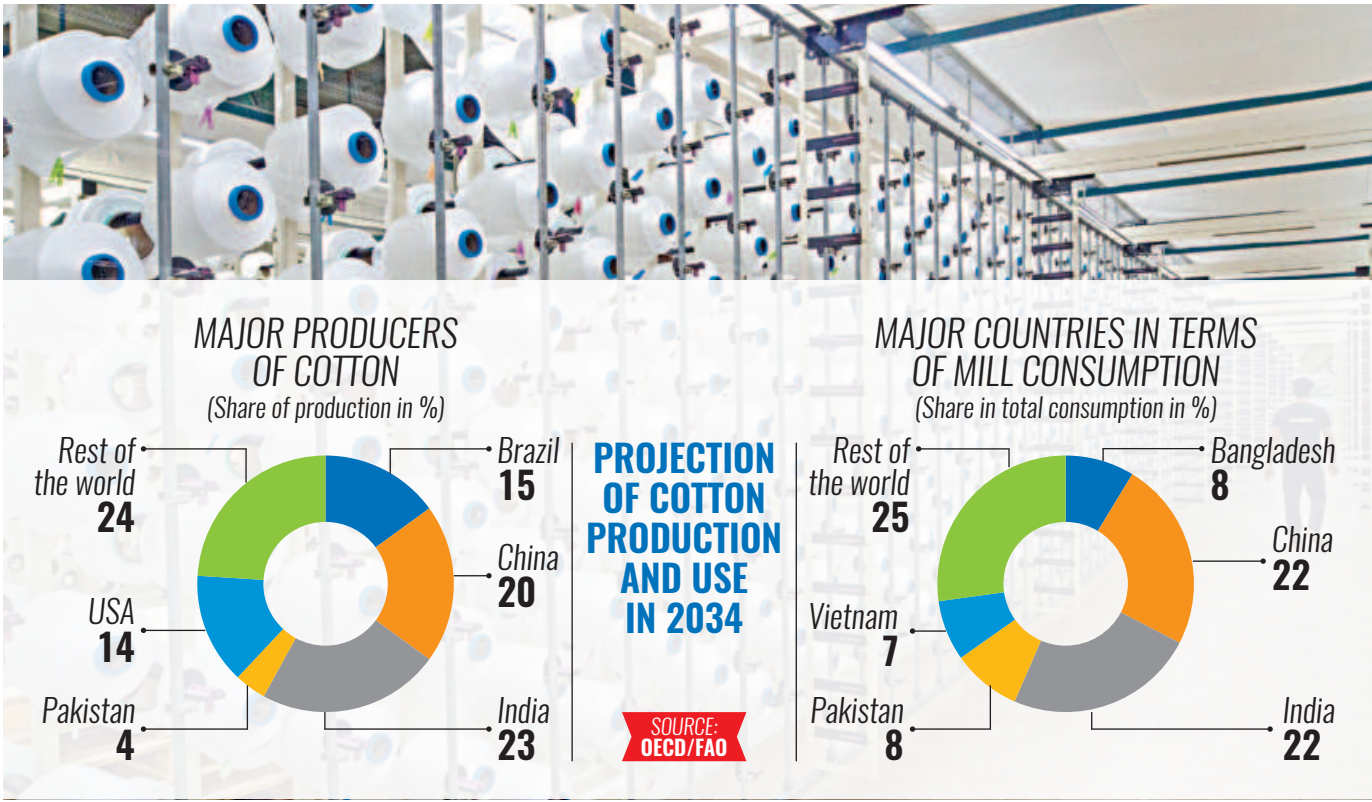
“Asia will remain the primary hub for the processing of raw cotton, with expansion in Vietnam, Bangladesh, and India fuelled by competitive labour and production costs,” it said.

Bangladesh and Pakistan are each projected to consume 8 percent of the world’s total cotton.

China is expected to gradually lose its dominance in global cotton processing, but it will remain the world’s largest cotton processor by 2034, followed by India.

China will consume 30 percent and India 22 percent by the end of the decade.

A rise in labour costs and stringent labour and environmental regulations has led to a gradual decrease in China’s



cotton mill consumption since 2010.

This decline was further exacerbated by the abolition of the support price system, a form of market intervention by the government, in 2014.

“This contributed to a move to other Asian countries, notably Vietnam and Bangladesh,” said the report.

It said since the phase-out in 2005 of the Multifiber Arrangement, countries such as Bangladesh and Vietnam have experienced strong growth in their textile industries based on an abundant labour force, low production costs, and government support measures.

The Multifiber Arrangement was established in 1974 to impose quotas on the amount of clothing and textiles

that developing countries could export to developed nations in Europe and the United States.

The European Union’s duty-free access to least developed countries under the Generalized System of Preferences (GSP) boosted Bangladesh’s textile industry, contributing to its emergence as a major global exporter of apparel, particularly knitted and woven garments, said the report.

The expansion of textile industries in Asian economies is expected to continue to boost mill consumption growth over the coming decade.

Vietnam will take the lead in annual growth of mill use at 2.7 percent per year, followed by Bangladesh at 2.1 percent per

annum.

The OECD-FAO report said global cotton production is expected to grow by 1.3 percent annually, primarily driven by yield improvements, reaching 29.5 million tonnes by 2034.

“India is projected to surpass China as the world’s largest cotton producer, as it is expected that India will considerably increase cotton yields from its current low levels. Brazil and the United States will follow at similar levels of production,” it said.

“As major producers and exporters, Brazil and the United States are expected to meet the growing demand from Asian countries and will be the two largest exporters over the next decade,” it added.

# Power of perspective

MAHTAB UDDIN AHMED

Two shoe salesmen were sent to a remote village to assess the market. The first returned, visibly deflated. “Hopeless! No one wears shoes there,” he said. The second came back beaming, saying, “Amazing! No one wears shoes there!” Same village, same people, same situation, different perspectives. One saw zero demand, the other saw untapped potential.

This age-old tale is more than a sales anecdote; it’s a mirror. In life and work, we all walk into villages of uncertainty. Some of us panic because the floor is bare, others see a market begging for footwear.

In Bangladesh, we have seen people build million-taka ventures out of things most wouldn’t give a second glance. One guy sells tea in clay cups with Wi-Fi and calls it “Chaaterpreneurship”. Another man leaves a corporate job to grow strawberries in Srimantapur and becomes a YouTube star. Meanwhile, their university batchmates complain that “nothing works in this country”. There is no point in staying here, so let’s view migration as an opportunity. No points for guessing whose village was full of barefoot people, and who saw it as an opportunity.

Perspective, it turns out, is not just feel-good philosophy; it’s measurable. A Harvard Business Review study found that people with a “growth mindset” are 34 percent more likely to succeed in leadership roles. Meanwhile, McKinsey research shows that companies that frame challenges as innovation opportunities outperform their peers by over 25 percent in revenue growth.

In our own corporate corridors, I have witnessed this firsthand. Two brand managers were handed the same struggling product. One wrote a report on why it should be discontinued. The other redesigned the packaging, ran a social campaign, and made it a Gen-Z trend. The product stayed. The second guy got promoted. And the first one? He is now giving unsolicited advice on LinkedIn.

Even in personal life, perspective changes everything. Is your teenager spending “too much time on the phone”? Or are they learning video editing and planning a digital agency? As a father, I can confirm: the first assumption gives you grey hair, the second gives you hope!

We often treat “perspective” as a soft skill, but it is actually a strategic advantage. Think of it as the lens through which you interpret reality. A foggy lens distorts opportunities into threats. A clear one sees both risk and reward, and chooses action over complaint.

Perspective can be trained. Read widely. Hang out with problem solvers, not problem reporters. Learn from failure without inviting it to dinner every night. And please, before saying “ekhone kichu hobe na” (nothing works here), ask yourself if you are the first salesman or the second.

In Bangladesh, streamlining perspective starts with reframing problems as possibilities. For instance, where some see traffic congestion, Pathao saw a logistics revolution. Where others saw rural illiteracy, 10 Minute School saw a digital learning opportunity. Corporates must foster this mindset by rewarding innovation, not just compliance.

In personal life, parents can encourage kids to explore unconventional careers instead of forcing the “doctor-engineer” track. Whether in boardrooms or tea stalls, shifting the conversation from “ki hobey?” (what will happen) to “ki korte pari?” (what can we do) can unlock growth. It’s about training the eye to see the shoeless feet not as a failure, but as a frontier.

In a world full of villages with barefoot people, somewhere between Gulshan boardrooms and Srimantapur rice fields, the ones who see possibilities are the ones who win. So, next time someone says “eta possible na” (it’s not possible) smile politely and check your shoes. You might be in a market no one else has noticed yet.

The writer is the president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd



## Dhaka stocks gain for third day

STAR BUSINESS REPORT

The benchmark index of the Dhaka Stock Exchange closed higher yesterday, extending its gains for the third consecutive session.

The DSEX, the main index of the bourse, rose 15.58 points, or 0.30 percent, to settle at 5,132.47. The other indices also rose. The Shariah-compliant DSES went up 0.69 percent to 1,119.79.

The DS30, comprising the blue-chip shares, increased 0.82 percent to close at 1,936.66.

Turnover, a key gauge of investor participation, hit Tk 789.68 crore, up from Tk 734.38 crore in the previous session.

A total of 225,649 trades were executed, while block transactions amounted to Tk 30.34 crore across 40 scrips.

Market breadth showed a mixed picture, with 153 stocks advancing, 180 declining, and 63 remaining unchanged.

Among A category scrips, the division also showed a mixed trading movement, with 71 gainers, 113 losers, and 34 unchanged.

The B-category saw 32 stocks rise and 38 fall, while there was no trading in the N-category.

Segment-wise performance was mixed. In mutual funds, 9 issues advanced and 14 declined. Corporate bonds saw just one issue decline, while the government bond market saw two issues decline.

Among individual performers, Rahima Food Corporation topped the gainers’ list with a 9 percent rise, while Padma Islami Life Insurance was the worst performer, dropping 9 percent.

# Western Marine delivers two tugboats to UAE buyer

STAFF CORRESPONDENT, Ctg

Leading shipbuilder Western Marine Shipyard Limited delivered two high-powered tugboats to a buyer in the United Arab Emirates (UAE) yesterday.

Delivery of these two tugboats is part of the deal the shipyard made in 2023 for exporting a total of 8 ships to the UAE firm Marwan Shipping Limited.

The export value of the two tugboats — 40-metre-long ‘Khalid’ and 32-metre-long ‘Ghaya’ — stood at \$1.53 million, officials disclosed at the delivery ceremony held on board the Western Cruise ship anchored at the jetty of Chattogram Boat Club.

The UAE firm is supplying all the raw materials for building these ships and is only paying construction charges to the shipyard, they informed.

Speaking as the chief guest at the delivery ceremony, Lt Gen (retd) Abdul Hafiz, special assistant to the Chief Adviser for defence and the development of national harmony, said the global shipbuilding sector annually generates around \$400 billion worth of revenue.

“Half of the total market is for ships that Bangladeshi shipbuilders are fully capable of producing,” he said, urging local firms to aim for



PHOTO: RAJIB RAIHAN

capturing at least one percent of the \$200 billion global market. He thanked Marwan Shipping Ltd for keeping trust in the Bangladeshi workers’ skills.

Western Marine Managing Director Captain Sohail Hasan said the two tugboats, which are high-power offshore support vessels, have been constructed in line with the highest classification standards.

Ghaya has been constructed under French classification society Bureau Veritas, while Khalid was constructed under the classification of American Bureau of Shipping, Sohail informed.

Humaid Mohammed Abdullah

Darwish Al Tamimi, charge d’affaires of the UAE Embassy in Dhaka, and Marwan Shipping Ltd Managing Director Ahmed Almarzooqi also spoke at the ceremony.

The company signed a deal worth \$7.3 million in 2023 with the UAE-based buyer, Marwan Shipping, for the construction of four landing craft vessels, two tugboats and two oil tankers.

In January, a 69-metre-long landing craft named ‘Rayan’ was successfully delivered. The remaining five vessels are scheduled to be handed over between 2025 and 2026.

# Trump says India trade agreement is close, Europe deal possible

REUTERS, Washington

The United States is very close to a trade deal with India, while an agreement could possibly be reached with Europe as well, but it is too soon to say whether a deal can be agreed with Canada, President Donald Trump said in an interview aired on Real America’s Voice on Wednesday.

To press for what Trump views as better terms with trading partners and ways to shrink a huge US trade deficit, his administration has been negotiating trade deals ahead of an August 1 deadline, when duties on most US imports are due to rise again.

“We’re very close to India, and ... we could possibly make a deal with (the) EU,” Trump said, when asked which trade deals were on the horizon.

Trump’s comments come as EU trade chief Maros Sefcovic was headed to Washington on Wednesday for tariff discussions, while an Indian trade delegation arrived in Washington on Monday for fresh talks. “(The) European Union has been brutal, and now they’re being very nice. They want to make a deal, and it’ll be a lot different than the deal that we’ve had for years,” he added.

# Beneath China’s resilient economy, a life of pay cuts and side hustles

REUTERS, Beijing

Chinese state firm employee Zhang Jinming makes up for a 24 percent cut to his salary by delivering food for three hours every night after work and on weekends — and hopes he can avoid awkward encounters with colleagues.

“Being a part-time delivery person while working for a state-owned enterprise isn’t exactly considered respectable,” said Zhang, whose real estate firm pays him 4,200 yuan (\$585) per month, down from 5,500 yuan.

While China has supported economic growth by keeping its ports and factories humming, the lack of real demand has hit profits, in turn squeezing workers like Zhang through wage cuts and forcing them to moonlight.

“There’s just no other way,”

added the 30-year-old, who rides his scooter until 11.30 pm, making 60-70 yuan per evening. “The pay cut has put me under huge pressure. Many colleagues have resigned and I took over their workload.”

China’s economy posted robust 5.2 percent growth in the second quarter, showing its export-heavy model has so far withstood US tariffs. But beneath the headline resilience, cracks are widening.

Contract and bill payment delays are rising, including among export champions like the autos and electronics industries and at utilities, whose owners, indebted local governments, have to run a tight ship while shoring up tariff-hit factories.

Ferocious competition for a slice of external demand, hit by global trade tensions, is crimping

industrial profits, fuelling factory-gate deflation even as export volumes climb. Workers bear the brunt of companies

cutting costs.

Falling profits and wages shrank tax revenues, pressuring state employers like Zhang’s



A delivery worker rides his motorcycle as rain falls in Beijing. With incomes under pressure, Beijing is struggling to meet its pledge to lift household consumption.

PHOTO: AFP/FILE

to cut costs as well. In pockets of the financial system, non-performing loans are surging as authorities push banks to lend more.

For the most part, the lopsided nature of growth in the world’s second-largest economy is a product of policies that favour exporters over consumers.

Economists have long urged Beijing to redirect support to domestically focused sectors, such as education and healthcare, or boost household consumption — for instance, by bolstering welfare — or risk a slowdown in the second half of the year.

Max Zenglein, Asia-Pacific senior economist at the Conference Board of Asia, describes China as a “dual speed economy” with strong industry and weak consumption, noting the two are related.