




ESG failure may cost Bangladesh 30% of EU exports: Sanem

STAR BUSINESS REPORT

If European countries make ESG standards mandatory and Bangladesh fails to comply, exports to the bloc may immediately drop by around 30 percent, according to the South Asian Network on Economic Modeling (Sanem).

ESG – short for Environmental, Social and Governance – is a set of standards measuring a business's impact on society, the environment, and how transparent and accountable it is.

"We estimate that exports to the EU would fall by 30 percent due to the economy-wide effects of non-compliance by exporters with EU sustainability measures," said Sanem Programme Director Zubayer Hossen.

In other words, overall exports will fall by around 10 percent to 12 percent, he said.

The EU has enforced strict ESG and sustainability reporting standards through regulations. Germany's supply chain act mandates that companies ensure human rights and environmental due diligence across their entire supply chain, he added.

It is important to strengthen compliance with ESG standards in industries, ensure supply chain transparency, invest in green technology, and enhance capacity, said an expert

Japan, the US, and other markets have also included environmental issues in their trade practices, said Hossen.

So, it is important to strengthen compliance with ESG standards in industries, ensure supply chain transparency, invest in green technology, and enhance institutional and human capacity, he said.

He was delivering a presentation at the launch of the Sanem Sustainability Centre, a new wing of the research organisation, at Sheraton Dhaka on Tuesday.

Aiming to advance sustainability-focused, evidence-based development in Bangladesh and across South Asia, the centre will focus particularly on emerging priorities of ESG standards to ensure that Sanem's work remains relevant to both national development frameworks and international sustainability benchmarks.

In addition to producing high-quality research, the centre aims to serve as a catalyst for systemic change by engaging with a wide range of stakeholders, including government agencies, the private sector, development partners, research organisations, and civil society organisations.

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US to impose 25% tariff on India

REUTERS, Washington

President Donald Trump said on Wednesday the United States will impose a 25 percent tariff on goods imported from India starting on August 1.

He said India, which has the world's fifth largest economy, will also face an unspecified penalty on Aug. 1, but did not elaborate on the amount or what it was for.

"While India is our friend, we have, over the years, done relatively little business with them because their Tariffs are far too high, among the highest in the World, and they have the most strenuous and obnoxious non-monetary Trade Barriers of any Country," Trump wrote in a Truth Social post.

"They have always bought a vast majority of their military equipment from Russia, and are Russia's largest buyer of energy,"

READ MORE ON B2

Panel formed to address post-LDC subsidy shift

Yunus slams leather sector neglect



Sectoral focus

- Four key sectors prioritised: leather, jute, agro, and pharmaceuticals
- Committee to develop WTO-compliant, time-bound export roadmap

Govt actions

- Chief adviser orders urgent meeting to address leather sector crisis
- He stresses reform of outdated policies
- Follow-up LDC transition meeting set within two months
- Reviewed 'Tariff Policy 2023' implementation and trade facilitation

STAR BUSINESS REPORT

The finance ministry has formed a 16 member committee to identify alternatives to cash subsidies that comply with the rules of the World Trade Organization (WTO), as such facilities will be phased out following Bangladesh's graduation from least developed country (LDC) status.

Among its key priorities are four sectors identified as having high export potential in the post LDC era: leather and leather goods, jute products, agriculture and agro-processing, and pharmaceuticals, according to a circular issued by the Ministry of Finance on Tuesday.

The committee, chaired by the principal secretary to the chief adviser, includes senior representatives from the ministries of commerce, foreign

affairs and agriculture, as well as the Bangladesh Bank, the National Board of Revenue (NBR), and the Bangladesh Standards and Testing Institution (BSTI).

It has been tasked with developing a time-bound action plan to ensure sustained growth and competitiveness without relying on direct financial incentives.

Meanwhile, CA Muhammad Yunus yesterday expressed deep dissatisfaction over what he described as the prolonged neglect of the country's leather industry.

He instructed the relevant ministries to convene a follow-up meeting within the next two months to finalise the course of action for the country's LDC graduation, according to a press statement issued by the CA's press wing.

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HSBC to wind down retail banking in Bangladesh

STAR BUSINESS REPORT

HSBC will start winding down its retail banking operations in Bangladesh in the second half of this year, with the gradual process expected to take six to eight months.

The decision follows a review of its retail operations in the country and aligns with the global HSBC Group portfolio, HSBC Bangladesh said in a statement yesterday.

"As part of the exit plan, the bank will immediately stop onboarding new retail customers and will work to ensure a smooth transition for existing clients," said the multinational bank.

HSBC's Corporate and Institutional Banking (CIB) operations in Bangladesh will remain unchanged.

"The bank recognises the importance of Bangladesh to its corporate and institutional clients and continues to invest in the CIB business to drive two-way trade and investment flows," HSBC said.

The move is part of HSBC's global strategy, announced in October 2024, to streamline operations and focus on markets offering stronger growth prospects.

In December last year, Reuters, citing the Financial Times, reported that the London-based multinational was reviewing its retail banking operations outside the UK and Hong Kong. This review could lead to substantial downsizing in other countries.

The bank is looking outside its core markets to reduce consumer presence and focus on wealthier "premier" customers, the report said.

In a conference call yesterday, HSBC CEO Georges Elhedery said that the bank started reviews of its retail banking business in Australia, Indonesia and Sri Lanka, and will start winding down its Bangladesh retail business in the second half of this year, reports Reuters.

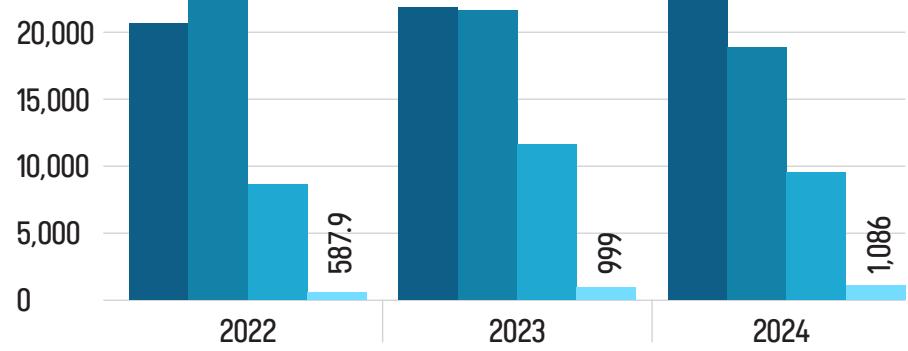
Insiders said the retail banking arm in Bangladesh had been profitable and showing growth. However, the closure forms part of a broader global reassessment. The process of shutting down local retail operations and facilitating customer exits may take six to eight months.



HSBC Bangladesh's financial highlights

(In crore taka)

Deposits Loans Investment in govt bond Profit



SOURCE: HSBC BANGLADESH'S FINANCIAL STATEMENTS

HSBC Bangladesh recorded a 9 percent year-on-year rise in profit to nearly Tk 1,100 crore in 2024.

Deposits at the foreign bank increased by 3 percent year on year to Tk 22,695 crore in the last financial year. However, loans dropped 18 percent to Tk 18,927 crore in 2024 compared to the previous year, according to its financial statements.

As a result of the retail exit, staff in the division may be affected, according to insiders. However, the bank will give priority to those employees when recruiting for corporate banking and other roles, provided their skills are a match.

Apart from Bangladesh, HSBC is also considering selling its retail bank in Australia, reports the Financial Review.

In February this year, the bank announced it had agreed to sell its retail operations in Bahrain to Bank of Bahrain and Kuwait, as part of its ongoing global restructuring, according to Reuters.

Yesterday, HSBC Holdings reported a sharper-than-expected fall in profit, driven by write-downs linked to a Chinese bank and property exposure in Hong Kong, even as it pressed on with its worldwide overhaul.

Its 26 percent slump in pretax profit in the first half showed the challenge ahead for CEO Georges Elhedery, as the Europe's largest bank racked up losses in China, where it has increasingly pinned its plans for growth in recent years after shrinking in Western markets.

The lender's corporate and institutional banking businesses were unaffected by these developments, he said.

The bank posted a profit of \$15.8 billion for the first six months of the year, falling short of brokers' forecasts of \$16.5 billion.

HSBC shares listed in London dropped 4.5 percent, mirroring earlier losses in Hong Kong trading.

HSBC opened its first office in Dhaka in 1996. In Bangladesh, it provides a range of financial services including global payments solutions, trade services, treasury, and custody and clearing.

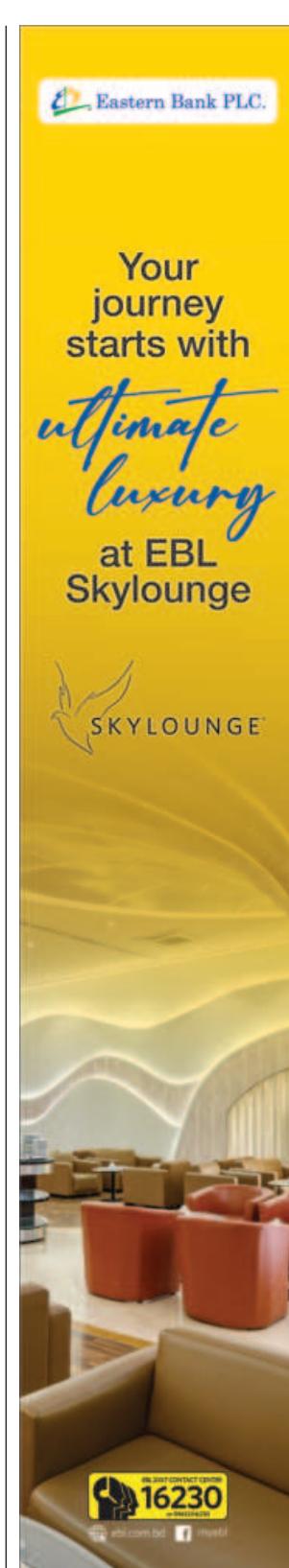
WHAT CUSTOMERS NEED TO DO

In a notice to customers, HSBC said the wind down of its retail banking operations in Bangladesh would take place over six to eight months in phases.

While the bank will honour all existing agreements, it has already stopped accepting new applications for accounts, loans, term deposits, debit cards, student files, and investment products such as Sanchayapatra and bonds, according to the notice.

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Bata posts Tk 10cr loss in Q2 as store vandalism hits sales

STAR BUSINESS REPORT

Bata Shoe, one of Bangladesh's leading footwear manufacturers, reported a loss of approximately Tk 10 crore for the April-June quarter of the current year, as sales declined sharply following the widespread disruption and damage to several of its retail outlets, the company has said.

The listed multinational shoe producer's sales plummeted by 39 percent to Tk 158 crore in the quarter, according to its half-yearly financial reports published yesterday.

The company had logged profits of Tk 19 crore in the same quarter last year.

"Several retail locations were affected by acts of vandalism, which disrupted operations and had a material impact on financial performance," said the company regarding the quarterly loss.

In mid-April, several retail stores of Bata Shoe were vandalised in the country while countrywide protest programmes in solidarity with the global strike for Palestine were held.

The company, however, said it remained focused on recovery and customer engagement. Net operating cash flow per share was high due to better working capital management.

"We were especially encouraged by the renewed wave of support and strong consumer traction seen during the Eid ul-Azha season," said the Managing Director of Bata Bangladesh, Debabrata Mukherjee.

"It reaffirmed our longstanding relationship with customers and business partners, a relationship built on trust, resilience, and shared history," he added.

In a press release, the company said the first half of the year presented a mix of strong commercial momentum and unforeseen

operational challenges.

In the first half of 2025, Bata Shoe's profits dropped by 10 percent to Tk 27 crore.

The year began on a positive note, with the Eid season coinciding with the first quarter, Bata Bangladesh said, adding that it successfully leveraged this opportunity through an integrated marketing campaign and the introduction of a new product range that was well received by consumers.

Looking ahead, the company plans to continue to focus on customer experience, innovation, and responsible growth.

Bata is a leading global footwear company, selling over 150 million pairs annually. Founded in 1894 in the Czech Republic, it has a network of over 6,000 stores. In Bangladesh, Bata has been present since 1962 under the name Bata Shoe Company, with over 362 stores and thousands of distribution points.

ESG failure may cost

FROM PAGE B1

"Give us some rigorous, analytical basis for taking action; and bring people together," said Prof Lutfey Siddiqi, special envoy on international affairs to the chief adviser, while addressing the event as the chief guest.

Bangladesh is preparing for the least developed country (LDC) status graduation and navigating increasing global regulatory pressures, said Sanem Executive Director Selim Raihan.

"The question is whether our exporters, policymakers, researchers, and development partners are aligned and ready to meet these challenges—especially new standards around ESG," he said.

These requirements carry costs, and without

proper coordination, those costs may unfairly fall on the most vulnerable, particularly workers, he said.

"Through this centre, we aim to foster collaboration across stakeholders and ensure a just and inclusive transition," he said.

"Analysis from this centre is going to add value to our work," said Md Abdur Rahim Khan, additional secretary (export), export wing, Ministry of Commerce, as the special guest.

"With the changing scenario—when Europe is working on the Green Deal, they are working on digital passports, digital product passports, and other initiatives around global buyers—Bangladesh is, of course, in no position to deny the

need for sustainability and circularity in its supply chain," he added.

Senior officials from the Ministry of Industries, Department of Environment, Energy and Mineral Resources Division, Bangladesh Bank, Bangladesh Economic Zones Authority, and Bangladesh Export Processing Zones Authority were present.

Officials from the World Bank, Asian Development Bank, International Finance Corporation, Foreign, Commonwealth and Development Office, United Nations Development Programme, United Nations Industrial Development Organization, International Labour Organization, and the Food and Agriculture Organization were also present.

deactivated following account closures, while travel quota endorsements and seals must be cancelled in person at branches.

Non-resident customers will have until December 2025 to move their accounts and bonds. The bank said it will allow non-residents to move their accounts and bonds to their preferred bank.

HSBC also asked salary account holders to contact their employers for transfers and assured student file holders of full documentation support at no extra cost.

Updates will be posted regularly on the bank's website, and major changes will be communicated via email or post.

Panel formed

FROM PAGE B1

Yunus' remarks came during a high-level review meeting held at the Office of the Chief Adviser in Tejgaon, which reviewed Bangladesh's preparations for LDC graduation by November 2026. Although the meeting addressed a range of institutional and policy-level updates, the leather sector featured prominently in his comments.

"We have wronged the leather industry," Yunus said during the meeting. "We failed to assess its true value. This sector had the potential to contribute significantly to our economy, but we did not make it happen."

He emphasised that the sector deserves targeted attention to overcome existing bottlenecks and regain global competitiveness.

"We must act in our own economic interest," he said. "Policies and laws that no longer serve us must be reformed.

We need to chart a path forward, and these are fundamental tasks. For the sake of our future and economic survival, we must carry them out."

"We cannot afford to transition into a middle-income economy while leaving behind high-potential sectors. The leather industry is a test case of whether we are serious about inclusive, diversified growth," Yunus also said.

The meeting also reviewed progress on several key initiatives, including the implementation of

STAR BUSINESS REPORT

The Bangladesh Export Processing Zones Authority (Bepza) witnessed substantial growth in exports and employment during the fiscal year (FY) 2024-25, primarily driven by a surge in foreign investment.

It received investment proposals worth \$497.48 million in FY25, with the potential to generate employment for an estimated 59,408 Bangladeshis nationals.

Bepza has so far signed 33 new investment agreements during the fiscal year with investors from China, South Korea, the United Kingdom, Ireland, the British Virgin Islands, Singapore, India, and the United Arab Emirates, according to a press release.

Recently, Hong Kong based Handa Industries signed a memorandum of understanding to invest \$250 million in Bangladesh, with an initial \$150 million allocated to the textile sector.

The enterprises under these

agreements will manufacture a diverse range of products, including readymade garments, electronics, agro-based goods, footwear, leather products, packaging materials, tents, wigs, light engineering components, toys, and composite items.

Once operational, these ventures are expected to significantly accelerate investment inflows in FY2025-26.

As a result, Bepza's contribution to national export earnings rose to 17.03 percent of the total \$48.28 billion in FY25, up from 15.9 percent the previous year.

The zones under Bepza—eight EPZs and the Bepza Economic Zone—recorded exports worth \$8.22 billion, marking a 16.22 percent year-on-year growth.

Since its inception, Bepza has facilitated exports valued at \$119 billion, with products reaching over 120 countries.

Employment in Bepza-administered zones rose to 533,527

as of June 2025, compared to 500,110 the year before, driven by both industrial expansion and the entry of new investors.

Investment in capital machinery and fixed assets stood at \$292.77 million, a decline from \$350.93 million in FY2023-24.

Bepza attributes this to short-term global and domestic economic adjustments but remains optimistic about a rebound.

Currently, 450 of Bepza's 563 industrial units are operational.

Among these, 33 percent produce garments, 18 percent manufacture accessories, and 9 percent are involved in textiles.

The remaining 40 percent produce a wide array of goods, from medical devices and electronics to furniture and fashion items.

In addition to existing zones, Bepza is developing two new EPZs in Jashore and Patuakhali, with plot allocations for investors expected to commence next year.

Gold firms

REUTERS

Gold prices inched higher on Wednesday, helped by a slight pullback in the dollar as investors awaited the Federal Reserve's policy decision and comments that could offer more cues on the timing of the US central bank's next moves.

Also speaking at the event, NBR Chairman Md Abdur Rahman Khan reported on the progress of the national single window initiative, which has so far integrated 19 agencies to streamline trade procedures.

He also briefed the meeting on the phased implementation of the Tariff Policy 2023.

Salehuddin Ahmed, economic adviser; Adilur Rahman Khan, industry adviser; Syeda Rizwana Hasan, environment adviser; M Sakkawat Hussain, shipping adviser; Noorjahan Begum, health adviser; Sheikh Abdur Rashid, cabinet secretary; and Ahsan H Mansur, governor of Bangladesh Bank, were also present at the meeting.

Dhaka stocks bounce back

STAR BUSINESS REPORT

The benchmark index of the Dhaka Stock Exchange closed higher yesterday, rebounding from a three-day losing streak, while turnover also rose.

The DSEX, the main index of the bourse, rose 53.73 points, or 1.01 percent, to settle at 5,352.19.

The other indices also gained before the end of the day's trading. The Shariah compliant DSES went up by 0.61 percent to 1,154.40.

The DS30, comprising blue-chip shares, increased by 1.03 percent to close at 2,065.35. Turnover, a key gauge of investor participation, reached Tk 743.16 crore, up from Tk 717.32 crore in the previous session.

A total of 188,754 trades were executed, while block transactions amounted to Tk 17.16 crore across 30 scrips. Market breadth showed a positive picture, with 253 stocks advancing, 67 declining, and 78 remaining unchanged.

Among A-category scrips, 149 gained, 37 declined, and 34 remained unchanged.

The B-category saw 58 stocks rise and 11 fall, while there was no activity in the N category.

Segment-wise performance was mixed. Among mutual funds, 15 issues advanced and 4 declined.

Corporate bonds saw just one issue decline, while the government bond market recorded four advances and one decline.

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH HEADQUARTERS BORDER GUARD BANGLADESH MEDICAL BRANCH, PEELKHANA, DHAKA						e-Tender Notice (Open Tendering Method)			Dated: 13 July 2025		
Reference No : 44.02.1205.006.07.027.25/01 e-Tender is invited in the National e-GP Portal (http://www.eprocure.gov.bd) for the procurement goods as stated below :											
Package No	Name of Goods	Tender ID	Package No	Name of Goods	Tender ID	Package No	Name of Goods	Tender ID	Package No	Name of Goods	Tender ID
Med-01	Procurement of Medicine-01 for the Fiscal year 2025-2026	1133779	Med-26	Procurement of Medicine-26 for the Fiscal year 2025-2026	1133804	Med-51	Procurement of Medicine-51 for the Fiscal year 2025-2026	1133829	Med-52	Procurement of Medicine-52 for the Fiscal year 2025-2026	1133830
Med-02	Procurement of Medicine-02 for the Fiscal year 2025-2026	1133780	Med-27	Procurement of Medicine-27 for the Fiscal year 2025-2026	1133805	Med-53	Procurement of Medicine-53 for the Fiscal year 2025-2026	1133831	Med-54	Procurement of Medicine-54 for the Fiscal year 2025-2026	1133832
Med-03	Procurement of Medicine-03 for the Fiscal year 2025-2026	1133781	Med-28	Procurement of Medicine-28 for the Fiscal year 2025-2026	1133806	Med-55	Procurement of Medicine-55 for the Fiscal year 2025-2026	1133833	Med-56	Procurement of Medicine-56 for the Fiscal year 2025-2026	1133834
Med-04	Procurement of Medicine-04 for the Fiscal year 2025-2026	1133782	Med-29	Procurement of Medicine-29 for the Fiscal year 2025-2026	1133807	Med-57	Procurement of Medicine-57 for the Fiscal year 2025-2026	1133835	Med-30	Procurement of Medicine-30 for the Fiscal year 2025-2026	1133808
Med-05	Procurement of Medicine-05 for the Fiscal year 2025-2026	1133783	Med-31	Procurement of Medicine-31 for the Fiscal year 2025-2026	1133809	Med-58	Procurement of Medicine-58 for the Fiscal year 2025-2026	1133836	Med-32	Procurement of Medicine-32 for the Fiscal year 2025-2026	1133810
Med-06	Procurement of Medicine-06 for the Fiscal year 2025-2026	1133784	Med-33	Procurement of Medicine-33 for the Fiscal year 2025-2026	1133811	Med-59	Procurement of Medicine-59 for the Fiscal year 2025-2026	1133837	Med-34	Procurement of Medicine-34 for the Fiscal year 2025-2026	1133812
Med-07	Procurement of Medicine-07 for the Fiscal year 2025-2026	1133785	Med-35	Procurement of Medicine-35 for the Fiscal year 2025-2026	1133813	Med-60	Procurement of Medicine-60 for the Fiscal year 2025-2026	1133838	Med-36	Procurement of Medicine-36 for the Fiscal year 2025-2026	1133814
Med-08	Procurement of Medicine-08 for the Fiscal year 2025-2026	1133786	Med-37	Procurement of Medicine-37 for the Fiscal year 2025-2026	1133815	Med-61	Procurement of Medicine-61 for the Fiscal year 2025-2026	1133839	Med-38	Procurement of Medicine-38 for the Fiscal year 2025-2026	1133816
Med-09	Procurement of Medicine-09 for the Fiscal year 2025-2026	1133787	Med-39	Procurement of Medicine-39 for the Fiscal year 2025-2026	1133817	Med-62	Procurement of Medicine-62 for the Fiscal year 2025-2026	1133840	Med-40	Procurement of Medicine-40 for the Fiscal year 2025-2026	

Berger Paints' Q1 profit falls 11%

STAR BUSINESS REPORT

Berger Paints Bangladesh's profit declined in the April-June quarter this year, which the company attributed to a rise in the cost of sales.

The paint manufacturer's financial year starts in April. It reported a profit of Tk 85.68 crore in the first quarter of its financial year 2025-26, down 11 percent year-on-year.

According to its financial statements, consolidated earnings per share (EPS) stood at Tk 18.48 for the April-June quarter of 2025, whereas it was Tk 20.74 for the same period in 2024.

The company attributed the decline in EPS mainly to the devaluation of the local currency, saying it drove up the cost of raw materials and consequently increased the cost of sales.

Its consolidated net operating cash flow per share (NOCFPS) dropped to Tk 35.32 in the negative in the April-June period of 2025, from Tk 17.81 in the negative in the same period of the preceding year.

Berger said the significant decrease in the NOCFPS was primarily due to a rise in import payments against letters of credit deferred under "Usage Payable at Sight" (UPAS).

A UPAS letter of credit is a financing arrangement where the exporter gets paid upfront, and the importer makes the payment at a later date as specified in the usage terms.

As per data from the Dhaka Stock Exchange as of June 30, 2025, sponsors and directors held 95 percent of the company's shares, while institutions held 4.03 percent, foreign investors 0.20 percent, and the general public 0.77 percent.

Reckitt Benckiser Q2 profit drops slightly to Tk 14cr

STAR BUSINESS REPORT

The profits of Reckitt Benckiser (Bangladesh) PLC slightly declined in the April-June quarter of 2025.

The multinational fast-moving consumer goods company reported a profit of Tk 14 crore in the second quarter of 2025, down 1 percent year-on-year, according to its financial statements.

The company's earnings per share stood at Tk 29.71 for the three months this year, compared to Tk 30.12 during the same period in 2024.

The net operating cash flow per share was Tk 98.13 for the January-June period of 2025, a notable turnaround from Tk 18.90 in the negative recorded in the corresponding period last year.

As per the shareholding data of June 30, 2025, obtained from the Dhaka Stock Exchange, sponsors and directors held 82.96 percent of the company's shares.

Of the remaining shares, the government held 3.77 percent, institutions 5.82 percent, foreign investors 1.15 percent, and the general public 6.30 percent.

Marico's Q1 profit rises 13%

STAR BUSINESS REPORT

Marico Bangladesh saw an increase in its profit in the April-June quarter, saying it was driven by a rise in revenue and cost efficiency.

The multinational company's financial year starts in April. It posted a profit of Tk 194.56 crore in the first quarter of its financial year 2025-26, marking a 13 percent year-on-year growth.

According to its financial statements, earnings per share stood at Tk 61.77 for the April-June quarter of 2025, up from Tk 54.78 in the same period a year ago.

The company attributed the increase in EPS to a rise in revenue and improvements in cost efficiency.

Its net operating cash flow per share surged to Tk 66.73 during the quarter, whereas it was Tk 3.18 in the April-June quarter of 2024.

READ MORE ON B2



As of yesterday morning, some 41,128 TEUs (twenty-foot equivalent units) of containers were occupying around 77 percent of the port's total storage capacity for 53,518 TEUs, according to the CPA traffic department.

PHOTO: RAJIB RAIHAN

Ctg port congestion turns acute

Port authority plans vessel cap but shipping agents oppose

DWAIPAYAN BARUA, Ctg

Chittagong port has been experiencing severe berth congestion and high container yard density for weeks, leaving vessels stranded at the outer anchorage for up to 11 days and yard occupancy crossing well above the optimal level.

Shipping agents blame a series of disruptions for the current crisis, including the 10-day Eid-ul-Azha holidays, a nationwide shutdown by revenue officials, weeks of customs

now considering a reduction in that number.

The proposal has met with opposition from shipping agents, who argue that cutting the current number of permitted vessels, 118, by at least 15 would hurt the country's foreign trade.

As of yesterday, 21 vessels were waiting at the outer anchorage, most of them idling between 4 and 11 days. Earlier this year, the average wait was just 1 to 2 days, with no more than 8 vessels waiting at a time.



server disruption, and repeated port abstention by prime mover operators.

They also pointed to operational issues such as frequent breakdowns of gantry cranes, a shortage of trailers, and limited yard space, all of which are reducing vessel productivity and delaying turnaround times.

However, the Chittagong Port Authority (CPA) points the finger at a higher number of container vessels allowed to call at the port compared with earlier in the year. The CPA is

As of yesterday morning, some 41,128 TEUs (twenty-foot equivalent units) of containers were occupying around 77 percent of the port's total storage capacity for 53,518 TEUs, according to the CPA traffic department.

Of this, 33,966 TEUs were import boxes clogging the yards designated for imports, occupying over 77 percent of their capacity.

This level of yard congestion is extending vessels' stay at jetties and creating long queues at the anchorage.

Berth operators say yard occupancy should be kept below 60 percent for efficient container handling and smooth port operations.

On July 20, the CPA met with leaders of the Bangladesh Shipping Agents Association (BSAA) and decided to cut the number of permitted vessels by at least 15. It asked the association to submit a list of those vessels by July 27 to a six-member committee overseeing the matter.

After the association failed to comply, the CPA sent a letter to the BSAA chairman on Tuesday, requesting that the list be submitted within 24 hours.

Speaking on condition of anonymity, a senior CPA official said 96 vessels were authorised earlier this year, when waiting times were minimal and queues were short.

"But later, more vessels were approved on an ad-hoc basis for various reasons, raising the number to 118," the official said, adding that the increase has worsened the backlog and prolonged anchorage delays.

In a recent letter to the CPA chairman, BSAA Chairman Syed Mohammed Arif called for a one-month observation period before the vessel restriction is imposed.

"An immediate restriction could adversely affect import-export trade, eventually impacting end-users," he mentioned in the letter.

He urged the port authority to arrange pre-stacking facilities at the Chittagong Container Terminal and the New Mooring Container Terminal for export containers, which he believes would improve loading productivity and help avoid delayed or cancelled sailings.

US tariff clock is ticking

AHMED HUMAYUN MURSHED

Sometimes, what you do not do ends up costing more than what you do. Right now, Bangladesh is feeling the weight of that truth.

In April, the Trump administration imposed sharp tariffs on exports from countries with large trade surpluses against the US. Bangladesh was on that list. But hidden behind that announcement was a chance to negotiate: to act smart, fast and boldly.

Vietnam saw that chance and took it. Within days, it cut tariffs on US goods, signalling a willingness to balance trade. The result? Its own tariff was lowered to 20 percent, the best rate secured so far. Bangladesh, in contrast, asked for 90 days, and waited.

Now, with only days left before the new rates take effect, we are at the table late and with weaker cards. Other countries like Indonesia, Cambodia and Tunisia have not received final rates either, but they have been active, meeting allies, opening back channels, using trade platforms. Bangladesh has not shown the same urgency. That must change.

The White House has made it clear: the new tariff regime starts on August 1, 2025. That deadline is locked in. Our time is nearly up.

There is still space for damage control, but only if we act with clarity and speed. We can still adjust trade by importing two to three billion dollars' worth of key US goods, agricultural machinery, aviation tech, medical devices, fertiliser, LNG, ICT equipment. These are not token purchases. They support our own economy.

This should not be a one-off fix. Our strategy must include a regular import commitment aligned with what we export to the US; goods we truly need for industrial growth, energy efficiency and food security. A balanced flow would strengthen trust and resilience in trade.

Some recent steps deserve credit. The government has ordered 25 US-made aircraft -- a strategic move to reduce the trade gap. At the same time, a delegation led by Commerce Adviser Sk Bashir Uddin is in Washington, meeting policymakers and private sector leaders. Though late, this shift towards economic diplomacy is welcome.

Earlier, the government agreed to import 220,000 tonnes of high protein US wheat, with a five-year deal for up to 700,000 tonnes. But these must be part of a broader, faster and more coordinated push.

This is not just about any industry. It is about ready-made garments and consumer goods -- the backbone of our exports. The US is our biggest single-nation garments buyer and our top remittance partner. Losing competitiveness in that market could weaken reserves, choke imports and dent investor confidence.

We need more than government action. Exporters, economists and private sector leaders must guide the strategy. They know the margins, bottlenecks and real stakes.

And while we act at home, we must also act abroad. Bangladeshi-American professionals, US-based lobbyists and diplomats who know Washington, especially under Trump, need to be in the room. These talks will not be won with formal memos. They need speed, business acumen and storytelling.

Bangladesh has a rare edge as most export industries are locally owned. That matters. The US worries about Chinese transhipment. We can prove our goods are genuinely Bangladeshi. That authenticity is a card we must play.

Some talk of pivoting to BRICS or regional markets. But those are not easy options. BRICS markets are protected and bureaucratic. The Gulf has high income, but limited scale. The US remains the most open, high-volume destination.

We have lost time already. Losing what little remains would be unforgivable.

There are still days, perhaps hours, to act. If we move now, with courage and coordination, we may still bring that 35 percent tariff down. Trump plays hardball, but he respects boldness. Let us give him something to respect.

The writer is co-founder and CEO at Accfintax

US second quarter GDP growth to reflect tariff turbulence

AFP, Washington

unwinding. The imports surge ahead of tariff hikes in the first quarter led to the largest drag on GDP growth from net exports on record, analysts at Goldman Sachs said in a recent note.

This means a bounce back is expected once imports cool.

But the acceleration is not sustainable, Bostjancic told AFP.

Trump had raised the idea of across-the-board tariffs targeting trading partners during election campaigning last year, and since returning to the US presidency in January he has rolled out wave after wave of fresh duties.

These included a 10 percent levy on almost all US partners, higher duties on steel, aluminum and auto imports, as well as separate actions against Canada and Mexico over illegal immigration and illicit fentanyl flows.

In April, the Trump administration separately took aim at the world's number two economy, China, as Beijing pushed back on US tariffs.

Both countries ended up imposing tit-for-tat tariffs on each other's

products, reaching triple digit levels and bringing many trade flows to a halt before Washington and Beijing reached a temporary agreement to

lower duties.

After two days of talks in the Swedish capital of Stockholm this week, negotiators from both



People shop in a supermarket in Manhattan, New York City. The US economy is anticipated to expand at an annual rate of 2.5 percent in the April to June period, according to a consensus forecast by Briefing.com.

countries signaled there could be an extension of the truce -- although the final call depends on Trump.

Bostjancic expects that underlying activity driving US gross domestic product will be moderating, although not collapsing.

"The US economy continues to navigate a complex set of crosscurrents, obscuring a clear reading of its underlying momentum," said EY chief economist Gregory Daco in a note.

But he added that one trend is evident, which is that "economic activity is decelerating even as inflationary pressures are reemerging."

"Tariff-induced cost pressures, persistent policy uncertainty, severely curtailed immigration, and elevated interest rates are collectively dampening employment, business investment and household consumption," Daco said.

Analysts are closely eyeing the impact of Trump's tariffs on inflation, with economists warning that the duties could fuel price increases. They expect to learn more from data in the

summer months.

All of this could impact consumer spending -- a key economic driver.

"The trend in GDP growth is best analyzed by considering the first and second quarters together," said Samuel Tombs, chief US economist at Pantheon Macroeconomics.

"The likely average growth rate of about 1.5 percent over these two quarters represents a clear deceleration from the 3 percent rates in the previous two years," he added.

He said in a note that the US economy would probably "lose more momentum" in the third quarter, when consumer prices for imported goods likely will rise sharply.

And "adverse consequences" of economic policy uncertainty will also start to materialize when it comes to business investment, Tombs said.

Analysts have noted that companies tend to hold off major decisions during times of uncertainty, given the risk of sudden policy shifts.

"We continue to expect GDP growth to average just 1 percent in the second half of this year," Tombs said.