



Ensure governance, stop violence to attract funds

Foreign investors tell BRAC EPL Stock Brokerage conference

STAR BUSINESS REPORT

Foreign investors at a conference yesterday urged the interim government to ensure good governance, accountability, transparency, and policy continuity in the economy, as well as to prevent violence in order to draw more funds from abroad.

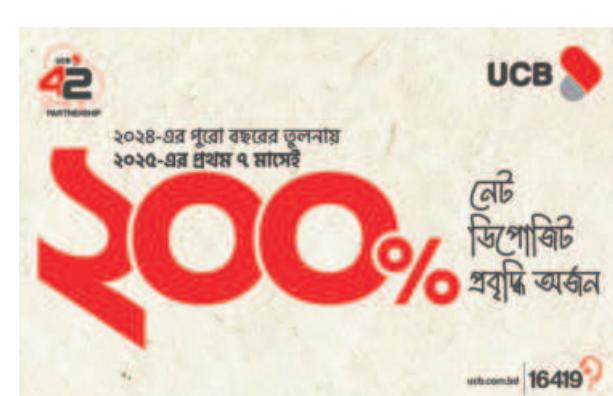
"To make the industry grow and go to the next stage, they will need more long-term capital, which is equity capital, where investors like us can play a role," said Takao Hirose, managing director of Contextual Investment LLC.

"However, we need to make sure that you have the proper framework, accountability, and governance in place. Please work on it, and we will support you," he said.

Hirose was taking part in a panel discussion titled "Bangladesh Capital Market, an unsung story of growth and opportunities" at the Foreign Investors Summit 2025, organised by BRAC EPL Stock Brokerage at Sheraton Dhaka.

"While foreigners can come into your market, be careful what you wish for, because when foreigners come to this market and foreign direct investment pours into Bangladesh, then that could be a turbocharger of your growth," he said.

But at the same time, it could be a "tremendously disruptive negative force" because one sign of instability can send them back, he said.



Bangladesh still not ready for LDC graduation

Says fisheries adviser

STAR BUSINESS REPORT

Bangladesh is still not fully prepared to graduate from least developed country (LDC) status, as key economic and social indicators reported by the previous administration did not match the reality on the ground, said Fisheries and Livestock Adviser Farida Akhtar yesterday.

The data on gross domestic product, personal income, maternal health, and other social indicators published during the previous administration did not reflect the reality, she said.

The adviser made the comments as the chief guest at a meeting, titled "Transition as a developing country: determining the future of Bangladesh and careful reconsideration of bilateral free trade agreements", organised by the Citizen Initiative and People's Health Movement in Dhaka.

While official figures suggest Bangladesh is on track for LDC graduation, the reality is that implementation falls short, she said.

Bangladesh is scheduled to attain developing country status in November 2026, and the interim government must prepare accordingly, according to the adviser.

She stressed the need to assess the impacts of losing tariff and generalised system of preferences (GSP) benefits after graduation, warning of the challenges ahead in international competition.

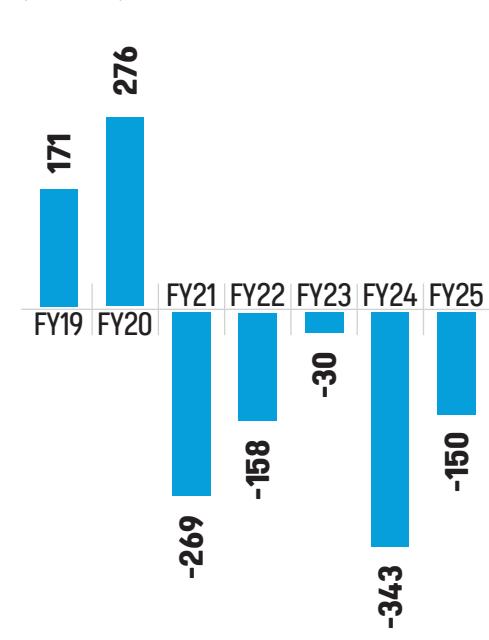
She cautioned that low-priced beef imports could hurt the domestic livestock sector, harming millions of farmers, particularly poor women engaged in cattle rearing.



What to do to attract investors?

- ① Ensure good governance, transparency, and accountability
- ② Maintain a stable political scenario with no violence
- ③ Ensure policy consistency
- ④ Avoid floor prices and suspension of trading
- ⑤ Improve the business environment

Trend of portfolio investment (in million \$)



SOURCE: BB

We are fast money, we're greedy money, and we are aggressive, but we are capricious. In order to keep us in your market, you shouldn't be doing things like violence. So, no violence, please," said Hirose.

"There may be differences of opinion, talk it over and work out the differences, because you're being watched by international investors. So don't scare them off," he said.

The investment adviser suggested developing stock trading apps and "aggressively" deregulating the wealth creation process so that many people can benefit from it.

Once the market opens up, growth may be accelerated, but in return, "you may be surrendering your own control of capital markets and that's a very dangerous thing", said Hirose.

"To counter that kind of capricious money, you need to develop a very sound and robust domestic investor base, and the depth of the market should be deeper," he added.

Another fund manager, Ruchir Desai of Asia Frontier Investments Ltd, cited the example of a policy change through which Bangladesh Bank set a limit to banking interest rates, which detrimentally affected foreign investors' confidence.

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BTRC wants full autonomy
Says partial independence may cause market distortion

MAHMUDUL HASAN

The Bangladesh Telecommunication Regulatory Commission (BTRC) has opposed a government proposal granting it partial autonomy while keeping key regulatory powers, particularly over state-owned telecom companies, under the Posts and Telecommunications Division.

In a detailed response on August 12, the commission argued that limited autonomy, with the ministry retaining control over state-owned operators, would undermine fair competition and perpetuate market distortions.

The directive from the Posts and Telecommunications Division, citing Faiz Ahmad Taiyeb, special assistant to the chief adviser overseeing the telecom and ICT ministries, on July 28 asked BTRC to draft amendments that would provide the BTRC with a degree of autonomy but retain certain key decision-making powers within the ministry, particularly with regard to six state-owned telecom entities.

"Matters such as licence fees and revenue-sharing terms are not always black and white. If an issue affects government or finance ministry interests, the ministry will intervene, with inter-ministerial coordination through the division," Taiyeb said on the issue.

In its response, signed by Ashis Kumar Kundu, director general of BTRC's legal and licensing division, the regulator warned that "setting different standards for state-owned operators would run counter to the principles of a level playing field and hinder a competitive, investment-friendly telecom environment."

BTRC also called for the immediate repeal of the Bangladesh Telecommunication (Amendment) Act, 2010, and adoption of a modern legal framework ensuring both independence and accountability.

The 2010 amendment, introduced under the then Awami League-led government, significantly curtailed BTRC's autonomy, transferring final authority over major issues to the ministry.

The commission said the amendment had "seriously curtailed" its independence, creating bureaucratic delays, favouritism, and obstacles to private investment. BTRC also submitted a draft Bangladesh Telecommunication Regulatory (Amendment) Ordinance, 2025, to the telecommunication division for review.

Acknowledging that telecom services, including the internet, are now globally recognised as fundamental human rights, BTRC agreed with the ministry to replace the internet shutdown clause to prevent arbitrary restrictions.

It also recommended revising the lawful interception section, which covers network surveillance, in consultation with the Ministry of Home Affairs and security agencies.

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No real relief for the poor



SUKANTA HALDER and MD ASADUZ ZAMAN

Over the past year, the overall economy has shown signs of recovery. Yet the queues before trucks selling subsidised food have not shortened.

In the shadow of macroeconomic improvement, hunger still bites as hard as ever.

From dawn, long before sales start at 9 am, people line up in punishing heat or pouring rain. They jostle, argue and fight for basic items such as rice, lentils and cooking oil at slightly lower prices than in the markets. Many leave empty-handed when supplies run out.

The World Bank estimates that the number of the extreme poor was 95 lakh in 2022 and will reach 1.5 crore this year. For those living on \$2.15 or less a day, more than 9 percent inflation for more than two years has meant hunger, and in some cases, starvation.

Others have tried to cope with soaring food and non-food prices by cutting nutrition, skipping medical care and taking children out of school. In Dhaka and across other districts, such stories are far from rare.

Take Masud Rana, a rickshaw puller from Bheramara upazila of Kushtia. He has been working in the capital for 20 years to support his wife, three children and mother.

On Tuesday, the 33-year-old said his income has not kept pace with expenses over the past year, forcing cuts to daily needs.

He earns around Tk 12,000 a month. "Even years ago, I used to eat fish five days a week – Tilapia, Silver Carp, and small fish. But now I can only afford it twice a week."

Most days, the family eat simple vegetables like gourds and potatoes.

At the start of the school year, Rana said he could not buy new clothes for his children. When his wife asked for a dress a month ago, he had to refuse. "I feel physically weak due to poor nutrition and lack of rest, but I have not seen a doctor because I cannot afford it."

For Samiul Islam, a private sector employee in Dhaka, the squeeze is different but just as real.

Representing many in the middle-income bracket, Islam said that despite cutting all non-essential spending, he has to borrow at the end of each month.

"Earlier, we used to dine out at least once a month. We had to leave that luxury. Recently, we planned a short trip outside Dhaka. But once we calculated the costs, we realised it was not possible."

In Sirajganj's Garudaha village, powerloom worker Omar Faruk earns around Tk 8,000 a month. Without land, he supports his wife and young child entirely on his factory wages.

"Most of my earnings go to rice and daily

essentials. Prices for some basics are a bit better than last year, but I still cannot save for my daughter or help my parents," said Faruk.

At Mirpur-11 area of the capital, garment employee Darul Huda earns Tk 30,000-35,000 a month.

His family of three lives in a small rented flat. "I own no property here or in my village. Prices rise every year, and there is no respite," he said.

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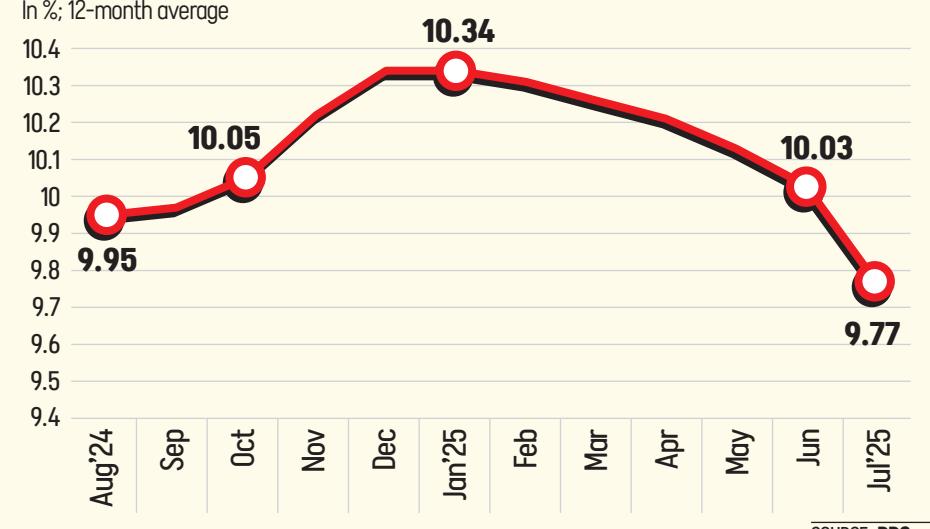


Inflation has eased in recent months, but price hikes remained over 8 percent, straining the purchasing power of low-income people. A queue for certain essential foods at subsidised prices shows the desperation of people. The photo was taken at the bus station in Mohammadpur on Tuesday.

PHOTO: PRABIR DAS

Trend of inflation in Bangladesh

In %: 12-month average



Bangladesh seeks Malaysia's support to set up halal industrial park

STAR BUSINESS REPORT

Bangladesh has sought Malaysia's cooperation in developing a halal industrial park to tap into the rapidly growing global market for foods and products prepared in accordance with Islamic law.

"Let's make a move on this," said Chief Adviser Prof Muhammad Yunus during a meeting with Malaysian halal industry officials in Kuala Lumpur on Tuesday, according to a statement.

Officials told the chief adviser that the global halal products market is valued at \$3 trillion and is projected to reach \$5 trillion by 2030. Malaysia, which operates at least 14 halal industrial parks, holds a sizable share of the market.

Other major players include Middle Eastern countries, Thailand, Australia and New Zealand.

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Bangladesh, home to the world's third-largest Muslim population, has significant potential to join the market if it strengthens its infrastructure and certification systems.

Currently, the Islamic Foundation Bangladesh certifies halal products, with only 124 manufacturers certified so far. The Bangladesh Standards and Testing Institution also issues certification for halal products.

Chowdhury Ashik Mahmud Bin Harun, executive chairman of the Bangladesh Investment Development Authority, urged the Malaysian side to help identify the requirements for establishing a halal industrial park in Bangladesh.

Earlier in the day, Bangladesh and Malaysia exchanged a note of cooperation in the field of halal ecosystems, which officials described as "halal diplomacy".

Sirajuddin Bin Suhaimee said Malaysia would soon send a team to Bangladesh to assess the country's needs.

Foreign Adviser Md Touhid Hossain; Law Adviser Asif Nazrul; Energy Adviser Fouzul Kabir Khan; Chief Adviser's Special Envoy Lutfei Siddiqi; and Senior Secretary for SDG Affairs Lamiya Morshed, also attended the meeting.

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The Malaysian delegation was led by Datin Paduka Hajah Hakimah binti Mohd Yusoff, coordinator of halal affairs under the Malaysian prime minister's department. Among those present were Sirajuddin Bin Suhaimee, director general of the Department of Islamic Development Malaysia (JAKIM), and Hairol Ariflein Sahari, chief executive officer of the Halal Development Corporation (HDC).

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