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BUSINESS

ADP spending by 12 ministries, divisions was zero in July

MD ASADUZ ZAMAN

Bangladesh's development spending hit a seven-year low in the first month of the current fiscal year, with a dozen agencies not spending even one taka, raising fresh concerns about the pace of economic recovery.

According to the Implementation Monitoring and Evaluation Division (IMED), ministries and divisions spent only Tk 1,644 crore from the Annual Development Programme (ADP) in July. That amounts to just 0.69 percent of the Tk 2.39 lakh crore budgeted for the current fiscal year 2025-26 (FY26).

This is the weakest start since FY2018-19, when only 0.57 percent of the ADP was spent in July.

IMED data also show that year-on-year, development expenditure fell by 44 percent from Tk 2,922 crore in July 2024 and by more than half compared to Tk 3,459 crore in 2023.

Out of 57 ministries and divisions, 12 did not spend a single taka from their allocation in the first month of the fiscal year, IMED data show.

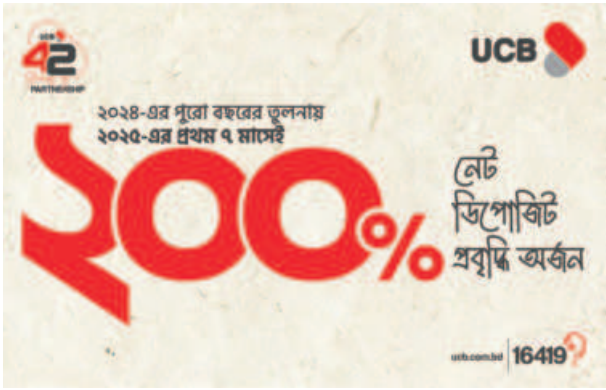
The agencies include the Ministry of Water Resources, the Ministry of Health and Family Welfare, the Public Security Division, and the Ministry of Defence, among others.

Both the government and policy analysts warn that such a slow start is worrying because ADP funds are supposed to drive major infrastructure projects, create jobs, and boost growth.

"This is not a good sign. This year, things should be moving fast. Last year's excuses should no longer apply," Planning Adviser Wahiduddin Mahmud said after a meeting of the Executive Committee of the National Economic Council (Ecne) on Sunday.

Last year's July was marked by nationwide protests and unrest during the mass uprising, which disrupted projects.

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NBR suspends nine more officials

STAR BUSINESS REPORT

Nine more officials of the National Board of Revenue (NBR) have been suspended for their alleged involvement in organising protests against the government's ordinance that dissolved the NBR and split it into two divisions.

Yesterday, the finance ministry's Internal Resources Division (IRD) issued notifications announcing the suspensions.

Of them, five are from the income tax cadre, including the general secretary of the NBR Reform Unity Council, which comprises both tax and customs cadres, while the remaining four are from the customs cadre.

The tax officers are Additional Commissioners Sehela Siddiqua and Sultana Habib, Joint Commissioner Mesbah Uddin Khan, Mohammad Mamun Mia, and Central Intelligence Cell Director Chand Sultana Chowdhurani.

The suspended customs officials are Additional Commissioners Sadhan Kumar Kundu and AAM Amimul Ehsan Khan, Joint Commissioner Sanowarul Kabir, and Deputy Commissioner Saidul Islam. According to the IRD notifications, the suspended officials allegedly disrupted official work, abandoned duties, and played a central role in organising the movement, which hampered the country's import and export activities.

Disciplinary proceedings have now been initiated against them. The officials have been temporarily suspended and attached to the NBR as officers on special duty.

This is the latest in a series of punitive actions

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Govt's ambitious rooftop solar target hard to meet: IEEFA

SHARE OF ROOFTOP SOLAR POWER		
Country	Renewable energy	Rooftop solar
Bangladesh	1.616MW (5.25%)	245MW (0.8%)
Sri Lanka	3.657MW (63%)	1,347MW (23%)
India	226,740 MW (48%)	18,000MW (4%)
Pakistan	28,500 MW (47%)	15,000MW (25%)

SOURCE: IEEFA ANALYSIS

ASIFUR RAHMAN

The government's fresh move to roll out a nationwide rooftop solar programme is expected to act as a "push factor" for the country's energy transition, but achieving the target within the stipulated timeframe will be highly challenging, according to a briefing note from the Institute for Energy Economics and Financial Analysis (IEEFA).

The think tank termed the interim government's goal to install 3,000 megawatts (MW) of rooftop solar by December this year as "ambitious," as this sector is still weighed down by problems such as poor quality control, weak regulatory monitoring, high import duties, a cap on installed capacity, and financing bottlenecks.

In its note, Rooftop Solar's Time to Shine in Bangladesh, IEEFA said the success of the new programme will depend on accurately assessing the potential of rooftop solar, strengthening monitoring, and ensuring coordination among different ministries.

In June, the government revised the 2008 Renewable Energy Policy and set a target to generate 20 percent of total electricity from renewable sources by 2030 and 30 percent by 2040. As part of the plan, the government set the rooftop installation target and initiated a national programme.

The new programme proposes using public funds for rooftop solar in government offices under the Capital Expenditure (CAPEX) model. Further, it aims to encourage Engineering, Procurement, and Construction (EPC) companies to invest in rooftop solar projects in hospitals, as well as educational and religious institutions, under the Operational Expenditure (OPEX) model.

However, IEEFA warned that the initiative faces major uncertainties, such as determining the rooftop potential of designated buildings, addressing maintenance issues under the CAPEX model, and recording solar generation during load-shedding.

"Otherwise, due to insufficient information or perceived risks, developers may show only modest interest in government tenders," it said.

Since the first rooftop solar projects in 2008, Bangladesh has installed 245MW in total, 209MW of that between July 2018 and June 2025, averaging just 30MW per year. "To reach the new target in less than six months, installations would need to scale up more than twelve-fold," IEEFA noted.

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Biman flies high with record profit in FY25

Of its 55-year journey, the national flag carrier posted profit in 26 years

RASHIDUL HASAN

Biman Bangladesh Airlines Limited yesterday announced a record unaudited profit of Tk 937 crore for the fiscal year (FY) 2024-25.

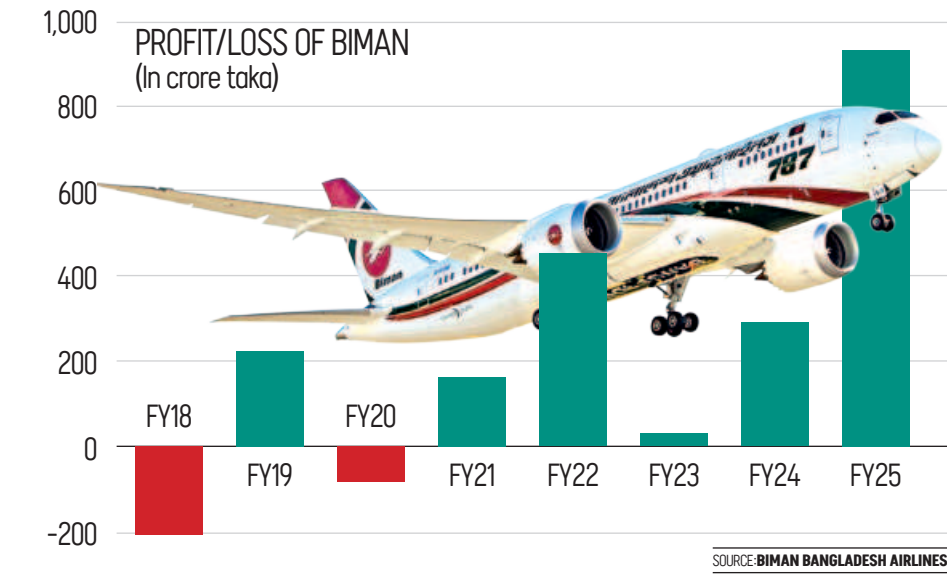
The national flag carrier credited efficient resource management, strategic planning and improvements in passenger services for the achievement, the highest in its 55-year history.

"Launched in 1972 with a revenue of only Tk 1.90 crore, Biman gradually transformed into today's modern and competitive airline from the limited infrastructure and resources of war-ravaged Bangladesh," said ABM Raoshan Kabir, general manager of public relations at Biman.

The profit announcement came amid recent technical problems with aircraft that raised concerns over Biman's maintenance and safety standards. Besides, aviation specialists have also questioned the scale of Biman's dues and liabilities.

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The carrier owes Tk 8,127 crore to the Bangladesh Petroleum Corporation (BPC) and the Civil Aviation Authority of Bangladesh (CAAB), according to official estimates.



CAAB alone claims Tk 6,327 crore, of which Tk 919 crore is the original debt. The rest, Tk 5,408 crore, consists of surcharges, value added tax (VAT) and income tax. Biman also owes around Tk 1,800 crore to BPC for jet fuel.

Biman officials said the airline's previous highest profit was Tk 440 crore in FY 2021-22.

In FY 2024-25, Biman earned Tk 11,631 crore, surpassing the Tk 10,000 crore revenue mark for the second year running.

Since its establishment in 1972, Biman has been profitable in 26 years and loss-making in the rest.

After its transformation into a public limited company in 2007, the airline has accumulated Tk 589 crore in profit over the past 18 years, which it cites as proof of its stability and long-term success.

The current Biman fleet consists of 21 aircraft, 19 of which are owned outright. These include six Boeing 787s, four Boeing 777-300ERs, four Boeing 737s and five Dash-8 Q400s. The airline now

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POTATO PARADOX

Bangladesh developed 198 varieties, but only a handful are exported

SUKANTA HALDER

In the last 36 years, Bangladesh has developed 198 potato varieties, over five every year on average. Only a few of those are cultivated, and even fewer are deemed suitable for the international markets, leaving the world's seventh-largest producer struggling to turn bumper harvests into export earnings.

According to the Ministry of Agriculture, just 14 varieties of potatoes meet the export

means that Bangladesh, which produces over 100 lakh tonnes of potatoes annually against a domestic demand of 75-80 lakh tonnes, struggles to offload a 30-35 lakh tonne surplus. All the while, that oversupply depresses prices and leaves farmers vulnerable.

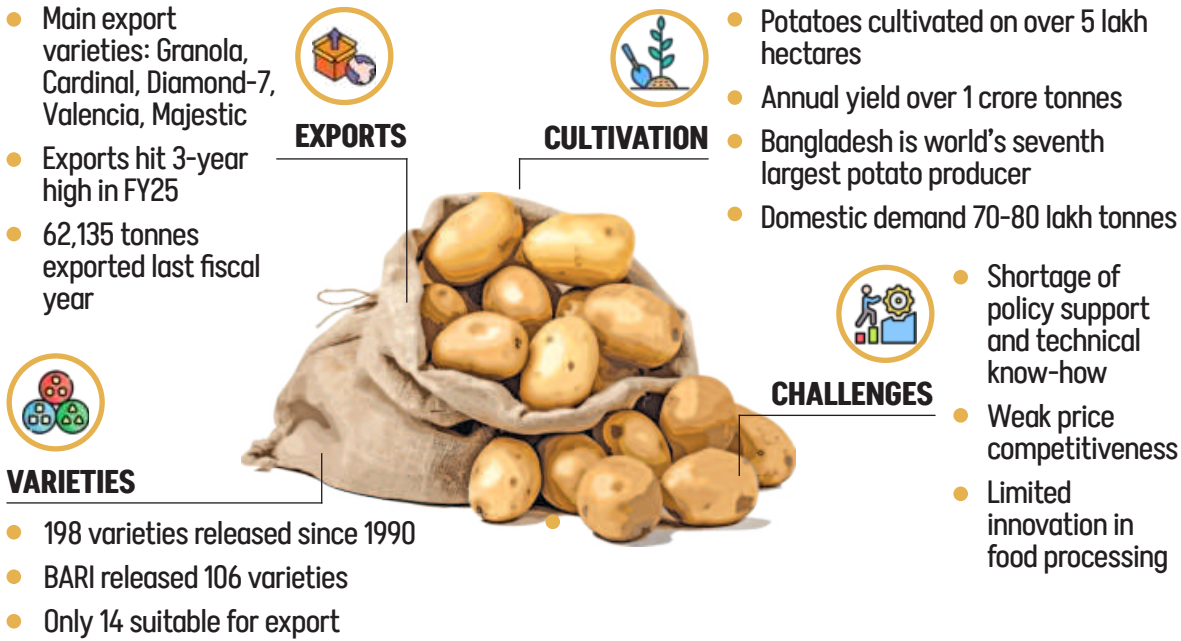
THE EXPORTABLE VARIETIES

According to documents from the Ministry of Agriculture, the exportable varieties are the BARI Potato-7 (Diamond), BARI Potato-8 (Cardinal), and BARI Potato-13

of new types depends on farmer motivation, local consumer demand, and international market interest," said Mosharraf Hossain Molla, principal scientific officer at BARI's Tuber Crop Research Centre.

"Farmers continue to grow familiar varieties like Diamond. Changing farmer behaviour is difficult, and new types take time to gain popularity," he added.

Exporters also shy away from untested varieties. "Although



standards. Of the 106 developed by the Bangladesh Agricultural Research Institute (BARI), only three are considered exportable. The state-run Bangladesh Agricultural Development Corporation (BADC) and private firms introduced 94 more, identified as 'non-notified,' bypassing formal registration. Of these, only five are deemed exportable.

However, Mitul Kumar Saha, joint director of marketing at Hortex Foundation, said in reality, Bangladesh mainly exports potato varieties such as Granola, Diamond, Courage, and Sunshine. "Overall, the number of varieties shipped abroad generally does not exceed 8 to 10."

The disconnect between innovation and market readiness

(Granola).

Also included in this list are Dunastar, Adato, Arsenal, Livent, BADC Potato-1 (Sunshine), BADC Potato-6 (Kumbika), BADC Potato-7 (Queen Ani), BADC Potato-8 (Labella), BADC Potato-13 (Gina Red), AgriConcern Potato-9 (Opal), and AgriConcern Potato-10 (Marta).

According to exporters, of these, the major exported varieties are Granola, Cardinal, Diamond-7, Valencia, and Majestic. In particular, Valencia, a Dutch type with high dry matter content, is drawing attention for its export potential.

Despite the abundance of types, farmers overwhelmingly stick to a few familiar varieties.

"In Bangladesh, the adoption

newer export-quality varieties have been developed, they have yet to gain widespread adoption."

The unregulated release of nearly 100 varieties has raised concerns, he also said, warning that the lack of regulation, particularly the release of non-notified varieties, poses risks, including the introduction of plant diseases.

In September 2019, the government declared potato as a non-notified crop for three years to simplify the introduction of new varieties. This decision aimed to facilitate the release of new, potentially exportable varieties by the private sector without the lengthy approval process required for notified crops.

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HSBC to honour exporters

STAR BUSINESS REPORT

HSBC Bangladesh will recognise exporters for their role in driving economic growth and strengthening the country's presence in global trade.

This will be the ninth edition of the HSBC Export Excellence Awards, the bank announced at a press conference at Pan Pacific Sonargaon Dhaka yesterday.

Awards will be presented in four categories this year.

The categories are Readymade Garments with export revenue of \$100 million and above; Readymade Garments Backward Linkage with export revenue of \$50 million and above; Non-traditional and Emerging Sectors with export revenue of \$10 million and above; and Non-traditional and Emerging Sectors with export revenue of \$5 million and above.

"We are honoured to play our part in supporting these trailblazers as they take the 'Made in Bangladesh' brand to the world and continue to make great strides in strengthening our economy," Md Mahbub ur Rahman, chief executive of HSBC Bangladesh, said at the press conference.

The awards are supported by the Ministry of Commerce and the British High Commission in Dhaka. Applications opened yesterday and will remain open until September 18.

Winners will be chosen on the basis of their contribution to exports and the wider economy, as well as their record on diversity, responsibility, sustainable business practices, governance, and compliance.

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