

# Star BUSINESS



## Exports stuck in EU, US orbit

Bangladesh's two-thirds of shipments still head to Western markets

SOHEL PARVEZ

For years, policymakers and businesses have talked about diversifying the country's export basket and destinations. Yet little has changed. Despite generous government incentives, shipments rely heavily on a few products and markets.

And, readymade garments account for more than 82 percent of total export earnings. The European Union and the United States together take over two-thirds of those exports.

In the recently concluded fiscal year (FY) 2024-25, their combined share slipped only slightly to 62 percent of the record \$48 billion-plus shipments, down from 65 percent three years earlier.

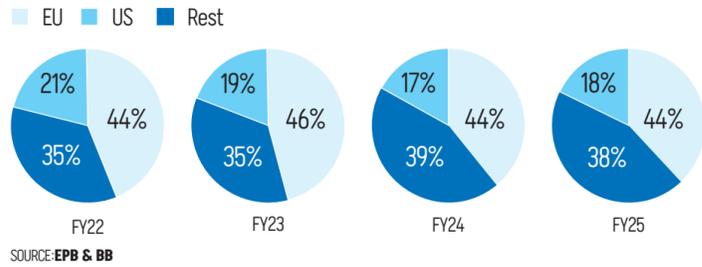
Last year, the EU alone absorbed 44 percent, thanks largely to duty-free and quota-free access for least developed countries, according to Export Promotion Bureau (EPB) data.

"The deeper reason is not simply that firms prefer those destinations; it is that our export basket remains overwhelmingly garment-centred, and we have too few competitive, scalable products outside apparel to push meaningfully into new markets," said Mohammad Abdur Razzaque, chairman of local think tank Research and Policy Integration for Development (RAPID).

"When product variety is narrow, market variety cannot expand in any durable way. Hence, even with cash incentives for 'non-traditional' destinations, the aggregate geography barely shifts," said the economist.

The government sees incentives as "a

Shares of Bangladesh's exports by destinations



strategic tool" to drive export growth.

In FY 2024-25, it set aside Tk 7,830 crore, a 6 percent rise from the previous year. Over the past five years, exporters have received around Tk 35,000 crore in support, according to finance ministry data.

Currently, incentives are offered on 43 products. To encourage shipments outside the traditional markets like the EU, the United Kingdom, the USA and Canada, the government provides a 2 percent incentive to apparel exporters.

But analysts are divided over how effective the support really is.

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue (CPD),

## IPDC ডিপোজিট | ১৬৫১৯

said, "It is important to examine whether the incentive really yields any benefit.

Because of the export concentration in garments, two-thirds of that goes to the sector, he said.

"But it should be reversed. Incentives for exports should be target-oriented, market-specific, and impact-oriented. But what we see is that a lot of incentives are given because of demands from pressure groups, associations, lobbyists and even specific companies."

Meanwhile, Razzaque said the pull of global demand explains the imbalance.

He said, "The EU and the US are the world's largest, most sophisticated consumer markets, with dense buyer networks, established compliance regimes, and the capacity to absorb large and regular orders."

"For Bangladeshese firms, especially those producing fast, repeat apparel runs, these markets offer scale, reliability,

READ MORE ON B3

## Protectionism endangers 'win' from US tariff

Experts say

STAR BUSINESS REPORT

The recently concluded US-Bangladesh tariff talks might have been hailed as a "positioning win," but the outcome, which secured reciprocal 20 percent tariffs for Bangladeshi exports to America, carries risks in a world of rising protectionism and shifting supply chains, economists and analysts have cautioned.

In order to navigate the new trade regime, Bangladesh needs a clear and coherent national strategy, they also said at a roundtable on "Trump Tariffs, Next World Trade and Bangladesh," organised by Bangladesh Research, Analysis and Information Network (BRAN) at The Daily Star Centre yesterday.

Bangladesh must rethink its economic strategy in a world that is not "returning to the old liberal order," argued Rashed Al Mahmud Titumir, a professor of development studies at the University of Dhaka. "We must question not just how we survive, but how we lead."

The country's economy, he warned, faces three stress tests: the looming loss of preferential market

READ MORE ON B3

### HALAL SAVINGS THRIVING FUTURE

- Mudaraba: Savings, scheme & term deposit accounts
- Al-Wadeeah: Current & business accounts
- Digital: Hasannah MyPrime

Shariah-compliant islami banking products with excellent account features, attractive provisional profit and digital banking services.

AAOIFI | 24/7 Helpline: 16218 | Sign Language: 013 211 16218

**SONARGAON STEELS LIMITED**

Angle | Channel | Plain Bar

A Product of RAHIM GROUP | Hotline: 01958 083 601

UCB

১০০% ডিপোজিট শ্রব্দিত অ্যাকাউন্ট

১৬৪১৯

Trust Bank PLC.

EMPOWERING THE ENTREPRENEURS!



- TRUST NORDINI
- TRUST EKOTA
- TRUST PRODUKTI
- TRUST SOMPODO
- TRUST MALDHAN
- TRUST BLUNCH
- TRUST SUCHAMA
- TRUST UDDYOG

## Pran-RFL ramps up lift production

Invests Tk 200cr so far

STAR BUSINESS REPORT

Pran-RFL Group has been manufacturing lifts in Bangladesh since 2018 and has so far invested around Tk 200 crore to reduce dependence on imported ones, said RN Paul, managing director of RFL Group.

The group began its business in 1988 with lift imports and started producing the devices locally at its factory in Danga Industrial Park in Narsingdi under the brand Property Lifts, he said.

Initially, the lifts were made using imported components, but gradually the company expanded its investment and began manufacturing various parts in-house, he told journalists yesterday during a visit to the

### Company performance

- Property Lifts began production in 2018
- It now contributes over 40% local value
- In 2024, the company sold 329 lift units

### Market size and demand

- Bangladesh's lift market is worth Tk 1,300cr
- Around 4,500-5,000 lifts are sold annually in the country
- Demand is highest in Dhaka and Chattogram

### Import vs local production

- About 70-80% of lifts in use are still imported

Narsingdi factory.

Property Lifts is currently adding more than 40 percent value, although basic raw materials are still imported, Paul said.

The company has set a target of producing 80 percent of the components locally within the next five years, he said.

In the past seven years, Property Lifts' sales have increased nearly sixfold, with the company selling 329 lift units in the country in 2024, he said.

During the visit, this correspondent observed that there is a modern testing tower at the production unit,

READ MORE ON B3

30th Anniversary

MAKE THE MOST OUT OF YOUR FOREIGN CURRENCY HOLDING WITH DHAKA BANK RFC ACCOUNT

16474

DHAKA BANK PLC. EXCELLENCE IN BANKING

## Govt to buy potato directly from farmers this year

STAR BUSINESS REPORT

The government has decided to procure potatoes directly from farmers this year in a bid to ensure fair prices for growers amid a sharp decline in domestic rates due to higher production.

The government will set potato prices at the cold storage level and purchase the tuber directly from farmers, said Agriculture Adviser Lieutenant General (retd) Md Jahangir Alam Chowdhury.

The move was taken to cut out middlemen and ensure more benefits for the growers, he said.

Chowdhury shared the information at a press conference after visiting the Bangladesh Agricultural Development Corporation's (BADC) cold storage, central seed testing laboratory, and

vegetable seed processing centre at Gabtoli in Dhaka yesterday.

The BADC, a corporation under the agriculture ministry, works on the production of high-yielding seeds of different crops, preservation and supply enhancement, along with irrigation technology development.

The government is yet to decide how much potato will be procured, Mohammad Zakir Hossain, senior information officer at the agriculture ministry, said at the event.

A meeting will be held soon to finalise the amount, he said.

At the beginning of the season,

many farmers were forced to sell their produce at the field level for as low as Tk 11 per kilogramme (kg), far lower than the Department of Agricultural Extension's estimated average production cost of Tk 14.

Moreover, in some northern regions, where cultivation costs run higher, production expenses reached up to Tk 20 per kg, according to DAE data.

Bangladesh produced 1.15 crore tonnes of potatoes, the highest in history, in the last harvesting season, according to estimates by the Bangladesh Bureau of Statistics (BBS).

READ MORE ON B3



VISA Eastern Bank PLC.

introducing EBL Green Account with Bangladesh's first 100% Recycled Debit Card

- > Fund eco-friendly projects with your deposits
- > Grow your money with competitive interest rate
- > Open paperless accounts online
- > Experience EBL Skybanking App

16230 ebl.com.bd myebl

# Dhaka Bank, Mastercard launch co-branded credit card for IAB members

STAR BUSINESS DESK

Dhaka Bank PLC, in collaboration with Mastercard, has launched a co-branded credit card for members of the Institute of Architects Bangladesh (IAB).

Designed to cater to the professional and lifestyle needs of architects, the new card offers a wide range of privileges across travel, dining, lifestyle, and banking services.

AKM Shahnawaj, managing director (current charge) of Dhaka Bank PLC; Syed Mohammad Kamal, country manager for Bangladesh at Mastercard; and Abu Sayeed M Ahmed, president of the Institute of Architects Bangladesh, jointly inaugurated the card in Dhaka recently, according to a press release.

Shahnawaj stated, "This initiative will provide architects with tailored financial and lifestyle privileges that enhance their professional and personal



AKM Shahnawaj, managing director (current charge) of Dhaka Bank PLC; Abu Sayeed M Ahmed, president of the Institute of Architects Bangladesh, and Syed Mohammad Kamal, country manager for Bangladesh at Mastercard, jointly inaugurate the co-branded credit card in Dhaka recently.

journeys, both at home and abroad."

Ahmed remarked, "The new card will enable our members to enjoy unique benefits that complement their lifestyle as professionals and individuals."

Kamal added, "This new initiative underscores Mastercard's commitment to delivering innovative financial solutions for professionals in Bangladesh, empowering them to pursue their aspirations with

greater convenience, flexibility, and peace of mind."

The new card comes with an annual fee waiver for the first three years, along with a renewal fee waiver upon making 18 transactions annually.

Cardholders will receive exclusive services from the Dhaka Bank Card Experience Centre and can also opt for up to three free supplementary cards.

Combining the convenience of dual currency and contactless facilities, the card ensures seamless transactions worldwide, both online and at Mastercard POS terminals and ATMs.

Masud Ur Rashid, general secretary of the IAB; Md Shafiqul Azam Shamim, secretary of publication and publicity; Md Mostaque Ahmed, deputy managing director of the bank; Akhlaqur Rahman, deputy managing director; HM Mostafizur Rahaman, senior executive vice-president and head of retail business; Zakiya Sultana, director of Mastercard; and Jubaer Hossain, lead of merchant and commerce, along with senior officials from the participating organisations, were also present.

# Arifur Rahman elected chairman of Premier Bank

STAR BUSINESS DESK



Arifur Rahman, founding vice-chairman and entrepreneur shareholder of Premier Bank PLC, has been elected the new chairman of the bank.

The decision was taken at the bank's 314th board meeting held last week, according to a press release.

Rahman succeeds Mohammad Imran Iqbal, son of HBM Iqbal, who stepped down in January after leading the board for 26 years. Earlier this year, Bangladesh Bank dissolved the seven-member board headed by Imran Iqbal, who had assumed chairmanship following his father's departure.

A physician and entrepreneur, Rahman brings over four decades of diverse experience across healthcare, military medical services, banking, and business leadership.

A graduate of Dhaka Medical College, he built a long and distinguished career in Saudi Arabia.

He has been instrumental in promoting Bangladeshi human resources abroad, creating jobs for millions of workers.

He also established ventures, including Samorita Hospital, The ShoesBD Ltd, Denim Polymer Industries Ltd, and Alwayson Network Bangladesh Ltd.

# Shahjalal Islami Bank recognised by BB in sustainability rating

STAR BUSINESS DESK

Shahjalal Islami Bank PLC has been honoured by the Bangladesh Bank (BB) at the "Sustainability Rating 2024" in recognition of its commendable progress and excellence across various indicators of banking activities in 2024.

Ahsan H Mansur, governor of the Bangladesh Bank, presented the certification to Mosleh Uddin Ahmed, managing director of Shahjalal Islami

Bank PLC, at a ceremony held at the BB headquarters in the capital's Motijheel on Wednesday, according to a press release.

Bangladesh Bank has been conferring this award since 2020, based on categories, including Sustainable Finance, Green Refinance, Corporate Social Responsibility (CSR), Core Banking Sustainability, and Banking Services.

The press release also stated that

such prestigious recognition from BB will further accelerate Shahjalal Islami Bank's activities and strengthen its relationship with customers.

Among others, Nurun Nahar, deputy governor of the central bank; Manoj Kumar Howlader, executive director; Chowdhury Liakat Ali, director of the Sustainable Finance Department; and MM Saiful Islam, deputy managing director of Shahjalal Islami Bank PLC, were also present.



Md Ziaur Rahman, deputy managing director and chief anti-money laundering compliance officer of Prime Bank PLC, poses for group photographs with participants of the training programme on "Anti-Money Laundering and Combating the Financing of Terrorism Compliance" in Sylhet recently.

PHOTO: PRIME BANK

# Prime Bank holds training on AML & CFT compliance in Sylhet

STAR BUSINESS DESK

Prime Bank PLC recently organised a daylong training programme on "Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Compliance" in Sylhet.

A total of 155 participants, including all branch heads and branch anti-money laundering

compliance officers from 23 branches in the Sylhet region, took part in the programme.

Md Ziaur Rahman, deputy managing director and chief anti-money laundering compliance officer of Prime Bank PLC, presided over the programme as the chief guest, according to a press release.

Rahman delivered an insightful address to the participants.

Md Rayhanul Islam, additional director of the Bangladesh Financial Intelligence Unit (BFIU), attended the event as a resource person and shared his expertise on strengthening compliance practices in the banking sector.

Md Humayun Kabir, head of the Sylhet region at the bank, was also present, along with other senior officials.



Mosleh Uddin Ahmed, managing director of Shahjalal Islami Bank PLC, receives a certificate from Ahsan H Mansur, governor of the Bangladesh Bank, at the BB headquarters in the capital's Motijheel last week.

PHOTO: SHAHJALAL ISLAMI BANK

# India says US trade talks

FROM PAGE B4

"The longer-term harm could be even greater as a high tariff could puncture India's appeal as a global manufacturing hub."

The Indian minister described US President Donald Trump's policy announcements as "unusual".

"We have not had a US president who conducts his foreign policy so publicly as the current one and (it) is a departure from the traditional way of conducting business with the world," Jaishankar said. He also said Washington's concern over India's

Russian oil purchases was not being applied to other major buyers such as China and European Union.

"If the argument is oil, then there are (other) big buyers. If argument is (with Russia), then there are bigger traders," he said.

# Jamuna Bank among BB's top 10 sustainable banks in 2024

STAR BUSINESS DESK

Jamuna Bank PLC has been recognised among the Top 10 Sustainable Banks of 2024 by the Bangladesh Bank (BB) for the third consecutive year, in acknowledgment of its sustainable and green financing initiatives, robust financial foundation, expanded service network, and diversified CSR programmes aimed at improving the quality of life of marginalised communities.

Ahsan H Mansur, governor of Bangladesh Bank, presented a certificate to Mirza Elias Uddin Ahmed, managing director and CEO of Jamuna Bank PLC, at the "Sustainability Rating 2024" event held at the BB headquarters in the capital's Motijheel last week, according to a press release.

Expressing his gratitude, Ahmed said: "Jamuna Bank's sustainable and eco-friendly initiatives are not only a testament to our social responsibility but also a well-planned strategy to strengthen the bank's financial foundation."

"We believe that this recognition is more than just an award; it reflects our commitment to responsible and forward-looking banking."

Nurun Nahar, deputy governor of the central bank; Chowdhury Liakat Ali, director of the sustainable finance department; and Mohammad Prashanta Samir, senior vice-president of Jamuna Bank PLC, along with other senior officials from both organisations, were also present.



Mirza Elias Uddin Ahmed, managing director and CEO of Jamuna Bank PLC, receives the certificate from Ahsan H Mansur, governor of the Bangladesh Bank, at the BB headquarters in the capital's Motijheel last week.

PHOTO: JAMUNA BANK

**North-West Power Generation Company Ltd.**  
ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certified  
(An Enterprise of Bangladesh Power Development Board)

**Office of the Plant Manager (Superintending Engineer)**  
Sirajganj 225 MW Combined Cycle Power Plant (Unit-1)  
Soydabad, Sirajganj

Ref: 27.28.8878.101.07.001.19.14.05 Date: 23/08/2025

**e-Tender Notice**

The following e-Tenders are invited in the National e-GP System Portal ([www.eprocure.gov.bd](http://www.eprocure.gov.bd)):

Sl. No.	Tender ID	Brief description of tender	Publication date	Last selling date & time	Opening date
1	1137584	Procurement of spare parts for ST control system & actuators.	11/08/2025	10/09/2025, 15:45	11/09/2025

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

*Engr. Brojendra Kumar Sarker*  
23/08/2025  
Engr. Brojendra Kumar Sarker  
Plant Manager (Superintending Engineer)  
Sirajganj 225 MW Combined Cycle Power Plant (Unit-1)  
NWPGL, Soydabad, Sirajganj

GD-1851

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার  
বাংলাদেশ পুলিশ  
অধিনায়কের কার্যালয়  
র‍্যাপিড এ্যাকশন ব্যাটালিয়ন-১৪  
আবুয়া বাইপাস, মহামনসিংহ  
উন্মুক্ত দরপত্র বিজ্ঞপ্তি (OTM)

১৪৩০২/১১/১১/১০/১০

তারিখ: ২১ আগস্ট ২০২৫ খ্রিঃ

The Public Procurement Act-2006 and The Public Procurement Regulation-2008 এর বিধি মোতাবেক ২০২২-২০২৩ অর্থ বছরে বেঙ্গা টেক (সোলিস) ও টিআরসিএস লিমিটেড কর্তৃক সিস্টেম ইন্সটলেশন কাজ (০১) প্রকল্পের ২০২২-২০২৩ অর্থ বছর ০১ সিস্টেম ইন্সটলেশন (০১) অধীনে র‍্যাপিড এ্যাকশন ব্যাটালিয়ন-১৪, আবুয়া বাইপাস, মহামনসিংহ এর বেঙ্গা টেকসিএস লিমিটেড কর্তৃক সিস্টেম ইন্সটলেশন কাজ প্রকল্পের ০১ অধীনে র‍্যাপিড এ্যাকশন ব্যাটালিয়ন-১৪, আবুয়া বাইপাস, মহামনসিংহ সিস্টেম ইন্সটলেশন কাজের উন্মুক্ত দরপত্র বিজ্ঞপ্তি প্রকাশ করা হলো। এজন্যকার প্রয়োজনীয় তথ্যসমূহ নিচে প্রদান করা হলো।

১। কাজের নাম/বিভাগ	২। কাজের নাম/বিভাগ
৩। কাজের নাম/বিভাগ	৪। কাজের নাম/বিভাগ
৫। কাজের নাম/বিভাগ	৬। কাজের নাম/বিভাগ
৭। কাজের নাম/বিভাগ	৮। কাজের নাম/বিভাগ
৯। কাজের নাম/বিভাগ	১০। কাজের নাম/বিভাগ
১১। কাজের নাম/বিভাগ	১২। কাজের নাম/বিভাগ
১৩। কাজের নাম/বিভাগ	১৪। কাজের নাম/বিভাগ
১৫। কাজের নাম/বিভাগ	১৬। কাজের নাম/বিভাগ
১৭। কাজের নাম/বিভাগ	১৮। কাজের নাম/বিভাগ
১৯। কাজের নাম/বিভাগ	২০। কাজের নাম/বিভাগ
২১। কাজের নাম/বিভাগ	২২। কাজের নাম/বিভাগ
২৩। কাজের নাম/বিভাগ	২৪। কাজের নাম/বিভাগ
২৫। কাজের নাম/বিভাগ	২৬। কাজের নাম/বিভাগ
২৭। কাজের নাম/বিভাগ	২৮। কাজের নাম/বিভাগ
২৯। কাজের নাম/বিভাগ	৩০। কাজের নাম/বিভাগ
৩১। কাজের নাম/বিভাগ	৩২। কাজের নাম/বিভাগ
৩৩। কাজের নাম/বিভাগ	৩৪। কাজের নাম/বিভাগ
৩৫। কাজের নাম/বিভাগ	৩৬। কাজের নাম/বিভাগ
৩৭। কাজের নাম/বিভাগ	৩৮। কাজের নাম/বিভাগ
৩৯। কাজের নাম/বিভাগ	৪০। কাজের নাম/বিভাগ
৪১। কাজের নাম/বিভাগ	৪২। কাজের নাম/বিভাগ
৪৩। কাজের নাম/বিভাগ	৪৪। কাজের নাম/বিভাগ
৪৫। কাজের নাম/বিভাগ	৪৬। কাজের নাম/বিভাগ
৪৭। কাজের নাম/বিভাগ	৪৮। কাজের নাম/বিভাগ
৪৯। কাজের নাম/বিভাগ	৫০। কাজের নাম/বিভাগ
৫১। কাজের নাম/বিভাগ	৫২। কাজের নাম/বিভাগ
৫৩। কাজের নাম/বিভাগ	৫৪। কাজের নাম/বিভাগ
৫৫। কাজের নাম/বিভাগ	৫৬। কাজের নাম/বিভাগ
৫৭। কাজের নাম/বিভাগ	৫৮। কাজের নাম/বিভাগ
৫৯। কাজের নাম/বিভাগ	৬০। কাজের নাম/বিভাগ
৬১। কাজের নাম/বিভাগ	৬২। কাজের নাম/বিভাগ
৬৩। কাজের নাম/বিভাগ	৬৪। কাজের নাম/বিভাগ
৬৫। কাজের নাম/বিভাগ	৬৬। কাজের নাম/বিভাগ
৬৭। কাজের নাম/বিভাগ	৬৮। কাজের নাম/বিভাগ
৬৯। কাজের নাম/বিভাগ	৭০। কাজের নাম/বিভাগ
৭১। কাজের নাম/বিভাগ	৭২। কাজের নাম/বিভাগ
৭৩। কাজের নাম/বিভাগ	৭৪। কাজের নাম/বিভাগ
৭৫। কাজের নাম/বিভাগ	৭৬। কাজের নাম/বিভাগ
৭৭। কাজের নাম/বিভাগ	৭৮। কাজের নাম/বিভাগ
৭৯। কাজের নাম/বিভাগ	৮০। কাজের নাম/বিভাগ
৮১। কাজের নাম/বিভাগ	৮২। কাজের নাম/বিভাগ
৮৩। কাজের নাম/বিভাগ	৮৪। কাজের নাম/বিভাগ
৮৫। কাজের নাম/বিভাগ	৮৬। কাজের নাম/বিভাগ
৮৭। কাজের নাম/বিভাগ	৮৮। কাজের নাম/বিভাগ
৮৯। কাজের নাম/বিভাগ	৯০। কাজের নাম/বিভাগ
৯১। কাজের নাম/বিভাগ	৯২। কাজের নাম/বিভাগ
৯৩। কাজের নাম/বিভাগ	৯৪। কাজের নাম/বিভাগ
৯৫। কাজের নাম/বিভাগ	৯৬। কাজের নাম/বিভাগ
৯৭। কাজের নাম/বিভাগ	৯৮। কাজের নাম/বিভাগ
৯৯। কাজের নাম/বিভাগ	১০০। কাজের নাম/বিভাগ

১৪। কাজের নাম/বিভাগ

১৫। কাজের নাম/বিভাগ

১৬। কাজের নাম/বিভাগ

১৭। কাজের নাম/বিভাগ

১৮। কাজের নাম/বিভাগ

১৯। কাজের নাম/বিভাগ

২০। কাজের নাম/বিভাগ

২১। কাজের নাম/বিভাগ

২২। কাজের নাম/বিভাগ

২৩। কাজের নাম/বিভাগ

২৪। কাজের নাম/বিভাগ

২৫। কাজের নাম/বিভাগ

২৬। কাজের নাম/বিভাগ

২৭। কাজের নাম/বিভাগ

২৮। কাজের নাম/বিভাগ

২৯। কাজের নাম/বিভাগ

৩০। কাজের নাম/বিভাগ

৩১। কাজের নাম/বিভাগ

৩২। কাজের নাম/বিভাগ

৩৩। কাজের নাম/বিভাগ

৩৪। কাজের নাম/বিভাগ

৩৫। কাজের নাম/বিভাগ

৩৬। কাজের নাম/বিভাগ

৩৭। কাজের নাম/বিভাগ

৩৮। কাজের নাম/বিভাগ

৩৯। কাজের নাম/বিভাগ

৪০। কাজের নাম/বিভাগ

৪১। কাজের নাম/বিভাগ

৪২। কাজের নাম/বিভাগ

৪৩। কাজের নাম/বিভাগ

৪৪। কাজের নাম/বিভাগ

৪৫। কাজের নাম/বিভাগ

৪৬। কাজের নাম/বিভাগ

৪৭। কাজের নাম/বিভাগ

৪৮। কাজের নাম/বিভাগ

৪৯। কাজের নাম/বিভাগ

৫০। কাজের নাম/বিভাগ

৫১। কাজের নাম/বিভাগ

৫২। কাজের নাম/বিভাগ

৫৩। কাজের নাম/বিভাগ

৫৪। কাজের নাম/বিভাগ

৫৫। কাজের নাম/বিভাগ

৫৬। কাজের নাম/বিভাগ

৫৭। কাজের নাম/বিভাগ

৫৮। কাজের নাম/বিভাগ

৫৯। কাজের নাম/বিভাগ

৬০। কাজের নাম/বিভাগ

৬১। কাজের নাম/বিভাগ

৬২। কাজের নাম/বিভাগ

৬৩। কাজের নাম/বিভাগ

৬৪। কাজের নাম/বিভাগ

৬৫। কাজের নাম/বিভাগ

৬৬। কাজের নাম/বিভাগ

৬৭। কাজের নাম/বিভাগ

৬৮। কাজের নাম/বিভাগ

৬৯। কাজের নাম/বিভাগ

৭০। কাজের নাম/বিভাগ

৭১। কাজের নাম/বিভাগ

৭২। কাজের নাম/বিভাগ

৭৩। কাজের নাম/বিভাগ

৭৪। কাজের নাম/বিভাগ

৭৫। কাজের নাম/বিভাগ

৭৬। কাজের নাম/বিভাগ

৭৭। কাজের নাম/বিভাগ

৭৮। কাজের নাম/বিভাগ

৭৯। কাজের নাম/বিভাগ

৮০। কাজের নাম/বিভাগ

৮১। কাজের নাম/বিভাগ

৮২। কাজের নাম/বিভাগ

৮৩। কাজের নাম/বিভাগ

৮৪। কাজের নাম/বিভাগ

৮৫। কাজের নাম/বিভাগ

৮৬। কাজের নাম/বিভাগ

৮৭। কাজের নাম/বিভাগ

৮৮। কাজের নাম/বিভাগ

৮৯। কাজের নাম/বিভাগ

৯০। কাজের নাম/বিভাগ

৯১। কাজের নাম/বিভাগ

৯২। কাজের নাম/বিভাগ

৯৩। কাজের নাম/বিভাগ

৯৪। কাজের নাম/বিভাগ

৯৫। কাজের নাম/বিভাগ

৯৬। কাজের নাম/বিভাগ

৯৭। কাজের নাম/বিভাগ

৯৮। কাজের নাম/বিভাগ

৯৯। কাজের নাম/বিভাগ

১০০। কাজের নাম/বিভাগ

১০১। কাজের নাম/বিভাগ

১০২। কাজের নাম/বিভাগ

১০৩। কাজের নাম/বিভাগ

১০৪। কাজের নাম/বিভাগ

১০৫। কাজের নাম/বিভাগ

১০৬। কাজের নাম/বিভাগ

১০৭। কাজের নাম/বিভাগ

১০৮। কাজের নাম/বিভাগ

১০৯। কাজের নাম/বিভাগ

১১০। কাজের নাম/বিভাগ

১১১। কাজের নাম/বিভাগ

১১২। কাজের নাম/বিভাগ

১১৩। কাজের নাম/বিভাগ

১১৪। কাজের নাম/বিভাগ

১১৫। কাজের নাম/বিভাগ

১১৬। কাজের নাম/বিভাগ

১১৭। কাজের নাম/বিভাগ

১১৮। কাজের নাম/বিভাগ

১১৯। কাজের নাম/বিভাগ

১২০। কাজের নাম/বিভাগ

১২১। কাজের নাম/বিভাগ

১২২। কাজের নাম/বিভাগ

১২৩। কাজের নাম/বিভাগ

১২৪। কাজের নাম/বিভাগ

১২৫। কাজের নাম/বিভাগ

১২৬। কাজের নাম/বিভাগ

১২৭। কাজের নাম/বিভাগ

১২৮। কাজের নাম/বিভাগ

১২৯। কাজের নাম/বিভাগ

১৩০। কাজের নাম/বিভাগ

১৩১। কাজের নাম/বিভাগ

১৩২। কাজের নাম/বিভাগ

১৩৩। কাজের নাম/বিভাগ

১৩৪। কাজের নাম/বিভাগ

১৩৫। কাজের নাম/বিভাগ

১৩৬। কাজের নাম/বিভাগ

১৩৭। কাজের নাম/বিভাগ

১৩৮। কাজের নাম/বিভাগ

১৩৯। কাজের নাম/বিভাগ

১৪০। কাজের নাম/বিভাগ

১৪১। কাজের নাম/বিভাগ

১৪২। কাজের নাম/বিভাগ

১৪৩। কাজের নাম/বিভাগ

১৪৪। কাজের নাম/বিভাগ

১৪৫। কাজের নাম/বিভাগ

১৪৬। কাজের নাম/বিভাগ

১৪৭। কাজের নাম/বিভাগ

১৪৮। কাজের নাম/বিভাগ

১৪৯। কাজের নাম/বিভাগ

১৫০। কাজের নাম/বিভাগ

১৫১। কাজের নাম/বিভাগ

১৫২। কাজের নাম/বিভাগ

১৫৩। কাজের নাম/বিভাগ

১৫৪। কাজের নাম/বিভাগ

১৫৫। কাজের নাম/বিভাগ

১৫৬। কাজের নাম/বিভাগ

১৫৭। কাজের নাম/বিভাগ

১৫৮। কাজের নাম/বিভাগ

১৫৯। কাজের নাম/বিভাগ

১৬০। কাজের নাম/বিভাগ

১৬১। কাজের নাম/বিভাগ

১৬২। কাজের নাম/বিভাগ

১৬৩। কাজের নাম/বিভাগ

১৬৪। কাজের নাম/বিভাগ

১৬৫। কাজের নাম/বিভাগ

১৬৬। কাজের নাম/বিভাগ

১৬৭। কাজের নাম/বিভাগ

১৬৮। কাজের নাম/বিভাগ

১৬৯। কাজের নাম/বিভাগ

১৭০। কাজের নাম/বিভাগ

১৭১। কাজের নাম/বিভাগ

১৭২। কাজের নাম/বিভাগ

১৭৩। কাজের নাম/বিভাগ

১৭৪। কাজের নাম/বিভাগ

১৭৫। কাজের নাম/বিভাগ

১৭৬। কাজের নাম/বিভাগ

১৭৭। কাজের নাম/বিভাগ

১৭৮। কাজের নাম/বিভাগ

১৭৯। কাজের নাম/বিভাগ

১৮০। কাজের নাম/বিভাগ

১৮১। কাজের নাম/বিভাগ

১৮২। কাজের নাম/বিভাগ

১৮৩। কাজের নাম/বিভাগ

১৮৪। কাজের নাম/বিভাগ

১৮৫। কাজের নাম/বিভাগ

১৮৬। কাজের নাম/বিভাগ

১৮৭। কাজের নাম/বিভাগ

১৮৮। কাজের নাম/বিভাগ

১৮৯। কাজের নাম/বিভাগ

১৯০। কাজের নাম/বিভাগ

১৯১। কাজের নাম/বিভাগ

১৯২। কাজের নাম/বিভাগ

১৯৩। কাজের নাম/বিভাগ

১৯৪। কাজের নাম/বিভাগ

১৯৫। কাজের নাম/বিভাগ

১৯৬। কাজের নাম/বিভাগ

১৯৭। কাজের নাম/বিভাগ

১৯৮। কাজের নাম/বিভাগ

১৯৯। কাজের নাম/বিভাগ

২০০। কাজের নাম/বিভাগ

২০১। কাজের নাম/বিভাগ

২০২। কাজের নাম/বিভাগ

২০৩। কাজের নাম/বিভাগ

২০৪। কাজের নাম/বিভাগ

২০৫। কাজের নাম/বিভাগ

২০৬। কাজের নাম/বিভাগ

২০৭। কাজের নাম/বিভাগ

২০৮। কাজের নাম/বিভাগ

২০৯। কাজের নাম/বিভাগ

২১০। কাজের নাম/বিভাগ

২১১। কাজের নাম/বিভাগ

২১২। কাজের নাম/বিভাগ

২১৩। কাজের নাম/বিভাগ

২১৪। কাজের নাম/বিভাগ

২১৫। কাজের নাম/বিভাগ

২১৬। কাজের নাম/বিভাগ

২১৭। কাজের নাম/বিভাগ

২১৮। কাজের নাম/বিভাগ

২১৯। কাজের নাম/বিভাগ

২২০। কাজের নাম/বিভাগ

২২১। কাজের নাম/বিভাগ

২২২। কাজের নাম/বিভাগ

২২৩। কাজের নাম/বিভাগ

২২৪। কাজের নাম/বিভাগ

২২৫। কাজের নাম/বিভাগ

২২৬। কাজের নাম/বিভাগ

২২৭। কাজের নাম/বিভাগ

২২৮। কাজের নাম/বিভাগ

২২৯। কাজের নাম/বিভাগ

২৩০। কাজের নাম/বিভাগ

২৩১। কাজের নাম/বিভাগ

২৩২। কাজের নাম/বিভাগ

২৩৩। কাজের নাম/বিভাগ

২৩৪। কাজের নাম/বিভাগ

২৩৫। কাজের নাম/বিভাগ

২৩৬। কাজের নাম/বিভাগ

২৩৭। কাজের নাম/বিভাগ

২৩৮। কাজের নাম/বিভাগ

২৩৯। কাজের নাম/বিভাগ

২৪০। কাজের নাম/বিভাগ

২৪১। কাজের নাম/বিভাগ

২৪২। কাজের নাম/বিভাগ

২৪৩। কাজের নাম/বিভাগ

২৪৪। কাজের নাম/বিভাগ

২৪৫। কাজের নাম/বিভাগ

২৪৬। কাজের নাম/বিভাগ

২৪৭। কাজের নাম/বিভাগ

২৪৮। কাজের নাম/বিভাগ

২৪৯। কাজের নাম/বিভাগ

২৫০। কাজের নাম/বিভাগ

২৫১। কাজের নাম/বিভাগ

২৫২। কাজের নাম/বিভাগ

২৫৩। কাজের নাম/বিভাগ

২৫৪। কাজের নাম/বিভাগ

২৫৫। কাজের নাম/বিভাগ

২৫৬। কাজের নাম/বিভাগ

২৫৭। কাজের নাম/বিভাগ

২৫৮। কাজের নাম/বিভাগ

২৫৯। কাজের নাম/বিভাগ

২৬০। কাজের নাম/বিভাগ

২৬১। কাজের নাম/বিভাগ

২৬২। কাজের নাম/বিভাগ

২৬৩। কাজের নাম/বিভাগ

২৬৪। কাজের নাম/বিভাগ



A worker loads old books, collected by hawkers from villages and towns, onto trucks at a godown in Barishal city's Hatkhola area to be sent to various parts of the country, including Dhaka. Each person typically works from 9am to night, earning Tk 800 to Tk 1,000 daily. PHOTO: TITU DAS

## Exports stuck in EU, US orbit

FROM PAGE B1  
and predictable standards. It is therefore unsurprising that policy nudges alone have not altered the destination mix: the centre of global demand pulls, and our current capabilities align with that pull," said the RAPID chairman.

Razzaque, who follows international trade closely, pointed out that many non-garment sectors face difficulties meeting quality and safety standards abroad.

He said domestic weaknesses in certification, testing and recognition abroad add to the problem, raising costs and slowing

access to markets. "In short, non-RMG exports are squeezed by capability deficits and standard frictions; until these are addressed, scale-up in diverse products will remain difficult."

He added that high logistics costs, bottlenecks, poor inland transport and weak risk management further undercut competitiveness.

The country's lack of free trade agreements and reliance on high tariffs to protect domestic firms also discourages outward-looking growth, according to the economist.

"Elevated prices behind

the tariff wall, combined with buoyant demand in a rapidly growing economy, make the domestic market more attractive than the rigours of export competition," he said.

Fazlul Hoque, former president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said exports have increased in Australia, Japan and India.

Hoque believes that only incentives will not work. "Continuous efforts to build new markets are also necessary. We have made huge efforts to develop the market in Japan. We need to target specific markets

and make continuous efforts."

Selim Raihan, executive director of the South Asian Network on Economic Modeling (Sanem), said Bangladesh should expand its portfolio beyond garments.

"Bangladesh should invest in developing exportable products beyond RMG, such as light engineering, agro-processed goods, electronics, and IT services, that appeal to a broader global audience. Trade diplomacy needs to be strengthened to forge free trade agreements or reduce tariff barriers with

emerging markets in Asia, Latin America, and Africa," he said.

He added that government support should be better targeted, backed by market research and capacity-building, so exporters can break into new destinations.

Moazzem of CPD agreed, as he said that instead of making incentives end-market-oriented, the country should make them supply-chain-oriented.

He said, "We need to frame a sectoral supply-chain policy incorporating the import of raw materials, manufacturing, and end-market."

Md Anwar Hossain, immediate vice president of the Export Promotion Bureau (EPB), said foreign investment and an improved business environment are key to diversification.

Hossain said, "We should design policy support in tune with the support given by other countries. Our duty and customs procedures should be made easy, and lead time should be reduced to ensure speed to market."

"If import duty is reduced and exporters are given a level playing field, many products will become competitive," he added.

## WEEKLY STOCKS Market rebounds after declining for two weeks

STAR BUSINESS REPORT

Dhaka stocks rose last week, rebounding from a two-week losing streak, while turnover also increased, reflecting higher investor activity.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), gained 24.71 points, or 0.46 percent, to close at 5,374.96, DSE data showed.

Other indices at the DSE also posted gains. The DS30, which tracks blue-chip stocks, advanced 0.75 percent to 2,089.44, while the DSES, comprising Shariah-compliant companies, edged up 1.48 percent to 1,180.34.

Turnover, a key indicator of investor activity, stood at Tk 4,535.69 crore, up sharply from Tk 3,445.94 crore the previous week.

On a daily average, turnover was Tk 907.13 crore, higher than Tk 689.18 crore a week earlier, a 31 percent increase in average daily turnover.

The pharmaceuticals and chemicals sector dominated trading, accounting for 18 percent of the average daily traded value. Banks followed with 11 percent, trailed by textile stocks.

In terms of sector-wise returns, paper and printing stocks led with a 9 percent rise. Jute, IT, and general insurance issues also posted notable advances.

Market breadth was positive, with 241 scrips advancing, 129 declining, and 24 remaining unchanged.

Among individual issues, Information Services Network Ltd was the top gainer, soaring 47 percent, while Exim Bank of Bangladesh suffered the sharpest fall, losing 17 percent during the week.

## Pran-RFL ramps up

FROM PAGE 1  
where elevators can be tested at a speed of 3 metres per second.

Currently, 210 employees are working at the factory, and more than 1,000 people are involved in installation and servicing.

The company plans to hire an additional 5,000 technicians to expand its services nationwide.

Industry people said demand for elevators is mainly concentrated in large cities — 45 percent in and around Dhaka and 20 percent in Chattogram.

Around 4,500-5,000 units worth Tk 1,300 crore are sold annually in Bangladesh, and the industry is growing at 10 to 15 percent every year, industry insiders said.

Paul said through their long experience in this sector, they have seen that customers want world-class lifts with assured safety and security, but they also want them at an affordable price, tailored to their needs.

He said the price of imported elevators was high, and the opportunity to install customised elevators in old buildings was also limited.

## Protectionism endangers

FROM PAGE B1  
access after it graduates from least-developed-country (LDC) status in late 2026, the reconfiguration of supply chains away from China, and the surge in protectionist trade rules. Duty-free access, once the country's great advantage, is ending.

"First-generation advantages such as duty-free access are coming to an end," he noted, adding that Bangladesh must now prioritise industrial diversification, productivity, and performance-based incentives.

Titimur urged a three-pronged approach that includes expanding into new industries beyond garments, upgrading logistics, technology, and skills, and reforming incentives with transparency and accountability.

The professor stressed that parliament should engage in more strategic decisions.

"Bangladesh's biggest asset is resilience. We've bounced back before, and we will again," he said.

Economist and political analyst Zia Hassan said Bangladesh's survival now hinges on a renewed push for export-led growth, arguing that domestic investment alone cannot

sustain recovery given depleted reserves and rising import costs.

"We must attract FDI, and the \$8 billion trade relationship with the US is crucial," he noted, pointing to opportunities as global firms diversify away from China under the 'China Plus One' approach, under which companies diversify their supply chains and manufacturing beyond China by establishing operations in other countries.

Untapped sectors like electronics, leather, and sportswear could drive growth if proper foundations are built.

He laid out three conditions for attracting investment: social harmony and rule of law, a stable government to avoid political volatility, and a lower cost of doing business through reduced taxes, energy, and logistics costs.

Also speaking at the event, Shafiqul Alam, press secretary to the chief adviser, said no strategy to boost foreign direct investment (FDI) will succeed unless Chattogram port's efficiency is significantly improved.

"FDI won't wait for our logistics to catch up. We have low-cost labour, but that's not enough. If global brands can't ship high-

value fashion goods within 10 days of order, they will go elsewhere. And they are—many to Vietnam," said Alam.

He continued that logistics, not wages, is now the real frontline. "Chattogram port is our obvious 'low-hanging' fruit. If we can't fix that, we can't aim higher."

Referring to the US tariff talks, the press secretary said the negotiations exposed key structural challenges: logistical bottlenecks, reform gaps, and the need for better global positioning to sustain Bangladesh's export-led growth in a post-preference world.

"This government understood its limitations and went after actionable, visible reforms," he also said, citing the scrapping of the Special Powers Act within 10 days of taking office.

He stated that while more extensive tariff reform remains incomplete, Bangladesh has already made progress on the macroeconomic front: inflation has eased, reserves have grown, and GDP growth stands at 4 percent.

On the US tariff talks outcome, he said the 20 percent rate was the result of strategic groundwork by a triad led by Professor

Muhammad Yunus, National Security Adviser Dr Khalilur Rahman, and Commerce Adviser Sk Bashir Uddin.

"While critics bemoan the 20 percent, even close allies like the UK and Vietnam got the same. Over 100 countries still have no deal. This is a positioning win," Alam added.

Meanwhile, Shafiqur Rahman, director of BRAIN, cautioned that there is no guarantee the 20 percent reciprocal tariff offered by the US will remain stable.

"At any moment it could rise to 50 percent, given the unpredictability of the Trump administration," he said at the event.

Rahman stressed that Bangladesh must adopt a well-defined strategy to compete with global peers and safeguard its economy amid such volatility.

"The unpredictable and often unsuitable tariff regime is not a challenge only for Bangladesh, but for all countries," he added.

Among others, Jyoti Rahman, economist, Md Rubaiyath Sarwar, managing director of Innovation Consulting, Shamarukh Mohiuddin, director of The Cadmus Group, and Ishrafil Khasru, a readymade garments exporter, addressed the roundtable.

## Govt to buy potato

FROM PAGE B1  
An expansion of cultivation area and higher yield owing to favourable weather boosted the overall production of the popular vegetable this year, said the BBS.

Farmers grew the tuber on 4.92 lakh hectares in the 2024-25 fiscal year, up 8 percent year-on-year.

At the press meet, the agriculture adviser also discussed Bangladesh's reliance on imports.

The tissue culture of potatoes, pineapples, dates, and various flowers is being

carried out at BADC's tissue culture centre, he said.

"We import dates from abroad. If saplings produced through this technology are widely distributed locally, dependence on imports will decrease," he said.

"We have to buy potato seeds at high prices from countries like the Netherlands. If we can produce high-quality potato seeds inside Bangladesh, it will be beneficial for our agriculture."

He added that BADC's tissue culture lab is working towards this goal.

If agricultural research is strengthened, Bangladesh will no longer need to import seed potatoes from abroad, and production costs will decrease further, he said.

About the recent price hikes, the adviser said vegetable fields were damaged due to rain, which has affected the market.

"Once the weather returns to normal, this problem will go away."

In response to a

journalist's question about reducing dependence on jute seed imports, Chowdhury said farmers prefer growing other, more profitable crops than jute.

Jute seeds take a long time to grow, during which farmers can harvest paddy two to three times, he said.

And it has not been possible to meet the demand for jute seeds through local production because of land scarcity, the adviser said, hinting at the continuation of jute seed imports.

**Institute of Business Administration**

### ADMISSION NOTICE TRAINING ON ENTREPRENEURSHIP & BUSINESS DEVELOPMENT

The Entrepreneurship & Business Development Certification Program is offered in joint collaboration between Prime Bank PLC and the Institute of Business Administration (IBA), University of Dhaka. The program seeks to equip aspiring entrepreneurs with the essential knowledge, skills, and resources required to successfully launch and scale sustainable ventures. By integrating rigorous academic frameworks with real-world financial expertise, the program offers a comprehensive curriculum covering business model development, strategic marketing, financial management, risk assessment, and digital transformation.

Through this collaboration, Prime Bank and IBA are committed to cultivating a dynamic community of future business leaders capable of driving socio-economic progress and creating lasting value in the regional and global marketplace, fostering entrepreneurial mindset.

The resource persons for the program comprise faculty members from IBA, University of Dhaka and leading practitioners from relevant industry.

#### Eligibility Criteria

Prospective candidates must fulfill the following eligibility criteria for admission:

- Bachelor's degree in any discipline, and
- Be an entrepreneur (self-employed) or a full-time professional serving entrepreneur.

Eligibility criteria might be relaxed for exceptional candidates.

#### Program Schedule

This is an eight-week program. Classes will take place during weekends (Friday/Saturday) only.

#### Admission Procedure

Eligible candidates are invited to submit their applications through <https://mdp.iba-du.edu/EBD>. The last date of application is Thursday, September 11, 2025.

Only shortlisted applicants will be called for the assessment test on a rolling basis.

#### Certification

Participants will engage in interactive workshops, case studies, and mentorship sessions led by seasoned industry practitioners and academic experts, fostering a practical learning environment. At the end of successful completion of the course, participants will be awarded certificates to be issued by the institute.

#### Course Fee

The program is partially subsidized by Prime Bank PLC. However, each participant or his/her employer/sponsor will have to pay only a subsidized amount of BDT 19,500 (Nineteen Thousand Five Hundred Taka) as course fee.

#### Contact Details

For application and information, please contact:

**Management Development Program (MDP)**  
IBA, University of Dhaka, Dhaka 1000  
Cell: 01726885329 or 01766993390  
E-mail: [acba@iba-du.edu](mailto:acba@iba-du.edu)  
Website: [www.iba-du.edu](http://www.iba-du.edu)

PRIME SME BANKING

**EMPOWERING THE ENTREPRENEURS OF TOMORROW!**

Supported By:



**Aditya Gahlaut**

# Bangladesh's export needs to diversify to mid-tech sectors

Says top HSBC official in an interview with *The Daily Star*

AHSAN HABIB

Bangladesh should widen its export base within and beyond the ready-made garment industry by moving into mid-tier technology sectors, said Aditya Gahlaut, head of Asia for Global Trade Services at HSBC.

In an interview with *The Daily Star* during his recent visit to Dhaka, he said exports are vital to the economy, not only for the foreign currencies but also for employment.

He said the country now remains heavily dependent on cotton garments, while global demand is shifting towards man-made fibres.

"There is obviously a need to diversify within the ready-made garment space, and there are markets which are unexplored, whether it is Southeast Asia or the Middle East," Gahlaut said.

He argued that Bangladesh, like many other Asian economies, must look beyond garments and develop low to mid-tech industries. "Because, firstly, you have a comparative advantage in this sector and secondly, it generates employment."

Sectors such as footwear, toys, machine tools, agricultural products and bicycles, he noted, can provide

**"There is obviously a need to diversify within the ready-made garment space, and there are markets which are unexplored, whether it is Southeast Asia or the Middle East," said Aditya Gahlaut, head of Asia for Global Trade Services at HSBC.**

both jobs and export growth if given proper attention.

As the region's largest trade bank, HSBC helps clients diversify their businesses. But Gahlaut pointed out high import tariffs, which he said had long stifled innovation in South Asia.

"If you have a high import tariff and you protect domestic industry, what also happens is you prevent domestic industries from becoming efficient from innovating because they know they have some sort of protection."

He said tariffs are an important source of government revenue, yet lowering them will ultimately make local firms more competitive.

He pointed to China as an example.

**TAKEAWAYS FROM INTERVIEW**

Export diversification	Trade policy	Global trade trends
<p><b>Bangladesh must expand beyond garments</b></p> <p>World demand is shifting from cotton to man-made fibres</p> <p>Sectors like footwear, toys, bicycles, and machine tools can drive jobs and growth</p>	<p><b>High import tariffs are hurting innovation and efficiency</b></p> <p>Free trade agreements are crucial as LDC graduation looms</p>	<p><b>Supply chains now prioritise resilience and sustainability alongside cost</b></p> <p>'China Plus One' strategy opens big opportunities for Bangladesh</p> <p>Services trade is growing twice as fast as goods trade, driven by digital use</p>

"If you look at how China grew its manufacturing, it first focused on backwards participation, where producers import intermediate inputs and then use them to produce the final goods and then export."

Over time, Chinese companies mastered the technology to make those inputs themselves and shifted towards forward participation, focusing on intermediate goods while final assembly moved abroad.

Turning to Bangladesh's upcoming graduation from the least developed country club next year, he said free trade agreements are essential if the nation hopes to sustain growth, especially in garments.

On the global outlook, Gahlaut said tariffs have become central to short-term economic discussions. "We are now at a position where we see the dust settling a bit with multiple countries' reciprocal rates already announced."

Although uncertainty remains high since not all sectoral tariffs have been disclosed, he said. "When there is uncertainty, the one thing businesses do not do or corporates do not do is invest."

But he argued that shifts in world trade had begun long before US reciprocal tariffs came into play.

"Twenty years back, a corporation's decision to purchase from somewhere was based on one parameter, which was cost. It has changed during the

last five years; supply chain decisions are made based on three parameters now. Efficiency is still one of them. Resilience is the second thing. The third thing is sustainability from a different lens."

He said supply chains are also being reshaped by the "China Plus One" strategy, where firms reduce reliance on China by expanding into other countries. "That is a big opportunity for corporations in a lot of markets, including Bangladesh."

Another change, he said, is demand-side resilience, as companies try to position themselves closer to consumers. This, in turn, will fuel growth in partnerships, joint ventures and contract manufacturing.

He also mentioned the rapid expansion of trade in services, which has been growing twice as fast as goods trade.

"As people are converting a good, a physical product, into a service offering. It is just how people now have started to consume things."

For instance, Gahlaut said people are not buying CDs anymore, but they subscribe to Apple Music, Spotify, etc. Ten years from now, people will consume a car instead of buying it. That is how the younger generation operates.

While tariffs might dominate the headlines, long-term trends such as digitisation, consumer behaviour and sustainability would continue to drive

change, he added.

Once uncertainty clears, companies will have to diversify into new markets and build new relationships. European and US firms want to remain linked to Asian supply chains, while Asian companies themselves are looking outward, Gahlaut said.

"In this situation, our ability to support them is much higher."

HSBC, he said, operates in 18 Asian countries and accounts for 90 percent of their trade flows. It is the region's largest trade bank, more than twice the size of its nearest competitor.

"We are pretty strong in trade, and for us this is actually playing in our hands."

Banks, he said, have an important role to play in helping clients navigate uncertainty. Demand for receivable finance is already rising as companies seek to protect themselves against buyer risk.

HSBC has also invested heavily in digital solutions, with most transactions now processed online. Tools such as HSBC TradePay and Supply Chain Finance cut paperwork and speed up funding.

Digital lending based on e-commerce data is another area the bank has expanded, making cross-border trade faster, safer and more inclusive, he said.

HSBC's profit in Bangladesh rose almost 9 percent year-on-year to Tk 1,086 crore in 2024.

## When credit goes wrong

MAMUN RASHID

My first real exposure to credit came when I joined ANZ Grindlays corporate banking in the early nineties. Later, as head of restructuring and recovery at Standard Chartered during the Asian financial crisis, I faced the reality of what happens when loans turn sour. At Citibank, where I became a senior credit officer, I learned that no amount of training replaces the discipline of sound assessment, monitoring and timely action.

Those years across Asia and Africa taught me one enduring truth: credit fails for the same reasons, time and again. Now, with the large loan restructuring committee formed by the central bank, I am seeing newer issues such as repression of businessmen during the previous regime, high interest rates, exchange rate volatility and the energy crisis. I was surprised to see how many large businessmen were tied to politics.

One of the most damaging patterns has been the restructuring of letters of credit into forced loans. In Bangladesh and elsewhere, this has often become a tool for embezzling money abroad rather than supporting trade. Once misused, these facilities are rarely recovered, leaving banks weakened. Political influence compounds the problem. I have seen loans in Pakistan collapse under the weight of name lending, and Bangladesh has suffered the same fate as politically connected borrowers take funds without accountability. When connections replace fundamentals, defaults are inevitable.

Foreign exchange risk is another recurring culprit. In Indonesia, I saw loans in dollars encashed quickly, only for the rupiah collapse to make repayment impossible. In Bangladesh, the taka devaluation has created the same distress, with obligations multiplying while repayment capacity shrinks. Add to this the absence of succession planning in many businesses.

Too often, enterprises built entirely around one individual collapse after the owner dies or steps aside. But the most basic failure remains poor need assessment. If a project needs Tk 30 and a bank provides Tk 3,000, the excess will be wasted or diverted. I often compare it to toothpaste: once squeezed out, you cannot push it back in. Lending should align precisely with the borrower's trade cycle and genuine requirements, not with misplaced optimism or pressure to disburse.

Other failures, though less visible, are just as destructive. In East Africa, I saw borrowers exploit poorly structured facilities to funnel funds into unrelated ventures. In Bangladesh, industrial loans were diverted to the stock market with disastrous consequences. Across India and Taiwan, tenor mismatches and fierce competition led banks to ignore collateral gaps and cashflow weaknesses. In every case, weak internal cash generation, officer corruption or a failure to enforce collateral turned risks into losses.

Compliance oversights also ruin businesses. In India, projects were shut down because of environmental violations or faulty land titles, making plants unviable and loans unrecoverable. These lessons are just as relevant in Bangladesh. Not all is bleak. Regulators and reform projects, especially those supported by the World Bank, have improved monitoring, differentiated risk-based pricing and strengthened risk management guidelines. Yet much more is needed. If banks insist on lending to weaker segments, pricing must reflect inherent risk, or governments must step in with subsidies to keep credit flowing responsibly.

I have seen enough crises to know that learning from mistakes is the only way forward. Bangladesh must commit to rigorous need assessments, freedom from political interference, and stricter monitoring of foreign exchange exposure, collateral and compliance. Credit must serve real businesses, not inflated egos or political favours.

As for whether to reconstruct weaker credit to keep firms afloat, even if this frustrates sound borrowers, my view is that it depends. It depends on how distressed businesses plan to recover, their projected cash generation, ability to provide additional security, willingness to shed loss-making units and, above all, their capacity to manage the company professionally.

And we must also ask openly: why do so many businessmen want to enter politics?

The writer is a former banker.



## India says US trade talks are still going on

REUTERS

India's foreign minister said on Saturday that trade negotiations with Washington are continuing but there are lines that New Delhi needs to defend, just days before hefty additional US tariffs are due to hit.

Indian goods face additional US tariffs of up to 50 percent, among the highest imposed by Washington, due to its increased purchases of Russian oil. A 25 percent tariff has already come into effect, while the remaining 25 percent is set to be enforced from August 27. A planned visit by US trade negotiators to New Delhi from August 25-29 has been called off, dashing hopes that the levies may be lowered or postponed.

"We have some redlines in the negotiations, to be maintained and defended," Indian Foreign Minister Subrahmanyam Jaishankar said at an Economic Times forum event in New Delhi, singling out the interests of the country's farmers and small producers.

India-US trade talks collapsed earlier this year due to India not agreeing to open its vast agricultural and dairy sectors. Bilateral trade between the world's largest and fifth largest economy is worth over \$190 billion.

"It is our right to make decisions in our national interest," Jaishankar said.

Analysts at Capital Economics said on Friday that if the full US tariffs come into force and stick, the hit to India's economic growth would be 0.8 percentage points both this year and next.

READ MORE ON B2

## Weaponising US economic might will weaken it



REUTERS, New York

American trade warriors may be keen to claim early victory. Tariff revenue has surged, 131 percent year-over-year to reach \$127 billion by July. The trade deficit shrank in June to its smallest margin since late 2023. On Thursday, Washington and Brussels clarified new terms on everything from duties on cars, and pharmaceuticals to major purchase pledges. The gambit is that the might of US consumption is too tantalizing for governments and corporations abroad to ignore. Levies, investment promises, and an edge for homegrown industry are the fruits of this leverage. The fiscal reality of President Donald Trump's hard-nosed approach, though, will sap Uncle Sam's strength.

The United States is an economic colossus, accounting for roughly 30 percent of global consumption, an estimate derived from Bureau of Economic Analysis, and World Bank. A yawning trade deficit in goods - about \$86 billion in June - is the flipside, an enormous opportunity for exporters worldwide. Tariffs and bespoke, country-by-country investment deals effectively weaponize this dynamic: pay your way, or

lose access.

An oddball patchwork of duties and pledges, like the European Union's declared intention to buy \$750 billion of US energy products and \$40 billion of artificial intelligence chips, is the tenuous result. The administration claims \$5.1 trillion in total promised inflows, says PolitiFact, with heavy caveats. To boot, it is attacking regulations that are bugbears of corporate America, extracting a promise of "flexibilities" from Europe

on its planned tax on carbon-intensive imports and nudging Canada to drop a digital services fee.

This aggressive strategy comes at a price. The average effective tariff rate stands at a level last seen in 1933, while the total customs-duty take could reach 2.6 percent of gross domestic product, according to Yale's budget lab. This is, effectively, a tax that will dampen consumption, raising prices and trimming near-term growth, Yale reckons.



Forklifts move shipping containers at PortMiami in Miami, Florida. The United States is an economic colossus, accounting for roughly 30 percent of global consumption.

For now, US corporations seem fine. The blended net profit margin of S&P 500 Index constituents reached 12.8 percent in the second quarter, topping the five-year average, according to FactSet. But seven industries, including energy and real estate, posted year-over-year declines.

Consumer spending is already softening, flat year-over-year on an inflation-adjusted basis in June, per BEA data. That may restrain attempts to pass on rising costs, even as the Institute of Supply Management's manufacturing price index notched among its highest readings of the past three years in July.

When consumers are too stretched for companies to raise prices without losing sales, earnings will suffer. It's no accident that open trade has undergirded Uncle Sam's economic strength. A turn away from it could even backfire: European business activity hit, a 14-month high in July as firms hedge against US uncertainty. Tariffs might yet prove a tax on the engine of American exceptionalism.

The US and European Union released a joint statement on August 21 detailing the framework for their recently struck trade deal. The allies committed to applying the higher of either the Most Favored Nation rate or a 15 percent tariff on goods originating from the EU, while the US agreed to caps on additional tariffs implemented under Section 232 for industries such as lumber, semiconductors, and pharmaceuticals.

PHOTO: AFP/FILE