

Star

BUSINESS

MAXIMIZE YOUR RETURNS
WITH BANK ASIA
4TH SUBORDINATED BOND

13.11%^{*}

RETURN


EP Bank Asia

^{*}TBAC Applied


16205

Trust Bank PLC.
A Bank For Financial Inclusion

TRANSFERS.
PAYMENTS.
SAVINGS.
ALL IN
ONE
APP


Trust Money

SCAN TO
DOWNLOAD



TO KNOW MORE
16201

Final round of FTA talks with Japan begins Sep 3

REFAYET ULLAH MIRDHA

Bangladesh is set to begin the final round of negotiations for a free trade agreement (FTA) with Japan next week as part of its push to ensure such deals ahead of its graduation from the least developed country club next year.

Besides, the first round of talks regarding a Comprehensive Economic Partnership Agreement (CEPA) with South Korea is set to conclude today, Commerce Secretary Mahbubur Rahman said.

"I am going to Japan to attend the final round of negotiations for signing the Economic Partnership Agreement (EPA) with Japan," he told The Daily Star over the phone yesterday.

"The final round of negotiation will begin on September 3 and continue until

First round of CEPA talks with S Korea concludes today

September 13 in Tokyo," said Rahman.

Regarding the CEPA negotiation with Korea, Rahman said, "A team from Bangladesh is already in South Korea to participate in the first round of negotiation with Seoul. The meeting began on August 25 and will continue until August 27."

EPA WITH JAPAN EXPECTED BY YEAR-END

Speaking about the EPA talks with Japan, the secretary said as per the policy of the EPA, three meetings were held in Dhaka and four will be held in Japan.

The talks include issues such as trade,

READ MORE ON B3

Tax corruption key barrier to business growth: CPD survey

Key tax related challenges (as per surveyed businesses)	
CATEGORY	IN % OF SURVEYED RESPONDENT
Corruption among tax officials	72.4
Manual processes in tax filing	69.9
Lack of accountability among tax officials	78.9
Trust issues between companies and tax officials regarding tax estimation	65
Unfair imposition of corporate tax rates	82.1

KEY POINTS	Reasons behind tax evasion
Tax-GDP ratio slips to 6.6% this year from 7.4% last year, NBR chairman says	High tax rates
Tax evasion was Tk 226,236cr in 2023	Weak enforcement
	Complex laws
	Widespread corruption

STAR BUSINESS REPORT

Corruption among tax officials has emerged as the single biggest barrier to business growth, according to a survey by local think tank Centre for Policy Dialogue (CPD).

More than 72 percent of firms, or three out of four, said bribery and harassment from taxmen were major obstacles to expansion. Another 82 percent said current tax rates were unfair.

The findings were presented at a dialogue on corporate tax and VAT reform at a hotel in Dhaka yesterday. In partnership with Christian Aid, the think tank surveyed 123 companies in Dhaka and Chattogram earlier this year.

Tamim Ahmed, senior research associate at CPD, presented the findings.

He said 65 percent of businesses were locked in disputes with officials over tax claims. Many of the executives interviewed complained that taxes were imposed

arbitrarily, without explanation or notice. They argued such practices created an invisible cost greater than the tax itself, making the system deeply unfair.

On value-added tax (VAT), firms pointed to multiple rates and confusing rules.

Around 73.5 percent of respondents said the complexity of VAT laws was one of their biggest hurdles. Other concerns included limited cooperation from tax officers, inadequate training, difficulties classifying goods and services, and high compliance costs.

This part of the study, based on the World Bank Enterprise Survey model, covered 389 firms in Dhaka and the surrounding districts.

The CPD also estimated that tax evasion reached Tk 226,236 crore in 2023, due mainly

READ MORE ON B3

Bangladesh gets \$1b in investment proposals in Jan-May

STAR BUSINESS REPORT

The country has received investment proposals amounting to nearly \$1 billion in the first five months of this year, pointing to renewed confidence in the country's economy, according to the Bangladesh Investment Development Authority (Bida).

Of the total, foreign investors accounted for \$550 million, while local investors proposed \$450 million.

Nahian Rahman Rochi, head of business development at Bida, said around 20 percent of the proposals have reached an advanced stage, which includes signed agreements, land lease approvals and allotment letters.

He shared the information yesterday while exchanging views with journalists at the Bida auditorium in Dhaka.

"The figures indicate rising investor interest in Bangladesh's special economic zones (SEZs), which continue to be a core pillar of the government's industrialisation drive," Rochi said.

"Our focus is not just on the volume but also on the quality and sustainability of investments. If this momentum continues and facilitation becomes more streamlined, the next five months could yield even

READ MORE ON B3

30
ANNIVERSARY
Excellence in Banking

Tayyebah
Dhaka Islamic Banking



শুদ্ধ
জীবনের
পথে

শরিয়াহভিত্তিক
ব্যাংকিং সেবায়

তাইয়িবাহ
ঢাকা ইসলামিক
ব্যাংকিং

হেকেনো স্থান থেকে ডায়ালগিউট
খুলতে ক্লিক করুন



16474

DHAKABANK
PLC.
EXCELLENCE IN BANKING

HSBC Export Excellence Awards 2025

Accelerate your international success

The HSBC Export Excellence Awards returns to honour the determination and achievements of Bangladesh's exporters – enabling businesses to open up a world of opportunities beyond borders.

Award nominations are now open across four categories:

- Ready-made Garments
- Ready-made Garments Backward Linkage
- Non-traditional and Emerging Sectors – Manufacturing
- Non-traditional and Emerging Sectors – Service

Nominations close on 18 September 2025.

Visit www.business.hsbc.com.bd/EEA2025

Call 01714-109696

In association with



Ministry of
Commerce



British
High Commission
Dhaka



HSBC

Opening up a world of opportunity

Issued by The Hongkong and Shanghai Banking Corporation Limited in Bangladesh

Prime Bank disburses agri loans to farmers in Faridpur

STAR BUSINESS DESK

Prime Bank PLC organised a programme to disburse open agri loans to farmers in Madhukhali upazila of Faridpur as part of its ongoing efforts to accelerate the growth and development of the agriculture sector in Bangladesh.

Around 150 farmers participated in the loan disbursement ceremony held at Madhukhali upazila yesterday, according to a press release.

TM Forhad Reza Jewel, additional director of the Agricultural Credit Department at Bangladesh Bank, attended the programme and disbursed loans among the farmers.

Speaking on the occasion, M

Nazeem A Choudhury, deputy managing director of Prime Bank PLC, said: "The agriculture sector plays a significant role in ensuring food security, generating employment, and alleviating poverty. Prime Bank is always committed to promoting farmers' financial inclusion."

"At present, the bank is supporting farmers through its specialised agricultural loan schemes – "Abad" for crop production, "Khamar" for farm management, and "Nabanna" for the purchase of agricultural machinery."

"In continuation of this effort, Prime Bank has undertaken the initiative to disburse loans among farmers in this region," he added.



PHOTO: PRIME BANK

TM Forhad Reza Jewel, additional director of the Agricultural Credit Department at Bangladesh Bank, and M Nazeem A Choudhury, deputy managing director of Prime Bank, pose for group photographs with farmers at the loan disbursement ceremony in Madhukhali upazila of Faridpur yesterday.

HSBC partners with CARE to promote climate-resilient farming in coastal southwest

STAR BUSINESS DESK

HSBC, in collaboration with CARE Bangladesh, is expanding its climate-resilient agriculture initiative in the southwest coastal area of Bangladesh through a project titled "Sunflower Radiance Journey towards Adaptation in a Market-oriented and Nature-based Initiative" (SURJAMONI).

The initiative aims to strengthen the sunflower value chain and promote adaptive vegetable farming, benefiting communities in Satkhira district, according to a press release.

The project addresses key agricultural challenges faced by smallholder farmers, particularly those impacted by salinity and limited access to financial services, quality inputs, and adaptive farming techniques. It focuses on the highly climate-vulnerable yet agriculturally rich regions of Kalaroa and Tala upazilas in Satkhira.

Md Abdul Moti of Tarulia village in Satkhira shared: "For 13 years, my field near the mango orchard remained unproductive and seasonally fallow due to



Md Abdul Moti stands in his sunflower field. With support from SURJAMONI project, he cultivated sunflowers on one bigha of land and achieved good yield and profit. The photo was taken in Tarulia village of Satkhira.

PHOTO: HSBC

salinity and lack of irrigation. With SURJAMONI's support, I cultivated sunflowers on one bigha (33 decimals) and got an unexpectedly good yield and profit, which will help me expand my agricultural activities."

Ram Das, country director of CARE Bangladesh, said: "The

SURJAMONI project is poised to drive long-term economic and environmental resilience among the target groups and inspire many more in southwest coastal Bangladesh."

By equipping farmers with climate-smart agricultural practices, enhancing market

access, and fostering sustainable value chains, this initiative will continue to create lasting impacts."

Md Mahbub ur Rahman, chief executive officer of HSBC Bangladesh, noted:

"Through this partnership with CARE Bangladesh, the SURJAMONI project will

strengthen local economies and empower farmers with climate-resilient agricultural solutions."

By fostering sustainable practices today, we are helping to build a more secure and prosperous future for generations to come."

Currently, more than 26,000 hectares of fallow land in the area remain underutilised due to soil salinity.

SURJAMONI seeks to turn this challenge into an opportunity by promoting the cultivation of saline-tolerant sunflower varieties, ensuring proper storage of sunflower seeds, and strengthening local and national value chains for edible oil production.

Since its launch in 2024, SURJAMONI has reached more than 600 households, supporting them in adopting climate-smart agricultural practices.

In its first year, about 100 farmers cultivated sunflowers on around 27 acres of seasonal fallow land, producing nearly 25 tonnes of sunflower, yielding over three times more profit than traditional mustard cultivation.

Trump moves to fire a Fed governor over mortgage fraud claims

AFP, Washington

US President Donald Trump expanded pressure on the Federal Reserve on Monday by moving to fire Governor Lisa Cook "effective immediately", a step the independent central bank official said he had "no authority" to take.

Trump's decision against the first Black woman to serve on the central bank's board cited allegations of false statements on her mortgage agreements.

Referring to the Federal Reserve Act as justification, Trump wrote in a letter addressed to Cook: "I have determined that there is sufficient cause to remove you from your position."

Cook rejected the president's authority to do so, saying no cause exists.

"I will not resign," she said in a statement shared by her attorney Abbe Lowell with US media. "I will continue to carry out my duties to help the American economy."

A US president is generally limited in their ability to remove officials from the central bank, with a Supreme Court order recently suggesting that Fed officials can only be removed for "cause," which could be interpreted to mean malfeasance or dereliction of duty.

"I will not resign," Lisa Cook said in a statement shared by her attorney Abbe Lowell with US media. "I will continue to carry out my duties to help the American economy."

But the US leader pointed to a criminal referral dated August 15 from the Federal Housing Finance Agency's director -- a staunch ally of Trump -- to the US attorney general in his announcement that Cook would be removed from her role.

The referral, Trump said, provided "sufficient reason" to believe that Cook might have made "false statements" on one or more mortgage agreements.

One of the alleged false statements was that Cook had claimed two primary residences, one in Michigan and another in Georgia.

Earlier this month, Cook said in a statement that she had "no intention of being bullied to step down," but would take questions about her financial history seriously.



PHOTO: JAMUNA BANK

Robin Razon Sakhawat, chairman of Jamuna Bank PLC, poses for group photographs with participants of the "Managers' Meeting" for the Dhaka north and Mymensingh zones at a hotel in the capital recently.

Jamuna Bank holds managers' meeting for Dhaka north, Mymensingh zones

STAR BUSINESS DESK

Jamuna Bank PLC organised its "Managers' Meeting" for the Dhaka north and Mymensingh zones at a hotel in the capital recently.

The meeting focused on the bank's ongoing business operations, customer service enhancement, sustainable banking, and forward-looking strategies.

Several important decisions were adopted to ensure the future growth and development of the bank.

Robin Razon Sakhawat, chairman of Jamuna Bank PLC, inaugurated the event as the chief guest, according to a press release.

Mirza Elias Uddin Ahmed, managing director and chief executive officer of Jamuna Bank PLC, presided over the meeting.

Nur Mohammed, director of the bank, was also present, along with senior officials from the head office, and managers of all branches and sub-branches from the Dhaka North and Mymensingh zones, participated in the meeting.

Vietnam's textile

FROM PAGE B4

and resilient value chains, Giang said. Chairman of the Vietnam National Textile and Garment Group (Vinatex) Lê Tiến Trường emphasised the importance of wisely adjusting production plans in the coming months to safeguard jobs and ensure stable incomes for workers.

He also said that enterprises must adopt flexible financial management strategies to stay competitive, absorb rising input costs and adapt pricing mechanisms to retain orders in an increasingly challenging global market. To meet increasingly strict requirements in demanding markets, many garment enterprises are accelerating their transition towards green production and sustainable development.

Companies are investing in modern machinery, upgrading workers' skills, and shifting from traditional cut-make-trim (CMT) models to higher-value methods such as FOB (free on board), ODM (original design manufacturing), and OBM (original brand manufacturing).

FROM PAGE B4

India needs "considerable ingenuity and flexibility" to escape "what appears to be a no-win situation", said Nandan Unnikrishnan of New Delhi-based Observer Research Foundation.

Washington, Unnikrishnan argued, is telling India: "We think that you are the weakest link in the Russia-Ukraine geopolitics chain".

WHAT CAN INDIA DO?

New Delhi has sought to bolster its economy while deepening ties with both BRICS partners and regional rivals.

Jaishankar flew to ally Moscow, producing pledges to ease barriers to bilateral trade, while Prime Minister Narendra Modi is preparing his first visit to China in seven years to repair long-frosty relations.

Domestically, Indian media reports that the government is working on a

India readies

\$2.8 billion package for exporters, a six-year programme aimed at easing liquidity concerns.

Modi has also proposed tax cuts on everyday goods to spur spending and cushion the economy.



WHAT IS BLOCKING A TRADE DEAL?

Talks have stumbled over agriculture and dairy.

Trump wants greater US access, while Modi is determined to shield India's farmers, a huge voter bloc.

Indian media reports suggested that US negotiators cancelled a planned late-August trip to India. That sparked speculation that discussions had broken down.

Jaishankar, however, says talks are continuing, adding drily: "Negotiations are still going on in the sense that nobody said the negotiations are off," he said. "And people, people do talk to each other."



বিনিয়োগ অগ্রাধিকার

Government of the People's Republic of Bangladesh
Chief Adviser's Office
Bangladesh Export Processing Zones Authority
Karnaphuli Export Processing Zone
North Patenga, Chattogram-4204
(www.bepza.gov.bd)

Ref. No. 03.06.1565.333.33.050.08-742

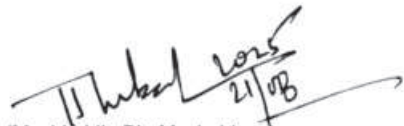
Date: 21 August 2025

Auction Notice

Sealed auctions are hereby invited from the interested National/Foreign Buyers/companies in order to sell Inventoried & Valuated Structure, Machinery, Equipment & other Assets by auction "as and where basis" of terminated industry named- **M/s. Liberty Poly Zone (BD) Ltd, Plot # 64/A, Sector# 03 and a piece of land, Karnaphuli EPZ** a Garment accessories manufacturing (Hanger, polybag, hangtag, etc.) industry or to operate the enterprise. To participate in the auction the terms & conditions are stated below:

Terms & Conditions:

- Interested Persons/Organizations/Existing enterprises of EPZ(s) (Local/Joint Venture/Foreign) or any other interested persons/organizations from outside EPZ can take part in this auction who are interested to purchase the Structure, Machinery, Equipment & other Assets "as and where basis" of the company by observing the existing rules and regulations in this regard;
- Successful bidder will have to pay VAT, TAX and other payable fees as per custom rules for the duty free imported Assets of existing Assets of industry to be taken out to the Domestic Tariff Area (DTA);
- Auction documents attached with a single pay order/bank draft/FDD or any other means approved by Bangladesh Government from any schedule bank of an amount of 15% as earnest money (non-refundable for successful bidder & refundable for unsuccessful bidder) must be submitted in favour of BEPZA. Auction documents without earnest money will be treated as rejected;
- Inventoried Structure, Machineries, Equipment & other Assets under the inventory list may be seen on **06-07 October 2025** from 10.00 am to 3.00 pm. Information regarding the visit and the list of Assets may be collected by contacting with the Executive Director, Karnaphuli-EPZ directly;
- If the auction is accepted by the Authority, the successful bidder will have to pay the remaining 85% amount of the quoted price along with applicable TAX & VAT within 15 days to BEPZA through Pay Order/Bank Draft/FDD or any other means approved by Bangladesh Government. Accordingly, the delivery of Structure, Machineries, Equipment & other Assets will have to be taken as per Customs & BEPZA rules;
- Auction Schedule may be bought by paying Tk. 5,000.00 (non-refundable) within **07 October 2025** during office hours from the Accounts Department of Karnaphuli-EPZ, Dhaka-EPZ, Adamjee EPZ, Cumilla-EPZ, Chattogram EPZ, Mongla EPZ, Ishwardi EPZ, Uttara EPZ & Accounts Department, BEPZA Executive Office, Dhaka;
- Auction schedule may be dropped into the auction box kept at the office of Executive Director, Karnaphuli EPZ on **13 October 2025** from 10:00 am to 12:00 pm and Submitted Auction documents will be opened in the same date at 12:30 pm at the office of Executive Director, Karnaphuli EPZ in presence of the bidders (if any). Updated copy of VAT, TIN and Trade License shall have to be attached with the Auction schedule; but this condition may be relaxed by the Authority in case of fully new 100% foreign owned company interested to invest in the EPZ;
- Persons/Organizations/Investors who are interested to operate the closed industry will get priority in auction;
- Successful bidder will have to take permission (if applicable) to operate the industrial unit in the EPZ by following the project sanctioning procedure of BEPZA as per rules;
- The Authority reserves the right to accept any auction or reject any or all of the submitted auctions without showing any reason. The Authority also reserves the right to cancel the Auction and accordingly take next action if the desired rates are not obtained.



(Moshuiuddin Bin Mesbah)
Executive Director
Tel: 02333301469
E-mail: ed.kepz@bepza.gov.bd

GD-1879

BB appoints administrator to Union Capital

STAR BUSINESS REPORT

The Bangladesh Bank (BB) has appointed Md Ferdaush Hossain, a director of the central bank, as an administrator for the troubled non-bank financial institution Union Capital.

The appointment was confirmed in a letter issued on Sunday.

Arief Hossain Khan, executive director and spokesperson of the central bank, said the step had been taken to safeguard the interests of depositors.

The administrator will assume the responsibilities and authority of the company's managing director and chief executive officer.

Recently, the central bank named 20 financial institutions as "troubled", based on a range of indicators. Union Capital was among them.

According to Bangladesh Bank data, Union Capital held collateral worth only Tk 183 crore against loans totalling Tk 1,184 crore as of December last year. Of these loans, Tk 1,136 crore, or 95.92 percent, had defaulted.

Stocks drop after two-day gain

STAR BUSINESS REPORT

Dhaka stocks closed lower yesterday, snapping a two-day winning streak, even as investor activity picked up pace with higher turnover.

The DSEX, the benchmark index of the Dhaka Stock Exchange, inched down 6.58 points, or 0.12 percent, to close at 5,448.83.

The Shariah-compliant DSES managed a marginal gain of 0.05 percent to 1,190.22, while the D530, which tracks blue-chip shares, fell 0.23 percent to 2,122.71.

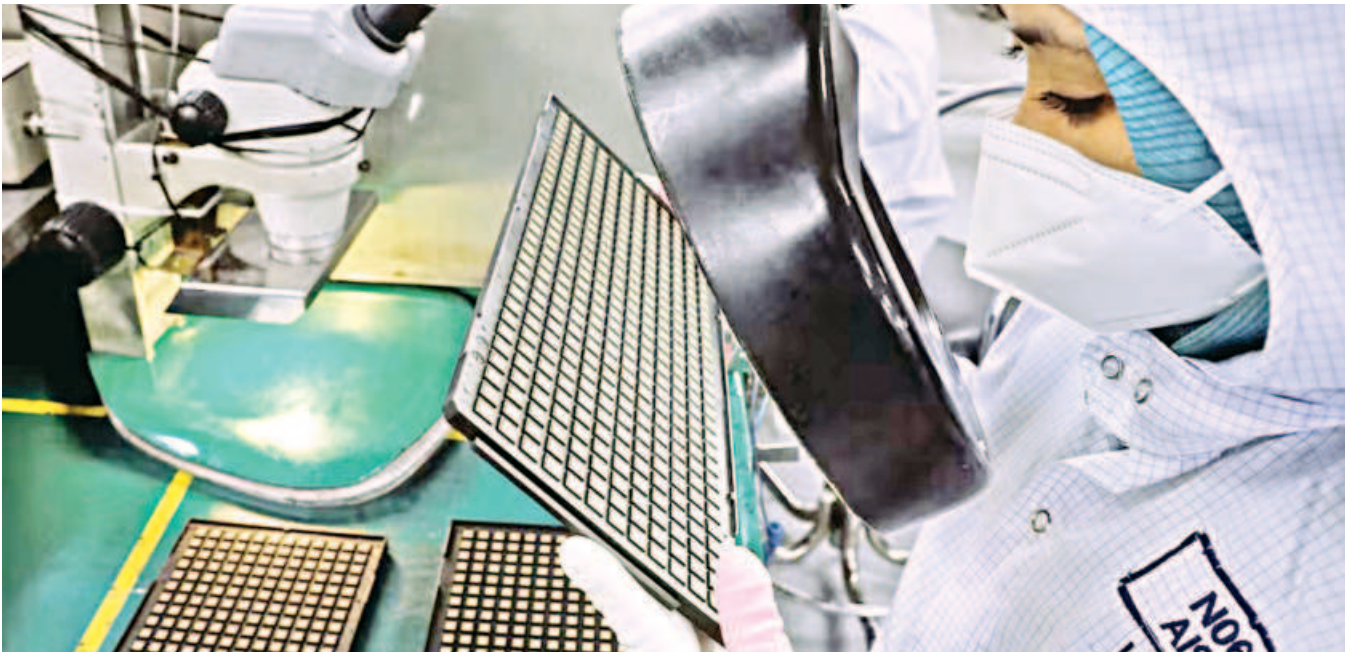
Turnover, a key indicator of market participation, rose to Tk 1,247.68 crore from Tk 1,177.76 crore in the previous session, signalling higher investor activity despite the index drop.

A total of 319,606 trades were executed, with block transactions worth Tk 19 crore across 43 scrips.

Market breadth was negative, with 137 issues advancing, 215 declining, and 45 remaining unchanged.

Bangladesh can offer manpower for Malaysia's semiconductor industry

Say leaders of Bangladesh-Malaysia chamber



An employee inspects chips at a semiconductor packaging firm in Ipoh, Malaysia.

PHOTO: REUTERS/FILE

STAR BUSINESS REPORT

Bangladesh is positioning itself as a potential partner in Malaysia's fast-growing semiconductor industry, offering both skilled manpower and front-end design solutions, leaders of the Bangladesh-Malaysia Chamber of Commerce and Industry (BMCCI) said yesterday.

With the right policy support, they argued that Bangladesh could replicate the success of its garment sector and reach \$5 billion in semiconductor service exports by 2030.

Speaking at a BMCCI press conference at Sheraton Dhaka, the chamber's President Shabbir A Khan said Malaysia is projected to become the world's sixth-largest semiconductor player with a market size of \$19.41 billion in 2025, supported by its \$121 billion electrical and electronics export sector.

However, he noted that Malaysia faces

an acute talent shortage and needs 60,000 skilled professionals by 2030, with only 15,000 likely to be available locally.

To meet the requirement and stay in the global market, Malaysia has planned to outsource the talent and has engaged the BMCCI in the outsourcing plan, he said.

"That is why we signed a memorandum of understanding to prepare our local talents for the growing local industries and to facilitate the export of skilled manpower for the global semiconductor ecosystem," the BMCCI president said.

Also speaking at the event, Md Anwar Shahid, senior vice-president of BMCCI, said Malaysia's semiconductor sector remains heavily reliant on imported front-end solutions, including chip design, architecture, and prototyping sourced from countries like Taiwan, South Korea, and the United States.

"Bangladesh is quite advanced in providing solutions in architectural engineering and chip design. We can complement each other," he said.

Shahid also said with the right policy support, Bangladesh's RMG sector transformed into its crown jewel of exports.

"With similar policy support, Bangladesh could reach \$5 billion in semiconductor service exports by 2030," Shahid added.

He also noted that with growing capabilities in semiconductor design and engineering, Bangladesh is well-positioned to support Malaysia's upstream needs.

"By offering front-end design services and skilled manpower, Bangladesh can help Malaysia reduce its reliance on external markets while gaining a foothold in the global semiconductor value chain," he added.

Final round of FTA talks with Japan begins Sep 3

FROM PAGE B1
investment, export and import between the two countries.

Rahman is hopeful that after the final negotiations, the deal can also be signed before the end of this year, as the governments of both countries are showing interest.

Previously, Bangladesh signed a preferential trade agreement with Bhutan in 2020. But no FTA has been signed so far with any country.

Japan is a key market, being the first Asian nation where Bangladesh has exported over \$1 billion in more than a decade, thanks to duty-free and quota-free access under its LDC status.

new opportunities for Korean businesses to enter Bangladesh's fast-growing market.

"Bangladesh has recorded an average annual economic growth of 6.6 percent over the past three years, making it the fastest-growing market in South Asia. The government is actively expanding infrastructure, including power, roads, and aviation, which will benefit Korean companies," the commerce secretary said.

The Korean side is also keen on exploring Bangladesh's potential.

"The CEPA with Bangladesh will serve as a stepping stone for South Korean companies to

Bangladesh signed a preferential trade agreement with Bhutan in 2020. But no FTA has been signed so far with any country.

Demand remains high in the island nation for Bangladeshi garments, leather goods, and footwear.

CEPA TALKS

The CEPA negotiations are being led by Ayesa Akther, director general of External Trade at Bangladesh's Ministry of Commerce, alongside South Korea's chief negotiator for free trade agreements, Kwon Hye-jin.

Around 40 delegates from both countries are participating, with discussions covering goods, rules of origin, customs, intellectual property, and other key trade issues, according to The Korea Post.

The CEPA with Korea is expected to create

access the high-potential South Asian market. We hope this negotiation will lead to tangible benefits that both nations' citizens can feel directly," the Korea Post said, quoting Kwon Hye-jin.

Bangladesh is negotiating with nearly a dozen countries, such as India, Japan, Korea, Indonesia, Malaysia, Sri Lanka, Turkey and China, for signing the trade deals mainly to secure preferential market access after the LDC graduation.

Analysts estimate that Bangladesh could lose up to 14 percent of exports, worth \$7 billion, as 73 percent of current exports benefit from LDC-related preferences in 38 countries.

Tax corruption key barrier

FROM PAGE B1

to high rates, weak enforcement, complicated laws and widespread corruption.

The think tank criticised the National Board of Revenue (NBR) for retaining a minimum corporate income tax provision that forces firms to pay even when they make losses.

Currently, the rate is 0.6 percent of gross receipts for most companies, 2 percent for mobile operators and tobacco manufacturers, and 0.5 percent for export-oriented industries.

"While this minimum tax provision ensures that all firms contribute to public revenue regardless of profitability, it hampers the objective of tax justice," said Tamim Ahmed.

He noted that firms with low margins often end up paying more than highly profitable ones, and suggested a tiered system based on net profit.

Khondaker Golam Moazzem, research director at CPD, said, "From the perspective of tax justice, a fair revenue structure should ensure balanced development spending, minimise tax evasion, avoid reliance on indirect taxes, and be

rooted in transparency and good governance. These are the main pillars of tax justice."

Bangladesh is scheduled to graduate from the least developed country (LDC) club in November next year, losing concessional loans, trade preferences and aid.

CPD said that domestic resource mobilisation will be critical to cope with the transition. It said Bangladesh needs to raise its tax-to-GDP ratio to at least 15 percent to build fiscal resilience.

"It is unrealistic for Bangladesh to raise its tax-to-GDP ratio in the short term. The government's long-term revenue targets must be implemented with care," said the think tank.

Instead of rising, the tax-to-GDP ratio has slipped to 6.6 percent this year from 7.4 percent last year, according to NBR Chairman Md Abdur Rahman Khan.

"Our revenue challenges are mounting. Debt servicing has become a serious burden, yet our tax-to-GDP ratio continues to fall," he said as the chief guest at the event.

Khan admitted that generous tax exemptions,

often extended for years, had weakened revenue collection.

"Normally, a seven-year tax holiday is acceptable if industries start contributing from the eighth year since their inception. But in Bangladesh, exemptions are repeatedly extended, creating a culture of non-payment," said the revenue board chairman.

He also pointed to low public trust in the system.

"Taxpayers often ask, 'What do I get in return for paying tax?' While taxation is a civic duty, trust erodes if people see their money wasted on projects that bring no public benefit and serve only contractors or officials. Unless expenditure is prioritised for high-return, essential projects, tax morale will remain low."

The NBR chairman stressed the need to digitise VAT and audit systems, and said a single VAT rate would make compliance easier.

Khan admitted the minimum tax provision had drawn criticism. "Undoubtedly, it is a black law, and I must admit it," he said.

He said while firms should ideally be taxed on

profit, the minimum tax sets a mandatory floor.

"We do not go below it. The problem is that resolving these cases immediately would further reduce our tax collection. Once we achieve reasonable discipline, we will be able to resolve all of these," commented the revenue board chairman.

He added that a change had been introduced this year to ease the burden. If a company paid more through the minimum tax than its regular liability, the excess could now be carried forward.

He said the revenue board had also sought to create a more business-friendly environment, particularly in VAT and income tax. "If we do not make it easier for businesses, compliance becomes extremely difficult," he commented.

At the event, former NBR chairman Muhammad Abdul Mazid suggested splitting the revenue department into two, which he said would solve a quarter of its problems.

He proposed that the policy wing remain outside the Secretariat and be located away from the NBR building.

supported by international consultants, to identify promising sectors such as rubber, furniture, pharmaceuticals and tourism.

"Policy without data is directionless," Nazrul noted. "We are investing in long-term research to better understand investor priorities and align them with national development goals."

Even so, he warned that securing proposals is only the first step. "From land acquisition to infrastructure readiness and utility services, the process requires coordination," he said.





An opportunity to lead from the front

With over 1,400+ branches and sub-branches (Uposhakhkas) nationwide, IFIC Bank PLC holds the distinction of being Bangladesh's largest bank by network. Today, IFIC Bank offers a full suite of banking services—including corporate, retail, SME, investment banking, digital and Islamic products—and is committed to sustainable growth, best-in-class service delivery and diversified portfolios. Led by an experienced Senior Management team, our strategic focus includes expansion of retail, MSME, and corporate operations, risk management, and digital transformation.

We are looking for a visionary leader to join our executive team as Additional Managing Director (AMD). This is a tier two position of the Bank and the role is responsible for shaping strategic direction, driving profitability, overseeing business divisions, and ensuring compliance across operations.

ADDITIONAL MANAGING DIRECTOR

KEY RESPONSIBILITIES:

Strategy & Corporate Leadership

- Collaborate with the Managing Director to develop and execute short/medium/long-term strategies aligned with the bank's vision and mission.
- Monitor market trends, competitive dynamics, and emerging risks to recommend profitable and sustainable growth initiatives.
- Identify and lead new opportunities in retail, corporate, digital banking, and international operations.

Operational Oversight

- Oversee day-to-day operations across functions—credit, risk, finance, retail, MSME and corporate banking—to ensure performance and compliance.
- Ensure operational efficiency, cost control, and adherence to regulatory norms.

Stakeholder Engagement & External Affairs

- Build and maintain high-level relationships with regulators, central bank, banking associations, investors, and strategic partners.
- Represent the bank at public forums and in key industry discussions.

Financial Performance & Risk Management

- Monitor financial health, approve budgets, and ensure targets (revenue, deposits, loans, recovery) are met.
- Oversee risk management, credit quality, compliance, and governance frameworks.

Leadership & Talent Development

- Support development of senior executives, mentor and coach leadership teams.
- Drive organizational culture, alignment, and internal communications to foster high performance and retention.

Reporting & Communication

- Regularly submit performance reports and strategic updates to the Managing Director.
- Ensure systematic implementation of strategic decisions across all divisions.

KEY REQUIREMENTS:

Education & Experience Requirements

- Master's in Business, Finance, Accounting, Economics, Banking, Marketing or related fields from a reputed university with no 3rd division/class in any examination.
- A minimum of 20 years of relevant experience in Banking or NBFI's.
- Proven track record in senior leadership roles and currently holding the position of Deputy Managing Director or above
- Comprehensive knowledge of Business, Credit, International Trade, Product Development, Treasury strategies, and regulatory compliance.

Personal Attributes

- Demonstrated strategic leadership and track record of delivering strong financial performance and growth.
- Exceptional communication, analytical, organizational, and crisis-management skills.
- Proven ability for proactive decision-making and resilience under pressure.
- Deep understanding of banking operations, regulatory environment, risk & compliance frameworks.

Age: Maximum age 55 years
Remuneration package: Competitive and commensurate with industry standards.

How to Apply
If you believe you are the right person, please send the following to career@ificbankbd.com with subject line: **'Application – Additional Managing Director'**:

- A cover letter expressing interest in the role along with concise career summary.
- A detailed résumé/CV including detailed work history: position titles, job grade, employers, durations (day/month/year), and key achievements.

Application Deadline: September 10, 2025.

Only shortlisted candidates will be called for interview. Age and experience may be relaxed for exceptional profiles. IFIC Bank reserves the right to accept or reject any application without assigning any reason whatsoever.

FROM PAGE B1
more impactful outcomes," said the Bida business development head.

He added that the trend marks a milestone in the post-pandemic recovery and reflects growing trust from both local and foreign investors.

According to the Bangladesh Economic Zones Authority (Beza), about 60 percent of the proposed investments are still in the exploratory stage, which includes feasibility studies and early project discussions. Another 20 percent are undergoing detailed assessment before documentation.

Bangladesh gets \$1b

"This is a standard pattern for large-scale investments," said Rochi. "Globally, most proposals begin in the exploratory phase and, with the right facilitation, gradually move toward implementation."

Officials believe this phased pipeline offers a realistic outlook for capital inflows over the next one to two years.

At the programme, Major General (Retd) Md Nazrul Islam, executive member (planning and development) at Beza, said they are developing a unified investment portal to improve transparency

and ease of doing business.

He said the system will bring together data on investment status, zone-specific updates, land availability and approval timelines.

"Currently, updates are often fragmented across agencies," Islam said. "This platform will standardise data-sharing and align decision-making processes across departments."

The portal is expected to strengthen investor confidence by allowing real-time tracking of projects and cutting red tape in follow-ups.

Beza has also launched a dedicated research unit,



Workers are busy at an apparel manufacturing unit in Korean Export Processing Zone. International clothing retailers and brands are placing more orders for the upcoming seasons, driving the demand for dollars to import raw materials and accessories.

PHOTO: STAR/FILE

Solve cash crunch in five banks immediately: BGMEA

STAR BUSINESS REPORT

Garment exporters yesterday called for an immediate solution to the liquidity crisis in five to six commercial banks so that they can pay workers' salaries on time and open letters of credit (LCs) to continue normal business activities.

They expressed concern that labour unrest may increase in garment factories if the banks fail to disburse salaries on time due to the ongoing cash crunch.

Exporters linked with these troubled banks are also struggling to open LCs for importing raw materials, BGMEA President Mahmud Hasan Khan said

in a statement following a meeting with Bangladesh Bank Governor Ahsan H Mansur at the central bank office yesterday.

The liquidity-hit banks are even unable to release export proceeds to apparel exporters on time, the statement added.

Consequently, affected factories face disruptions in both export and import operations, which could damage the reputation of the sector and the country internationally.

The governor assured business leaders that initiatives would be taken as soon as possible to resolve the problem so that exporters can meet their financial needs,

according to the statement.

BGMEA Vice-President Md Shehab Udduza Chowdhury said it is expected that the problem will be addressed by the end of this month, as the governor took the matter seriously and assured exporters of timely action.

Chowdhury added that nearly 350 export-oriented garment factories are affected by the dollar shortage linked to the five to six banks.

The affected banks are prioritising importers' demands, leaving exporters without access, although exporters own the dollars, he alleged.

Exporters are facing difficulties in

settling back-to-back LCs due to the dollar shortage, making it challenging to purchase the raw materials required to maintain production during the peak season, Chowdhury also said.

This season, garment exporters have seen an increase in work orders following the final settlement of the US tariff at 20 percent. International clothing retailers and brands are placing orders for upcoming seasons, driving higher demand for dollars to import raw materials and accessories for the US, European, and other markets.

A dollar crunch at this time may create trouble in the garment sector, exporters said.

Vietnam's textile sector sees record export momentum

ANN/VIETNAM NEWS

Vietnam's textile and garment industry is charging into the final months of 2025 with robust momentum, aiming to meet an ambitious export target of US\$47-48 billion, buoyed by strong order flows and growing global reach.

Since the start of the year, the industry has received encouraging signals. Export turnover in the first seven months of 2025 reached more than \$26.33 billion, up \$5.3 billion, or 9 percent, compared with the same period in 2024. Many enterprises have already secured orders through the end of the year, sustaining growth through to the year's close.

To reach the annual target, exports must average over \$4 billion per month for the remainder of the year. While this presents a challenge, industry experts believe the goal is achievable given the current growth trajectory.

According to the Vietnam Textile and Apparel Association (VITAS), the industry has expanded its export reach to 132 countries and territories this year, up from 104 in 2024. Notably, Vietnam is now exporting high-quality

DSE flags scam syndicate duping investors

STAR BUSINESS REPORT

A fraud ring is posing as the Dhaka Stock Exchange (DSE) to trick unsuspecting investors into pouring money into bogus high-return schemes.

The group has been using the DSE name, logo, and even its official address to appear credible before approaching people on WhatsApp and other platforms.

Now, the DSE itself has publicly identified the scam and warned investors to be vigilant.

Mohammad Asadur Rahman, chief operating officer of the exchange, said the syndicate is already under intelligence surveillance and that its members are "expected to be brought under the law very soon."

Speaking at a press briefing at the Capital Market Journalists' Forum auditorium in Dhaka yesterday, he explained how the fraudsters build trust with a small, successful transaction.

"For example, they might take Tk 4,000 at first and return Tk 2,000 as profit. Gradually, the amount of money increases, and eventually, after taking a large sum, they switch off that mobile number," Rahman said.



He said the gang presents itself as official DSE representatives and lures people with promises of guaranteed profits.

"They first gain trust by showing small profits, then show a little more profit to lure larger investments. At some point, they inform the victim that the app has a problem and more money is required. After taking the additional money, the fraud syndicate blocks the victim."

The DSE filed a complaint with Khilkhet Police Station earlier this month.

Letters have also been sent to stakeholders inside the DSE building, and the Bangladesh Securities and Exchange Commission (BSEC) has been asked to involve law enforcement.

Rahman said one group linked to the racket has already been traced to Narayanganj. He added that while investor confidence in the market is on the rise, such scams are tarnishing its image.

"There is no scope for trading in the stock market without licensed stockbrokers, stock dealers, and mobile apps of the stock exchange," he said, urging the public not to fall for shortcuts or illegal trading offers.



garment products to China, as well as strengthening its market presence in Russia, the Commonwealth of Independent States (CIS), and Asean nations.

In addition, Vietnamese enterprises are pursuing overseas investment projects in Mexico and Myanmar, with further expansion planned in India and Egypt. This broader footprint demonstrates Viet Nam's strengthened position on the global textile and garment map.

Chairman of VITAS Vu Đức Giang said that with growth exceeding 10 percent, the sector had a solid foundation to meet its ambitious targets.

However, he stressed that continued success depended on enterprises making effective use of 17 new-generation free trade agreements (FTAs), while adapting to shifting trade dynamics and differing economic policies across major markets.

Simultaneously, the industry needed adaptive solutions to cope with evolving global conditions and regulatory frameworks, as some major economies remained divided over trade and economic policies.

Each enterprise must reinforce its supply chain linkages. Drawing lessons from tariff disputes and Europe's stringent green-product standards, businesses were encouraged to proactively develop more sustainable

READ MORE ON B2

India readies for punishing US tariffs

AFP, Mumbai

Indian exports to the United States will face some of the highest tariffs in the world this week, barring a last-minute reversal from President Donald Trump.

Trump has tied issues of war and peace to trade, threatening to slap 50 percent duties on New Delhi in retaliation for its continued purchases of Russian oil -- which Washington argues help finance Moscow's war in Ukraine.

The tariff offensive has rattled US-India ties, given New Delhi a new incentive to repair relations with Beijing, and carries major consequences for the world's fifth-largest economy.

Trump issued a three-week deadline on August 6, which is expected to take effect on Wednesday morning in India.

HOW BAD WILL IT BE?

The United States was India's top export destination in 2024, with shipments worth \$87.3 billion.

Analysts at Nomura warn that 50 percent duties would be "akin to a trade embargo", devastating smaller firms with "lower value add and thinner margins".

Elara Securities's Garima Kapoor said no Indian product can "stand any competitive edge" under such heavy import taxes.

Economists estimate tariffs could shave 70 to 100 basis points off India's GDP growth this fiscal year, dragging growth below six percent, the weakest

pace since the pandemic.

Exporters in textiles, seafood and jewellery are already reporting cancelled US orders and losses to rivals such as Bangladesh and Vietnam, raising fears of heavy job cuts.

A small reprieve: pharmaceuticals and

electronics, including iPhones assembled in India, are exempt for now.

S&P estimates exports equivalent to 1.2 percent of India's GDP will be hit, but says it will be a "one-off" shock that "will not derail" the country's long-term growth prospects.



A freight train carrying cargo containers rides along a railway track in Ajmer yesterday. The United States was India's top export destination in 2024, with shipments worth \$87.3 billion.

PHOTO: AFP

Ownership caps undermine FDI potential

RAKIBUL HASSAN

As a regulator with firsthand experience, I have seen how well-intentioned policies such as foreign ownership caps often fail to achieve their goals. I was also part of a due diligence process with a billion-dollar company from the industry side. To understand why caps are counterproductive, one must step into the shoes of the foreign investor, the very partner Bangladesh is trying to attract. From that perspective, ownership limits are not protective measures but red flags. They signal uncertainty, constrain growth and undermine our image as an FDI-friendly destination.

Foreign investors think long-term. When someone commits millions of dollars into a new telecom market, their key requirements are stability, clarity and predictability. Ownership caps provide the opposite. An investor considering Bangladesh might ask: "The cap is 60:40 today, but will that hold in five years? What if the other partner does not invest?" Or worse: "What if a new government retroactively lowers it to 49:51?" This moving-goalpost effect makes it impossible to model returns with confidence. Investors do not dislike local partnerships; they dislike being bound by rules that could shift with every budget or political cycle.

Nowhere is this concern clearer than in telecom. The sector is capital intensive, requires patient investment and evolves rapidly with each wave of technology. From 5G to fibre rollout to data centres, none of these can be built without strong foreign capital. Yet the draft licensing guidelines propose limiting foreign ownership to 85 percent in mobile operations and 70 percent in national infrastructure services. For international gateway and submarine cable services, the cap remains at 49 percent.



This is not only about numbers. Caps create mistrust towards global partners who bring in expertise, capital and innovation. The outcome is predictable: investors look elsewhere. The inflow of FDI to Bangladesh stood at \$3 billion in 2023, down nearly 14 percent from \$3.48 billion in 2022, with telecom hit hardest. Meanwhile, countries like Vietnam are reaping the rewards of more open frameworks.

Vietnam offers a lesson. In 2024, it removed a longstanding 49 percent cap on data centres. Within months, it drew interest from AWS, Google and Alibaba. Under CPTPP and EVFTA commitments, Vietnam has also liberalised most non-core telecom segments. As a result, broadband penetration has risen by more than 30 percent in two years. India too benefited after lifting foreign ownership caps in telecom, attracting over \$11 billion in FDI between 2016 and 2018. That investment enabled rapid 4G rollout and laid the foundation for 5G.

In contrast, Bangladesh caps have not strengthened local industries or improved services. They have encouraged nominee arrangements or shadow partnerships that blur accountability. For BTRC, whose mandate is to ensure fair competition, innovation and quality, the solution lies not in limiting equity stakes but in enforcing competition laws, carrying out audits and defining clear licensing obligations.

Telecom today is about more than voice and data. It is about fintech, cloud services, edge computing and AI-enabled infrastructure. Investors in these fields are not chasing short-term profits; they want to build long-term platforms. What they need in return is a policy regime that is consistent, modern and trustworthy.

Bangladesh should adopt a differentiated approach. Full foreign ownership could be allowed in greenfield projects such as triple play, data centres or software-defined networks. Strategic safeguards may remain for critical infrastructure like national gateways or spectrum, but these must be clearly defined and consistently applied.

Bangladesh has the potential to be a digital hub for South Asia. We have a young population, a growing tech sector and a government vision for a connected nation. But policies must match ambition. Caps may have served a purpose in the analogue era; today, they are out of step with global trends and digital realities.

The writer is the CTO of Link3 Technologies Limited.

WILL EITHER SIDE BLINK?

There's no sign yet. In fact, since the US and Russian presidents met in Alaska, Washington has ramped up criticism of India.

"India acts as a global clearinghouse for Russian oil, converting embargoed crude into high-value exports while giving Moscow the dollars it needs," White House trade adviser Peter Navarro wrote in the Financial Times earlier this month, slamming the country's refiners for "profiteering".

Indian Foreign Minister Subrahmanyam Jaishankar fired back, arguing India's purchases helped stabilise global oil markets -- and were done with Washington's tacit approval in 2022.

He argued that both the United States and Europe buy refined oil and associated products from India.

"If you have a problem buying oil from India, oil or refined products, don't buy it", he said, speaking in New Delhi. "Nobody forced you to buy it -- but Europe buys, America buys."

Jaishankar said that, until Trump's ultimatum, there had been "no conversations" asking them to stop buying Moscow's oil.

Trade trackers at Kpler say India's stance will become clearer only in September, as most August shipments were contracted before Trump's threats.

But experts say India is in a tricky situation.

READ MORE ON B2