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To Know More **16201**

Merger plan for five Islamic banks gets clearance

BB to appoint administrative teams

Five banks to be merged			
First Security Islami Bank, Social Islami Bank, Global Islami Bank, Union Bank, and EXIM Bank			
THEIR FINANCIAL HEALTH			
Until Sep 2024; In crore taka			
Banks	Total loans	Bad loans	In % of total loans
SIBL	37,841.80	23,575.40	62.30
EXIM	52,075.80	25,100.54	48.20
UNION	28,287.46	26,490.55	97.80
Global Islami	14,210.40	13,568.88	95.00
FSIBL	60,370.73	58,181.55	96.37

SOURCE: FORENSIC AUDIT REPORTS BY KPMG, ERNST & YOUNG

STAR BUSINESS REPORT

The Bangladesh Bank (BB) yesterday approved the merger of five struggling Shariah-based banks, in a decisive move to stabilise the financial sector and rescue the lenders from deepening crises.

The central bank also sanctioned the appointment of temporary administrative teams at these banks—namely First Security Islami Bank, Social Islami Bank, Global Islami Bank, Union Bank, and EXIM Bank—under the Bank Resolution Ordinance, 2025.

The approval came at a special meeting of the BB's board chaired by Governor Ahsan H Mansur.

Speaking at the meeting, Aref Hossain Khan, executive director and spokesperson of the BB, said

the five banks are now officially under the merger process, which is expected to take at least two years to complete.

Under the ordinance, the central bank will deploy temporary administrative teams at each bank, Khan said, adding that the teams will not immediately replace the existing management.

"For instance, it should not be assumed that once BB's team enters, the managing directors will immediately be removed," he explained.

"The existing management will continue to operate. At the same time, a team of probably five members will work in each bank, consisting of Bangladesh Bank's administrative representatives, who will always coordinate with the

central taskforce," he added.

However, in the long run, the existing boards will gradually become inactive. "Not dissolved but rendered non-functional. Once a bank's merger is complete, its board will automatically be absorbed and abolished. Until then, the boards will remain, though they will not be effective."

The merger, initiated by the interim government, aims to create Bangladesh's largest state-owned Shariah-compliant bank. The new institution, yet to be named, will require an estimated Tk 35,200 crore in capital, of which Tk 20,200 crore will come from the government and Tk 15,000 crore from institutional funds and the conversion of institutional deposits.

READ MORE ON B3

Govt to seek post-LDC trade benefits from key partners

REFAYET ULLAH MIRDHA and SUKANTA HALDER

Bangladesh will ask its major trade partners, such as its South Asian neighbours, the UK, Canada and Australia, to continue giving it preferential market access after its scheduled graduation from the least developed country (LDC) club in November next year.

Commerce Secretary Mahbubur Rahman said the benefits would be similar to those promised by the European Union (EU), which has already assured Dhaka of duty-free access until 2029.

Amid local exporters urging a delay in graduation and the government holding to its timetable, Rahman said a transition period would help Bangladesh better prepare for what lies ahead.

"We will write letters to the countries concerned soon seeking the extension of the LDC induced trade benefit, like the EU, as a preparation period," he told The Daily Star over the phone yesterday.

Rahman said several partners, including Japan, India, Turkey and the US, have opposed any move by Bangladesh to delay the scheduled graduation.

Commerce Secretary Mahbubur Rahman said the benefits would be similar to those promised by the European Union

"If Bangladesh seeks the graduation deferment directly to the UN General Assembly (UNGA), there is a possibility of losing the appeal of extension of time," he added.

For this reason, Dhaka will pursue bilateral extensions of LDC-related trade benefits rather than a formal delay, said the commerce secretary. This approach, he said, would make negotiations easier because they would be held one-on-one.

The EU has already committed to a three-year grace period for Bangladesh and other graduating countries.

This means Bangladesh will enjoy zero-duty access to EU markets until November 2029.

The country remains determined to graduate on schedule, having twice met all three UN criteria for becoming a developing nation, according to assessments by the UN Committee for Development Policy (UN CDP).

Rahman said the commerce ministry would follow any higher-level decision if the government opted to seek a formal delay.

Currently, Bangladesh enjoys zero-duty access to 38 countries and trade blocs under its LDC status. About 73 percent of its exports fall under this category each year.

READ MORE ON B3

NBR imposes 1% source tax on edible oil to collect Tk 600cr

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has imposed a one percent tax at source on the import of edible oil, such as soybean, sunflower, palm, and corn oil, aiming to collect nearly Tk 600 crore in revenue.

The NBR issued a statutory regulatory order (SRO) on Monday, and it will apply to both crude and refined soybean oil as well as other edible oils.

Importers worry the new tax will raise consumer prices, but NBR officials insist it will not affect oil prices since the tax can be adjusted later.

These items, once treated as essentials, were previously exempt from import-stage source tax.

NBR officials said the move aims to curb tax evasion by collecting in advance rather than at the sales or turnover stage.

Md Shafiqul Ather Taslim, director of finance and operations at TK Group, said a one percent advance income tax (AIT) at the import stage would raise product costs, which could eventually push up consumer prices.

"This has been tagged as a minimum tax. That means, whether I make a profit or loss, I have to pay it. Since it is fixed, it ultimately becomes a cost. Even if I incur a loss, I still have to pay," he said.

"In the case of profit, I can adjust it, but in the case of loss, I cannot, because payment is mandatory regardless. Ultimately, this 1 percent gets added as a cost if there is a loss," he added.

However, a top official from the NBR, requesting anonymity, told The Daily Star, "Currently, edible oil companies pay one percent tax on turnover. If the tax

READ MORE ON B3

Fresh loan rescheduling policy for troubled businesses

STAR BUSINESS REPORT

Bangladesh Bank has launched a guideline for banks to provide loan rescheduling facilities to businesses impacted before last July's movement due to foreign exchange losses, energy shortages, and repression by the previous government.

Recently, the central bank approved a mega loan rescheduling facility for some 250 companies, including some of the country's biggest corporate defaulters, in an attempt to boost business activity amid slowing economic growth.

After that, many other entrepreneurs rushed to the BB to get the same rescheduling benefits.

From this perspective, the regulator issued the guideline so that commercial banks could provide the benefits upon fulfilment of certain requirements.

Under the benefits, banks can allow repayment tenures of classified loans to be extended to 10 years, with a down

payment of at least 2 percent of the existing outstanding amount on the basis of the banker-client relationship.

If the loans were rescheduled three or more times before, the down payment would be 1 percentage point higher, according to the new circular that was issued yesterday.

A preferential interest rate can be set so that the rate would be one percentage point lower than the lowest interest rate for the respective sector. The loan instalments can be on a quarterly or monthly basis.

These rescheduled loans will have to be categorised into "special mentioned accounts," and banks will have to keep general provisioning against the loans.

If a borrower fails to pay three monthly instalments or one quarterly instalment even after availing the benefit, the loan will have to be classified.

To get the special benefits, borrowers will have to apply to the lenders before December 31 this year.

READ MORE ON B3

Bangladesh risks \$1.25b export loss to US over tariffs

RAPID study show

STAR BUSINESS REPORT

Bangladesh's exports to the US market could fall by up to 14 percent, or nearly \$1.25 billion, over the next year due to the recently imposed 20 percent reciprocal tariff, according to study by the Research and Policy Integration for Development (RAPID).

faces lower tariffs than major competitors such as India and China, expanding exports remains challenging.

"Bangladesh finds itself in a tricky situation. While the country may gain market share in the US apparel sector, this may not translate into an overall increase in exports, as the total market size is contracting," he explained.

Exports from other nations are also projected to drop because of additional tariffs imposed by the Trump administration. China's exports to the US could fall by 58 percent, India's by 48 percent, Vietnam's by 28 percent, and Indonesia's by 27 percent, Razzaque said.

The equation could shift further against Bangladesh if India manages to secure a trade deal that reduces its reciprocal tariff by 20 percent. "In that case, Bangladesh's export decline could deepen to 17.46 percent, while India's would ease to 18.33 percent," he warned.

The US is Bangladesh's largest single export destination, with garments

READ MORE ON B3



Traders say prices of hilsa were already high this year due to a supply shortage.

PHOTO: MOKAMMEL SHUVO

Hilsa prices jump as govt gives export approval

SUKANTA HALDER and SOHRAB HOSSAIN

Hilsa prices have surged in local markets following the interim government's approval for the export of over 12,000 tonnes of the national fish to India and the Middle East in recent days.

Traders say prices were already high this year due to a supply shortage. The export decision has pushed them up further, especially for large hilsa, by as much as Tk 600 per kilogramme (kg) at the wholesale level and Tk 200 at the retail level.

Monirul Islam, owner of Cox's Bazar Fish at Mohipur Fish Landing Centre in Kalapara, said on average, prices of export-quality hilsa, weighing over one kg, increased by Tk 500-Tk 600 after the export announcements.

"Prices of large hilsa increased to Tk 100,000-Tk 105,000 per maund (just over 37 kg) from Tk 80,000-Tk 85,000 in recent days," he said.

He added that traders from Barishal, Bhola, and Chandpur usually buy the larger fish here for

export. At the retail level, prices jumped by Tk 100-Tk 200.

"Before the export nod, 700-gramme hilsa sold for Tk 1,500 a kg. Prices have since risen to Tk 1,600-Tk 1,700. The 800-gramme variety has gone from Tk 1,700 to Tk 1,800," said Sukkur Ali, a fish trader at Karwan Bazar in Dhaka with 30 years' experience, told The Daily Star recently.

Barishal has also seen a jump, though not as high as Dhaka. Mohammad Arif, manager of Shakil Enterprise in Barishal, said the one-kg hilsa price rose from Tk 1,980 to Tk 2,210 after the announcement.

"Just a few days ago, 700-800 gramme hilsa was Tk 1,900. Now it's Tk 1,960," he also said, warning prices could rise by 50 percent once exports begin.

Speaking at an event recently, Farida Akhter, adviser to the Ministry of Fisheries and Livestock, said the government was sending 1,200 tonnes of hilsa to India ahead of Durga Puja, the biggest religious festival of the Hindu community,

following a request from the neighbouring country.

"The approval to send hilsa to India was granted as a gesture of religious courtesy and in response to a request. This quantity is less than half of that sent last year," the adviser said on Sunday amid reports that the export was being made "under pressure."

Akhter also disclosed that, in response to demands from expatriate Bangladeshis, approval was given to export 11,000 tonnes of hilsa to countries in the Middle East.

The announcements came amid falling hilsa harvests. Due to widespread killing of immature hilsa and other factors, including environmental pollution and climate change, catches this July and August dropped by 37 percent and 47 percent respectively compared to the same period last year.

Department of Fisheries data show national hilsa output rose from 2003 to 2023 but fell by 42,000 tonnes in 2024.

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City Bank, UNFPA sign deal to empower women in healthcare

STAR BUSINESS DESK

The United Nations Population Fund (UNFPA) has signed a partnership agreement with City Bank PLC under the Komlaphul Pharmacy Initiative to train young women as pharmacy associates across Bangladesh.

Catherine Breen Kamkong, UNFPA representative in Bangladesh, and Mashrur Arefin, managing director and CEO of City Bank PLC, signed the agreement at a ceremony in Dhaka yesterday, according to a press release.

Kamkong said the partnership with City Bank was a powerful example of how the private sector can play a transformative role in empowering women while expanding access to essential sexual and reproductive health services.

"By investing in young women as pharmacy associates, we are investing in healthier families, stronger communities, and a more equitable society in Bangladesh," she added.

Arefin noted that financial inclusion must go hand in hand with social inclusion.

"This initiative with UNFPA is not just about training young women for jobs, but about creating pathways to dignity, independence, and leadership in their communities."

"By supporting women to become pharmacy associates, we are enabling them to transform both their own lives and the lives of countless others through improved access to healthcare and trusted counselling," he said.

"This aligns with our vision of building a more inclusive and sustainable Bangladesh," he added.

This is the first collaboration between UNFPA and City Bank, marking a milestone in advancing women's



Mashrur Arefin, managing director and CEO of City Bank PLC, and Catherine Breen Kamkong, UNFPA representative in Bangladesh, pose for photographs after signing the agreement at a ceremony in Dhaka yesterday. PHOTO: CITY BANK

empowerment and improving access to sexual and reproductive health (SRH) services in underserved communities.

The initiative builds on UNFPA's successful pilot Komlaphul Pharmacy intervention with relevant directorates of the Ministry of Health and Family Welfare. The pilot demonstrated that female pharmacists and associates are more trusted by women and girls, provide better counselling on SRH issues, and help expand access to essential services.

Building on that success, City Bank is scaling up the project to create employment for women, foster

inclusivity, reach marginalised populations, and ensure lasting community impact through improved access to SRH services.

Mohammad Mahbubur Rahman, additional managing director and chief financial officer of City Bank; Mahia Juned, additional managing director and chief operating officer; Shahriar Jamil Khan, head of brand and marketing; Vibhavendra Singh Raghuvanshi, chief of health at UNFPA; Gulalek Soltanova, communications specialist; and Md Azmal Hossain, programme analyst (urban health), along with other senior officials from both organisations, were also present.

BRAC Bank rolls out nationwide financial literacy initiative

STAR BUSINESS DESK

BRAC Bank PLC has launched financial literacy awareness programmes in educational institutions across all 64 districts of Bangladesh, with the aim of educating and empowering young people.

The initiative, undertaken in alignment with Bangladesh Bank's "Youth Festival 2025" (Yarunner Utsab 2025), underscores BRAC Bank's commitment to fostering responsible financial habits among the youth, according to a press release.

Commenting on the programme, Tareq Refat Ullah Khan, managing director and chief executive officer of BRAC Bank, said: "We believe financial literacy is one of the most powerful skills a young person can acquire. By introducing these concepts early in their lives, we are preparing the next generation of leaders and professionals to become financially responsible citizens."

He added: "We sincerely thank Bangladesh Bank for spearheading this impactful initiative, which will not only benefit individuals but also reinforce the long-term stability of Bangladesh's financial system."

Through interactive sessions conducted by expert BRAC Bank trainers, students were introduced to key topics including the importance of savings, the benefits of investment, prudent use of banking services, and overall financial responsibility.



ICC Bangladesh President Mahbubur Rahman and other members of the visiting ICCB delegation pose for group photographs at the 14th World Chambers Congress of the International Chamber of Commerce (ICC) in Melbourne, Australia recently. PHOTO: ICCB

ICCB delegation attends World Chambers Congress in Melbourne

STAR BUSINESS DESK

A 10-member delegation of ICC Bangladesh, led by its president Mahbubur Rahman, travelled to Australia to attend the 14th World Chambers Congress of the International Chamber of Commerce (ICC) in Melbourne, according to a press release.

The delegation comprised Matiur Rahman, chairman and managing director of the Uttara Group of Companies; AK Azad, vice-president of ICC Bangladesh; Syed Ishtiaq

Ahmed, managing director of Saiham Cotton Mills Limited; Kutubuddin Ahmed, chairman of Envoy Textiles; Aatur Rahman, secretary general of ICC Bangladesh; Anwar-ul Alam Chowdhury (Parvez), managing director of Evince Group; Simeen Rahman, chief executive officer of Transcom Group; Tanvir Ahmed, managing director of Green Textile Limited; and Mohammed Abdul Jabbar, managing director of DBL Group.

Organised by the International Chamber of Commerce and its World Chambers Federation,

in association with the Victorian Chamber of Commerce and Industry, the congress brought together more than 1,000 global leaders from business, government, and chambers of commerce to deliberate on economic growth and international cooperation.

Key agenda items included artificial intelligence, the energy transition, skills shortages, and cybersecurity. This year's congress, held from September 2 to September 4, carried the theme "Business, Government, Chambers: Partners for Prosperity."

bKash strikes deal with Gulf Exchange to facilitate remittances from Qatar

STAR BUSINESS DESK

Bangladesh's leading mobile financial service (MFS) provider bKash Limited has entered into a strategic partnership with Gulf Exchange, a premier financial institution in Qatar, to strengthen cross-border remittance facilities for the Bangladeshi diaspora.

Ahmad Ali Al-Sarraf, chief executive officer of Gulf Exchange, and Ali Ahmmed, chief commercial officer of bKash Limited, signed the agreement at the exchange house's headquarters in Doha, according to a press release.

Al Sarraf said the partnership underscored Gulf Exchange's commitment

to delivering innovative, customer-focused financial solutions.

"By integrating with bKash's trusted and far-reaching platform, we can offer our Bangladeshi customers a faster, safer, and more convenient channel to send money home," he added.

Ahmed described the collaboration as a milestone in expanding bKash's global remittance ecosystem. "Our aim is to make financial services simpler and more accessible for millions of Bangladeshis working abroad. This new channel ensures their hard-earned money reaches their families instantly and securely, while also contributing to the nation's economic growth," he said.



Ali Ahmmed, chief commercial officer of bKash Limited, and Ahmad Ali Al-Sarraf, chief executive officer of Gulf Exchange, sign the agreement at the exchange house's headquarters in Doha recently. PHOTO: BKASH



Hosne Ara Shikha, executive director of Bangladesh Bank, poses for group photographs with participants of the "Entrepreneurship Development Training Programme", organised recently by Trust Bank PLC, in collaboration with Bangladesh Bank and the Ministry of Finance, at the CIPD on TTC Road in Rangamati. PHOTO: TRUST BANK

Trust Bank launches entrepreneurship training in Rangamati

STAR BUSINESS DESK

Trust Bank PLC, in collaboration with Bangladesh Bank and the Ministry of Finance, has launched a one-month "Entrepreneurship Development Training Programme" under the SICIP Project at the Centre for Integrated Programme and Development (CIPD) on Technical Training Centre (TTC) Road in Rangamati.

A total of 25 local youths are taking part in this hands-on training to develop business acumen, leadership, and innovation, equipping them to contribute to building a self-reliant

Bangladesh, according to a press release.

Hosne Ara Shikha, executive director of Bangladesh Bank, recently inaugurated the programme as the chief guest. Brig Gen (retd) Mohammad Shamsuzzaman, senior executive vice-president and principal of the Training Academy at Trust Bank PLC, presided over the event.

Mohammad Wasim, joint director and deputy programme director (programmes) at the central bank, and Md Mahboob Hossain, senior executive vice-president and head of business at Trust Bank PLC, along with other senior officials from both institutions, were also present.

Prime Bank, BFIU organise anti-money laundering training in Moulvibazar

STAR BUSINESS DESK

Prime Bank PLC recently organised a daylong training programme on the "Prevention of Money Laundering and Combating Financing of Terrorism (AML & CFT)" under the initiative of the Bangladesh Financial Intelligence Unit (BFIU) in Moulvibazar.

A total of 90 bankers from various scheduled banks in the district took part in the training. Prime Bank acted as the lead bank, according to a press release.

Mostakur Rahman, director of BFIU, inaugurated the event as the chief guest.

Sajjad Hossain, additional director of BFIU; Md Imanur Hasan, joint director; and Md Musfiqul Islam, deputy director, conducted the training sessions as expert resource persons.

The sessions covered a wide range of topics, including provisions of the Money Laundering Prevention Act 2012 (MLPA) and the Anti-Terrorism Act 2009 (ATA), Know Your Customer (KYC) and Customer Due Diligence (CDD) procedures, transaction monitoring

techniques, regulatory compliance, and measures to prevent both credit-backed and trade-based money laundering.

Md Ziaur Rahman, deputy managing director and chief anti-money laundering compliance officer of Prime Bank PLC, chaired the programme.

The bank also recognised the top performers. Md Iqbal Hossain, deputy managing director of Prime Bank, and Md Humayun Kabir, head of Sylhet region, along with other senior officials from both organisations, were also present.



Mostakur Rahman, director of the Bangladesh Financial Intelligence Unit, poses for group photographs with participants of the training programme, organised recently by Prime Bank PLC and BFIU, in Moulvibazar. PHOTO: PRIME BANK

Large-cap sector lifts Dhaka stocks

STAR BUSINESS REPORT

Equities on the Dhaka Stock Exchange (DSE) ended trading on a higher note yesterday for the second consecutive day, driven by the positive performance of large-cap sector.

The DSEX, the benchmark index of the bourse, rose 34.89 points, or 0.64 percent, to close at 5,509.61, according to DSE data.

Other indices had mixed performances. The Shariah-based DSES increased by 0.65 percent to 1,194.13, while the blue-chip DS30 dipped slightly by 0.02 percent to 2,134.43.

Turnover, a key indicator of investor activity, stood at Tk 674.13 crore, down from Tk 706.32 crore in the previous session.

"Most of the large-cap sectors posted positive performances," said BRAC EPL

Stock Brokerage Ltd in its daily market update. Block trades—high-volume transactions involving large numbers of securities—contributed 3.1 percent of the overall market turnover.

Market breadth was mixed, with 221 issues advancing, 103 declining, and 76 remaining unchanged.

Among the major sectors, engineering booked the highest gain of 1.77 percent, banking recorded the second-highest gain of 0.99 percent, followed by fuel and power (0.41 percent), NBF (0.33 percent), and food and allied (0.10 percent).

Taufika Foods and Lovello Ice Cream PLC were the most traded shares, with a turnover of Tk 18.7 crore, BRAC EPL said.

On the day's performance table, Crown Cement surged 9.86 percent to top the gainers' list, while Fareast Finance & Investment fell 6.67 percent, becoming the worst performer of the session.

Hilsa prices jump

FROM PAGE B1

According to the Trading Corporation of Bangladesh (TCB), year-on-year, large hilsa in Dhaka has become costlier by up to Tk 600.

On Monday, hilsa of varying sizes sold for Tk 900-Tk 2,200 per kg, compared with Tk 800-Tk 1,600 a year ago, the state agency reported. Prices have risen 10.71 percent in the past month and 29.17 percent over the past year. Compared with 2023, hilsa has become 33 percent costlier.

The Consumer Association of Bangladesh, citing newspaper reports, states that hilsa sold for Tk 417/kg in 2010, Tk 789 in 2019, and Tk 3,500 in 2025.

The commerce ministry has approved 37 organisations to make the approved export to India, according to a gazette notification yesterday.

The minimum export price of hilsa has been fixed at \$12.5 (around Tk 1,500) per kg, still below current domestic market rates.

The government typically bans catching, transporting, selling, and storing hilsa from October 13 to November 3 to protect mother fish during peak breeding.

Fishermen say catches

of large hilsa have been unusually low this monsoon. While some jatka are still caught, big fish are scarce.

"I've been catching hilsa since I was a kid. I used to return with boats full of big hilsa during the monsoon. This year, apart from some jatka, there are none," Shah Jalal, a fisherman from Kalapara, said.

Experts blame overfishing with small-mesh nets and mechanised gear, which trap fish of all sizes, killing them and depleting stocks.

Md Abu Kawser Didar, a scientific officer at the Bangladesh Fisheries Research Institute in Chandpur, points to climate change and erratic weather, which kept fishermen ashore since early July.

"Illegal nets with mesh sizes under the legal 6.5 centimetre (cm) are widely used. Field data show many immature hilsa just 23-25 cm being caught and sold, hampering spawning," he added.

He warned that premature harvesting now poses a greater threat than climate change.

(Our Correspondent Sushanta Ghosh contributed to this report)

Merger plan

FROM PAGE B1

The decision follows forensic audits conducted by global accounting firms commissioned by the government, which exposed severe financial irregularities in the banks, including high levels of non-performing loans.

Three of the banks had non-performing loan ratios exceeding 90 percent, highlighting the urgent need for intervention. Prior to the merger approval, the BB had dissolved the banks' previous boards following the political transition in August 2024 and appointed new members to ensure stability. Going forward, operations will be carried out jointly by the current management and the BB-appointed administrative teams under guidance from the central taskforce.

As per the resolution ordinance, the central bank is empowered to appoint

administrators to implement the resolution process, replace key management personnel if necessary, and take all measures required to achieve the objectives of the merger.

The Bank Companies Act, 1991, also grants the BB authority to replace the key management personnel of a bank under temporary administration or temporarily discharge the functions of the chairman, director, or chief executive officer of a bank.

BB can also determine the powers of the temporary administrators and define the roles and functions of the administrators and associated teams to be engaged at the banks.

G O V T REPRESENTATIVE ON BB BOARD LIKELY

In a related development, the BB yesterday approved the inclusion of a provision in the final draft of the Bangladesh Bank Ordinance

(Amendment) 2025 that allows a government representative on its board.

In the initial draft of the ordinance, which seeks to amend the BB Order 1972, the central bank sought to scrap the scope for the appointment of government officials to its board so that it could play its autonomous role without influence.

The decision marks a partial reversal, retaining one bureaucrat on the board while still allowing the BB to operate independently.

BB spokesperson Khan said discussions were held about the amendment of the Bangladesh Bank Order. However, he did not share the details of the discussion. "It was only mentioned that there were detailed discussions on many points, and, in the end, a consensus was reached."

Now, this draft amendment order will be sent to the Advisory Council, he added.

Bangladesh risks

FROM PAGE B1

accounting for more than 90 percent of shipments to the American market.

Annually, the South Asian country exports goods worth more than \$8 billion to the US and imports about \$2 billion, leaving a \$6 billion trade gap. Globally, it is also the third-largest garment exporter to the US after China and Vietnam, holding a 9.3 percent share of the \$81 billion American apparel import market.

Razzaque further observed that export prospects will be strained by intense competition, which is likely to push down prices in other key markets such as the European Union.

According to Razzaque, the long-term impact will depend on several factors, including US domestic inflation, possible policy reversals, shifts in global sourcing, and Bangladesh's own ability to adapt to the changing trade environment.

"Although the tariff structure could have been worse, there is no cause for complacency," he said. "Strategic policy interventions, efficiency improvements, and diversification of export markets will be critical going forward."

A Dhaka-visiting US trade delegation on Monday called on the government to accelerate labour law reforms and

narrow the trade deficit to help further reduce retaliatory tariffs on Bangladeshi exports to the American market.

The delegation made the call during a meeting with leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) at the US ambassador's residence in Dhaka yesterday.

Brendan Lynch, assistant US trade representative for South and Central Asia, led the three-member team.

BGMEA leaders urged the US side to consider deeper tariff cuts to sustain the steady flow of garment exports to the American market, which is the largest source of private-sector employment in Bangladesh.

Doulot Akter Mala, president of the Economic Reporters Forum, and Mohammed Abu Eusuf, executive director of RAPID, also spoke at the event.

NBR imposes

FROM PAGE B1

tax on turnover. If the tax is collected at the import stage, companies will have the option to adjust it later. So, there is no reason for prices to rise."

Asked about the reason, he said, "The government wants to collect the revenue earlier. Nearly Tk 500-600 crore can be collected from this move."

Fresh loan

FROM PAGE B1

Banks will have to complete their processes to decide whether they will allow the benefits or not.

Banks will not need to take approval from the central bank to provide the benefits, but they will have to get it approved through their respective board meetings.

Willful defaulters and loans that were taken illegally will not be allowed to receive the benefits, the central bank said.

It said that to get the rescheduling benefits, affected borrowers should have the potential to secure a rebound.

Enterprises that were affected due to non-business reasons and for factors beyond their control should have operational factories.

Also, enterprises that were affected by supply chain disruptions and unexpected devaluation of the local currency against foreign exchange will be able to avail the benefits, the BB said.

To avail the benefits, enterprises that have never availed loan rescheduling and restructuring facilities will be prioritised.

Govt to seek

FROM PAGE B1

Losing this preferential treatment after graduation could erode competitiveness. Local exporters would face duties of 12 percent in the EU market, more than 16 percent in Canada and 12 percent in Japan.

Studies suggest Bangladesh could lose up to 14 percent of its annual exports, about \$8 billion, if it fails to secure extended benefits. This would affect not only export earnings but also jobs.

Business groups have called for a six-year delay in graduation to better prepare, noting that Bangladesh has yet to sign trade deals with key partners.

Meanwhile, some economists argue that because other graduating LDCs, such as Nepal and Laos, are not seeking delays,

Bangladesh's case for deferment is weak.

Rahman said the government would soon write to South Asian Free Trade Area (SAFTA) countries, the UK, Canada, Australia, South Korea and Chile to request a three-year extension of duty-free benefits similar to the EU arrangement.

He added that no such request was necessary for Japan, as Bangladesh and Japan are going to sign an Economic Partnership Agreement (EPA), a free trade deal, within this year.

Previously, the UK, Canada and Australia had pledged to continue LDC-related trade benefits even after graduation. Despite these commitments, Rahman said the government would formally request the three-year extension.

Earlier in the day, Rahman, an LDC graduation workshop in Dhaka, said the government was planning to seek a three-year graduation deferment.

He later clarified to The Daily Star that he had meant writing to major trading partners individually to seek an extension of trade preferences similar to the EU's arrangement.

Anisuzzaman Chowdhury, special assistant to the chief adviser, said LDC-specific international support measures could shrink in the changing global economy.

Speaking as the chief guest at a seminar on "LDC Graduation and Structural Transformation" at the NEC 2 Conference Room in Dhaka yesterday, he urged Bangladesh to reduce its dependence on such measures.

Government of the People's Republic of Bangladesh
Local Government Engineering Department
Office of the Executive Engineer
District: Bagerhat
www.lged.gov.bd
e-Tender Notice (OTM) : 15/2025-2026

Memo No: 46.02.0100.000.07.067.25-2773 Date: 16-09-2025.

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of stated below:

Tender IDs	Package Description & No.	Last Date & Time of Depositing Document fees
1141403	(a) Improvement of Chomra - West Teligati Road By 40mm DC at Ch.00-1000m [Road ID: 201604002] [Salvage Cost: 3,86,279.00 Tk.] [Morrelganj] [Bagerhat] (b) Improvement of Bhedairhat-Bishkhali via Lokman Master Road By 40mm DC at Ch.00-1270m [Road ID: 201604112] [Morrelganj] [Bagerhat] (c) Improvement of NK GPS -Munshirhat Hazi Bari Road By 40mm DC at ch.00-1080m [Road ID: 201604113] [Salvage Cost: 94,931.00 Tk.] [Morrelganj] [Bagerhat] (d) Improvement of Moidda Barisal Sardarbari - WDB Sluice Gate Road By 40mm DC at Ch.00-900m [Road ID: 201604104] [Salvage Cost: 19,90,031.00 Tk.] [Morrelganj] [Bagerhat] (e) Improvement of Amtola Bazar- East Amtoli Jame Mosque Road By 40mm DC at ch.00-1400m [Road ID: 201604031] [Salvage Cost: 23,25,425.00 Tk.] [Morrelganj] [Bagerhat] & Bag/VR-103/FY 2025-26.	19.10.2025 Time : 5:00 PM
1141404	(a) Improvement of Amtoli Madrasa-Wapda Embankment via East Kumarkhali RINGPS Road By 40mm DC at Ch.00-1250.00m [Road ID: 201605117] [Salvage Cost: 12,44,205.00 Tk.] [Morrelganj] [Bagerhat] (b) Improvement of East Panchakaron Sonakhali Bazar - Bandhaghata to 195 No. Son Panchakaron GPS Road via Deputy Secretary Gausul Azam Bari Road By 40mm DC at Ch.00-1700.00m [Road ID: 201605210] [Salvage Cost: 2,79,448.00 Tk.] [Morrelganj] [Bagerhat] (c) Improvement of Zilbunia Ahmadiya Madrasa - H/O Samsu Khan Road By 40mm DC at Ch.2000.0m-3230.00m [Road ID: 201604143] [Salvage Cost: 6,49,839.00 Tk.] [Morrelganj] [Bagerhat] (d) Improvement of Purbo Char Hoglabunia - Guchsagram Road By 40mm DC at Ch.00-2000.00m [Road ID: 201605027] [Salvage Cost: 3,70,487.00 Tk.] [Morrelganj] [Bagerhat] (e) Improvement of Lakhner Hat-Nagerhat Pusca Road via Harun Fakir Bari Road By 40mm DC at Ch.00-600.00m [Road ID: 201605130] [Salvage Cost: 2,88,353.00 Tk.] [Morrelganj] [Bagerhat] & Bag/VR-104/FY 2025-26.	19.10.2025 Time : 5:00 PM

This is an online Tender, where only e-Tender shall be accepted in the National e-GP portal and no offline/hard copies shall be accepted.

To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required.

The fees for downloading the e-Tender Documents from the National e-GP System Portal have to be deposited online through any registered Banks branches.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (<http://www.eprocure.gov.bd>).

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পাওয়ার গ্রিড বাংলাদেশ পিএলসি
POWER GRID BANGLADESH PLC
(An Enterprise of Bangladesh Power Development Board)
Grid Bhaban, Avenue-3, Jahurul Islam City, Aftabnagar, Badda, Dhaka-1212 Web: www.powergrid.gov.bd

INVITATION FOR BIDS

Power Grid Memo No. & Date:	27.21.0000.101.07.429.25.4270; September 16, 2025
Loan No. and Title:	ADB Project Number (57232-001) - BAN: Power Transmission Strengthening and Integration of Renewable Energy Project.
Contract No. and Title:	POWERGRID/ADB/PTSIREP/230kV Monohardi & Madhabpur SS/Package-2 Design, Supply, Installation, Testing & Commissioning of 230/132/33 kV AIS Substation at Madhabpur and Monohardi including two nos. 132KV bay extension at Bajitpur 132/33kV grid substation and associated 230kV and 132kV Transmission Lines on turnkey basis (Package-2).

- The People's Republic of Bangladesh has applied for financing from the Asian Development Bank (ADB) toward the cost of **Power Transmission Strengthening and Integration of Renewable Energy Project**. Part of this financing will be used for payments under the contract named above. Bidding is open to all bidders from eligible countries described in the section 5 of Volume 1 of the Bidding Document.
- The Power Grid Bangladesh PLC, ("the Employer") invites sealed bids from eligible Bidders for the **"Design, Supply, Installation, Testing & Commissioning of 230/132/33 kV AIS Substation at Madhabpur and Monohardi including two nos. 132KV bay extension at Bajitpur 132/33kV grid substation and associated 230kV and 132kV Transmission Lines on turnkey basis (Package-2)."** (herein after referred to as "the Works"). The Works under this turnkey contract shall have to be completed within 900(Nine Hundred) days from the effective date of the contract.
- Open Competitive Bidding (OCB) - International** will be conducted in accordance with ADB's **Single-Stage-Two-Envelope** bidding procedure and is open to all bidders from eligible countries as described in the Bidding Document.
- Bidders shall meet the following **minimum requirements** along with other requirements as mentioned in the bidding documents:
 - Participation as a Contractor/JV Partner in at least three contracts that have been successfully completed within the last 10 (ten) years, and those are similar to the proposed contract, where the total cumulative value up to four contracts must be at least: USD 45 M (Forty Five Million USD), among those one (01) contract value must be at least USD 20 M (Twenty Million USD).
The similarity of the Bidder's participation shall be based on the physical size, nature of works, complexity, methods, technology or other characteristics as described in Section 6 (Employer's Requirements) of Volume 1 of the Bidding Document. The scope of each contract must include design, supply, installation, testing & commissioning of new construction or extension/ renovation of existing 230/X kV or higher rated voltage AIS/GIS substations with a minimum of three (03) bays including one (1) power transformer of 230/X kV or above.
For the above contracts executed during the period stipulated above, a minimum experience is required in the following key activities:
 - At least one contract shall be with new 230/X kV or higher voltage rating AIS substation.
 - At least one contract must be in successful operation for a minimum of three (3) years counting backward from the date of the bid submission deadline.
 - At least one contract must be completed either in Bangladesh or outside the Bidder's own country.
 - At least one contract must be completed with new 230/X kV or higher voltage rating transformer with capacity of 120 MVA or higher.

The qualification criteria of the bidders have been given above. The bidders are advised to inspect the bidding document in details by visiting the Power Grid's website <http://www.pgcb.gov.bd>

- Interested eligible bidders may obtain further information and inspect the bidding documents at the office of the Company Secretary, Power Grid Bangladesh PLC, Avenue-3, Jahurul Islam City, Aftabnagar, Badda, Dhaka-1212, Bangladesh; Tel: +88 02 226600936-39, Fax: +88 02 226600925; Email: se.contract@pgcb.gov.bd, xen1.contract@pgcb.gov.bd. The complete bidding documents are also available for download from Power Grid's website <http://www.pgcb.gov.bd>. Eligible bidders who download the bidding document from the Power Grid's website shall inform Power Grid in writing (and provide their contact details) at the address given above, failing which Power Grid shall not be responsible if the bidder does not receive clarifications and amendments, if any. **In case of any discrepancy between the documents downloaded by the prospective bidder and the Bid Documents (hard copy) of Power Grid, the latter shall prevail.**
- A complete set of bidding documents in English language, may be purchased by interested bidders upon submission of a written application to the Company Secretary, Power Grid at the above address, from **September 18, 2025** up to one day before the bid submission deadline and upon payment of a nonrefundable fee of USD 300.00 (United States Dollar Three Hundred) or BDT 36,000.00 (Taka Thirty Six Thousand only) in the form of Pay Order/ Demand Draft in favor of the Power Grid Bangladesh PLC. The Bidding Document may be sent through a courier for an additional fee of BDT 14,400.00 (local delivery) or USD 120.00 (International delivery) in the form of Pay Order/ Demand Draft in favor of Power Grid Bangladesh PLC. No liability will be accepted for loss or late delivery of the Bidding Document.
- A Pre-Bid meeting will be held at **11:00 Hours** Bangladesh Standard Time (BST) on **October 05, 2025** at the head office of Power Grid Bangladesh PLC, Avenue-03, Jahurul Islam City, Aftabnagar, Badda, Dhaka-1212, Bangladesh.
- Deliver bids:
 - To the address below:
Company Secretary,
Power Grid Bangladesh PLC,
Head Office, Avenue-03, Jahurul Islam City,
Aftabnagar, Badda, Dhaka-1212, Bangladesh.
 - On or before **11:00 Hours** Local Time on **November 02, 2025**
 - Together with a Bid Security for the amount of: USD 1,000,000 or 12.20 Crore BDT as described in the Bidding Document.
Late bids will be rejected.
- Technical bids will be opened at **11:05 Hours** Bangladesh Standard Time (BST) on **November 02, 2025** at the head office of Power Grid Bangladesh PLC, Avenue-03, Jahurul Islam City, Aftabnagar, Badda, Dhaka-1212, Bangladesh in the presence of Bidders' representatives who choose to attend, whereas the Financial Bids shall remain sealed and unopened and shall be placed locked. The Financial Bids of only Technically Responsive and Qualified Bidders shall be opened after Technical Bid Evaluation, whereas, the Financial Bids of those Bidders whose Technical Bids are not responsive and qualified shall be returned unopened after the contract is awarded.
- When comparing bids, ADB's Domestic Preference Scheme will be applied in accordance with the provisions stipulated in the Bidding Document.
- Power Grid will not be responsible for any costs or expenses incurred by bidders in connection with the preparation or delivery of bids including costs and expenses related to participation in pre-bid meeting and site visits.
- Power Grid reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to Bidders.

Md. Jahangir Azad
Company Secretary

Stakeholder engagement vital for interoperable payment system

Citing Binimoy's failure, IFS country lead tells The Daily Star



JASON LAMB



SNIGDHA ALI

TAKEAWAYS FROM INTERVIEW

Bangladesh can learn from global examples for interoperable digital payments

Lowering costs of interoperable instant payment system (IIPS) can aid rural households and women's access

A similar platform in Pakistan reached 46m users in 2.5 years, raising inclusion from 20% to 30%

IIPS begins with stakeholder dialogue to avoid past mistakes

IIPS can boost transparency and formalise finance

Fraud risks, low literacy, and need for strong protections remain hurdles

MD MEHEDI HASAN

Stakeholder involvement is the key to the success of an interoperable instant payment system, yet this was missing when Bangladesh introduced its first digital platform "Binimoy" a few years ago, according to Snigdha Ali, country lead of Inclusive Financial Systems (IFS), an initiative of the Gates Foundation.

Explaining why Binimoy failed to take off, she said the platform had been built by the ICT Division without involving the Bangladesh Bank (BB).

"That was a gap from the very beginning. There was little to no stakeholder engagement at any stage of Binimoy's development and deployment," Snigdha said in an interview with The Daily Star.

An interoperable instant payment system (IIPS) is a national network that lets individuals and businesses transfer money between accounts at different banks and mobile financial services -- like bKash, Nagad or Dutch-Bangla Bank -- instantly and 24 hours a day.

For example, a garment worker in Dhaka could receive her salary directly into her bKash account from an employer's Sonali Bank account within seconds. She could then pay for groceries or a rickshaw ride via QR codes without using cash. This would help create a digital trail for every transaction, curbing corruption, widening the tax net and supporting a more formal economy.

If the IIPS were a football match, bKash, Nagad and the banks would be the players, while the BB typically would be

both referee and rule-maker.

After Binimoy's failure and its subsequent suspension by the central bank, BB is now preparing to pilot a new IIPS next year. There are plans to expand it gradually. The Gates Foundation will provide financial and technical support to the initiative.

"We learned from the central bank's previous experience. That is why we began dialogue and stakeholder engagement even before the project goes live, so we hear from the industry and do not repeat the same mistake," Snigdha said.



Awareness efforts similar to the oral saline campaign of the 1980s will be needed to popularise digital payments and build confidence

Snigdha Ali
Country Lead of Inclusive Financial Systems of Gates Foundation

On the benefits of IIPS, she said, "For example, consider a bank that has already invested heavily in onboarding clients. Once it joins IIPS, the lender automatically gains access to millions of customers already integrated into the system. Likewise, those customers also gain access to the bank. They do not have

to be direct clients of that bank to send or receive money through it."

On several recent occasions, BB Governor Ahsan H Mansur said the economy bears an annual burden of around Tk 20,000 crore due to cash management.

Referring to it, Snigdha said, "An interoperable digital payment ecosystem could sharply reduce these costs, increase transparency and drive formalisation."

Jason Lamb, deputy director of IFS at the Gates Foundation, said Bangladesh is learning from international experience.

"In Pakistan, the State Bank launched its national instant payment system Raast for interoperable digital payments at zero transaction cost. Within two and a half years, Raast grew to 46 million users and boosted financial inclusion from about 20 percent to 30 percent," he added.

Snigdha said that as IIPS allows seamless transfers between banks, mobile financial service providers and other financial institutions, this removes the need to withdraw and redeposit cash when sending money across platforms.

"For example, a person with a mobile wallet will be able to send funds directly to a bank account without intermediaries. Such convenience will save time and reduce costs, particularly for rural and low-income groups. In government-to-person payments, the system is expected to cut leakages and ensure beneficiaries receive transfers instantly and securely," she said.

However, both the IFS officials cautioned that challenges remain. Fraud is a reality in digital finance worldwide,

and new systems often invite new scams. While fraud cannot be eliminated entirely, they said risks can be reduced through strong security standards, awareness campaigns and responsive regulation.

According to them, consumer literacy and trust will also be vital. Many Bangladeshis, especially in rural areas, remain unfamiliar with digital transactions.

Snigdha said awareness efforts similar to the oral saline campaign of the 1980s will be needed to popularise digital payments and build confidence.

"Trust is easy to lose and hard to build," Lamb said, warning that consumer protection mechanisms must be in place from the outset.

On affordability, he suggested that BB could mandate zero transaction fees for customers, at least in the early stages, to encourage uptake. Providers could later earn revenue through services such as credit, insurance or digital commerce.

"Lowering costs would be especially important for rural households and women, who often face barriers to accessing formal financial services. By making digital transactions cheaper and more useful, IIPS could integrate millions of underserved people into the financial system," Lamb said.

Both officials said the financial sector will expand rather than shrink, as new business opportunities arise.

They said banks, MFS providers and fintechs will need to adapt their models, focusing on lending and value-added services rather than charging per transaction.

US wants to sell aircraft to Bangladesh

STAR BUSINESS REPORT

The US wants to export aircraft, liquefied natural gas (LNG), and agricultural products to Bangladesh to expand trade between the two countries, said Paul Frost, the new commercial counsellor at the US embassy in Bangladesh.

He made the remarks at an event organised by the American Chamber of Commerce in Bangladesh (AmCham) at Sheraton Dhaka yesterday.

Highlighting the trade priorities of the US, Frost said, "We see opportunities to grow US exports to Bangladesh in many sectors."

"Our priority sectors include power and energy, aviation, agriculture, including cold chain and agricultural technologies, infrastructure development and engineering, defence and security equipment, information communication technology, and healthcare," he said.

"Our office also aims to work constructively with AmCham and government officials to help resolve problems that many American companies face," he said.

"In improving Bangladesh's investment climate, US companies will prosper, and US exports will flow more freely," he added.

However, Frost also said corruption, concerns over financial governance, a complicated tax regime, infrastructure and logistics limitations and excessive bureaucracy were major barriers to trade and business in Bangladesh.

Chinese firm KMK Industrial to invest \$18.6m in Bepza EZ

STAR BUSINESS REPORT

The Bepza Economic Zone is set to receive investment from an airplane amenity bag and kit manufacturing company.

Chinese firm KMK Industrial Ltd will invest \$18.60 million in the economic zone, creating employment opportunities for 1,231 Bangladeshi nationals, according to a press release issued by the Bangladesh Export Processing Zones Authority (Bepza) yesterday.

Bepza described the investment as "a significant step" towards diversifying the country's industrial base, as it will be the first-ever airplane amenity bag and kit manufacturing company to invest in the authority's industrial enclaves.

"This marks a breakthrough in introducing a unique and diversified product line to the portfolio of industries under Bepza," the release said.

Bepza and KMK Industrial signed an agreement in this regard on September 14.

The company will initially manufacture airplane amenity bags and gradually expand into producing in-house items such as socks, garments and accessories, cosmetics, and selected electronic products, including headphones and USB cables.

Speaking at the signing ceremony, Bepza Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman said: "This project represents a milestone in our continuous effort to diversify export-oriented industries."

Scaling up our export diversification



ZAHID HUSSAIN

When President Obama revoked Bangladesh's Generalised System of Preferences (GSP) status in 2013, the direct economic shock was mild. Garments, the country's powerhouse export, had always been excluded from these trade privileges. Ironically, in the years that followed, garment exports continued their brisk ascent in the US market even as they faced some of the stiffest tariff barriers of any major supplier. By contrast, non-garment sectors such as leather, ceramics, pharmaceuticals, furniture, jute and agro-processing struggled to gain similar momentum.

This divergence invites reflection. Faced with the same tariff storms, what propelled one sector forward while the others remained exposed to every unpredictable headwind of global change? In tracing the garment sector's journey, there are lessons for Bangladesh as it seeks to diversify exports and navigate the uncertain tides of LDC graduation.

RISE OF RMG

To understand Bangladesh's garment ascent, we must return to the 1970s, when the industry resembled a band of agile explorers, quick to adapt but largely unproven. The turning point came in 1979 with the landmark Daewoo-Desh Garments partnership. South Korea

did more than dispatch machinery; it transferred the spirit of enterprise and institutional frameworks. Compliance standards, buyer connections and production expertise were woven into the evolving fabric of Bangladesh's garment industry.

Soon after, the Multi Fibre Arrangement (MFA) emerged, rerouting garment orders from established East Asian powerhouses to newcomers like Bangladesh. It acted as an incubator, allowing the RMG sector to flourish, sheltered from overwhelming competition. Policies tailored to garments, bonded warehouses, back-to-back letters of credit and export processing zones reinforced this growth. Cash incentives sweetened the deal but were never the main driver.

The EU's Everything but Arms (EBA) initiative offered Duty-Free Quota-Free (DFQF) access to Least Developed Countries. With relaxed Rules of Origin, Bangladesh became one of the EU's largest apparel suppliers. This preferential access boosted exports and incentivised backward integration.

Perhaps the most profound transformation was the sector's role in advancing female empowerment. Garment work became a gateway for millions of women from rural and economically disadvantaged backgrounds. Factory jobs brought greater autonomy, delayed marriage and improved health and education for children.

This evolution created a compelling global narrative. International brands such as H&M and Walmart began championing Bangladesh's female workforce as evidence of their commitment to sustainability and social responsibility.

Development organisations rolled out initiatives like NARI, offering transitional housing, skills training

and employment opportunities for women migrating from impoverished northern regions.

NEAR, YET FAR

Bolstered by a compelling social narrative, Bangladesh's garment sector became a force to be reckoned with. Despite daunting tariffs, global buyers were persuaded not simply by competitive pricing but by the sector's track record of reliability,



Garment work became a gateway for millions of women from rural and economically disadvantaged backgrounds.

PHOTO: STAR/FILE

capacity and social impact.

The institutional backbone was built over years, crystallising around two organisations: Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA). Originally set up to advocate for industry interests, they evolved into de facto regulatory authorities. BGMEA became the voice of the woven garment industry, negotiating with government bodies, foreign buyers and development agencies.

BKMEA championed knitwear with a focus on workforce training and ethical labour practices.

As their influence grew, leaders from these associations took seats in parliament, joined advisory boards and engaged donor communities.

Each new export achievement amplified their clout; their roles extended beyond policy advocacy to actual policy design. From shaping

estimated living wage for Dhaka, according to the Global Living Wage Coalition 2022 benchmark. **STAGNANT NON-GARMENTS** The grass is not as green on the other side! Not even close. Unlike the garment industry, non-RMG sectors never experienced a transformative partnership akin to the Daewoo-Desh moment. Industries remain fragmented, driven by individual entrepreneurs but hampered by limited capital and weak organisation. Leather exporters contend with EU REACH regulations and US ASTM standards; ceramics face FDA and product safety hurdles; agro-processors must navigate phytosanitary rules. These are not boxes to tick but barriers to international trust.

These industries bear full Most Favoured Nation tariffs without the branding clout to absorb costs. Supply chains are shallow, buyer networks are sparse, and policy support is underdeveloped.

Pharmaceuticals depend on imported ingredients for over 90 percent of production, exposing them to global shocks. Over the past two decades, SMEs have emerged in leather, ceramics, agro-processing, jute and light engineering, but most fail to achieve scale or export success.

While numbers vary between fields, both anecdotal accounts and trade data indicate that fewer than 10 percent of non-RMG firms manage to survive beyond five years while maintaining export viability. Their struggle is not necessarily fueled by a lack of demand. Instead, they are hemmed in by costly certification requirements, limited access to buyers, tariff burdens, and fragile institutional architecture. The sheer volume of these businesses hints at untapped vigour -- a deep reservoir of potential waiting to

be realised. The missing piece is not ambition, but the institutional platforms needed to bridge ideas and opportunity.

Imagine leather, ceramics, jute, or agro-processing equipped with their own powerful associations -- entities capable of advocating for their industries, guiding producers toward global compliance, and pushing for supportive reforms. Envision a leather hub, complete with export councils, testing facilities, CETP, and training centres. Or picture a ceramics alliance connecting producers with safety certification and global branding expertise. Or visualise a pharmaceutical coalition mobilising regulatory experts, TRIPS strategists, and trade negotiators to navigate the post-LDC terrain.

GOING FORWARD

The model that made Bangladesh the world's second-largest apparel exporter is under strain. Cheap labour and back-to-back LCs are no longer enough in a world demanding traceability, automation and ethical sourcing. Which factory stitched the shirt? Where did the cotton come from? Were the workers paid fairly, and were the dyes used environmentally safe?

Non-RMG sectors are disjoint and rarely heard. With dedicated institutions tailored to their needs, they too could become engines of progress. These industries need their own watershed event -- a catalytic "Daewoo moment" that can spark transformation. It calls for reimagining policy encompassing bonded warehousing, export financing, comprehensive certification and a shift in branding -- each with its own origin story and vision for the future.

The writer is former lead economist at World Bank's Dhaka office