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Star BUSINESS

E-waste could bring $500m a year: expert

STAR BUSINESS REPORT

Bangladesh is missing out on a potential $500 million economic opportunity every year due to the absence of a formal electronic waste (e-waste) management system, according to an expert.

"In Bangladesh, we generate 2.2 kilogrammes of e-waste per person, with a financial value of over $500 million if 100 percent is recycled formally," Akter Ul Alam, general secretary of the WEEE Society Bangladesh, said yesterday, citing data from the Global E-waste Monitor 2024.

"Yet, we are not just failing to capture this economic value; the informal and unsafe processing of this waste is creating a public health hazard and polluting our ecosystem," he added while speaking at a discussion in Dhaka on advancing the economy through formal e-waste management.

Bangladesh generates around 367 million kilogrammes of e-waste annually. A major hurdle in recycling that waste is the "absence of structured collection mechanisms" and a stark "lack of integration between formal and informal recycling sectors."

Furthermore, Alam said recyclers face a huge red-tape barrier, requiring permission from 21 authorities annually, and are "yet to be recognised as an industry," blocking vital investment.

The WEEE Society, a group of environmental professionals, advocates a circular approach focusing on maintenance, reuse, and refurbishment before certified recycling.

The society recommended unlocking the financial and environmental potential by implementing Extended Producer Responsibility laws to make manufacturers financially accountable for their products' end of life, creating incentive programmes, and waiving taxes on spare parts to boost the repair industry.

"The necessity of stronger regulations, active collaboration with government agencies, and the fostering of public-private partnerships was emphasised," Alam said.

READ MORE ON B2

Toothpaste, food or toys: Japanese firms bet bigger on Bangladesh

Investment from the island nation grows even as others wait amid uncertainty

REFAYET ULLAH MIRDHA

Japanese companies are showing more interest in investing in Bangladesh, expanding existing operations and launching new ventures as they tap into the country's large consumer base and competitive labour market, according to Japanese trade officials and business leaders.

They say many investors from the island nation are choosing to produce goods and services in Bangladesh for local consumers rather than exporting those to other countries.

One example is Lion Corporation, which formed a joint venture with local Kallol Group in 2022 to produce detergents. The partnership is now setting up a new factory to manufacture dishwashing soap and toothpaste.

Another Japanese company, Kewpie, is marketing food products in Bangladesh, while retail chain Miniso offers thousands of items ranging from cosmetics and perfumes to toys, electronics and stationery.

"Japanese investors are showing interest in Bangladesh because of advantages such as low labour costs, abundant human resources and a large domestic market," said Kazuaki Kataoka, country representative of the Japan External Trade Organisation (Jetro).

Jetro is a Japanese government body that promotes trade and investment between Japan and other countries.

The Jetro country representative said 330 Japanese companies currently operate in Bangladesh, though only a few focus on export-oriented production.

A 2024 survey by Jetro found that 57.7 percent of Japanese companies plan to expand their operations in Bangladesh.

Recently, the Japan-Bangladesh Chamber of Commerce and Industry (JBCCI) led a 25-member delegation to Japan to attract new investment. The group participated in seminars in Tokyo and Osaka, where, Kataoka said, many Japanese firms expressed strong interest in Bangladesh.

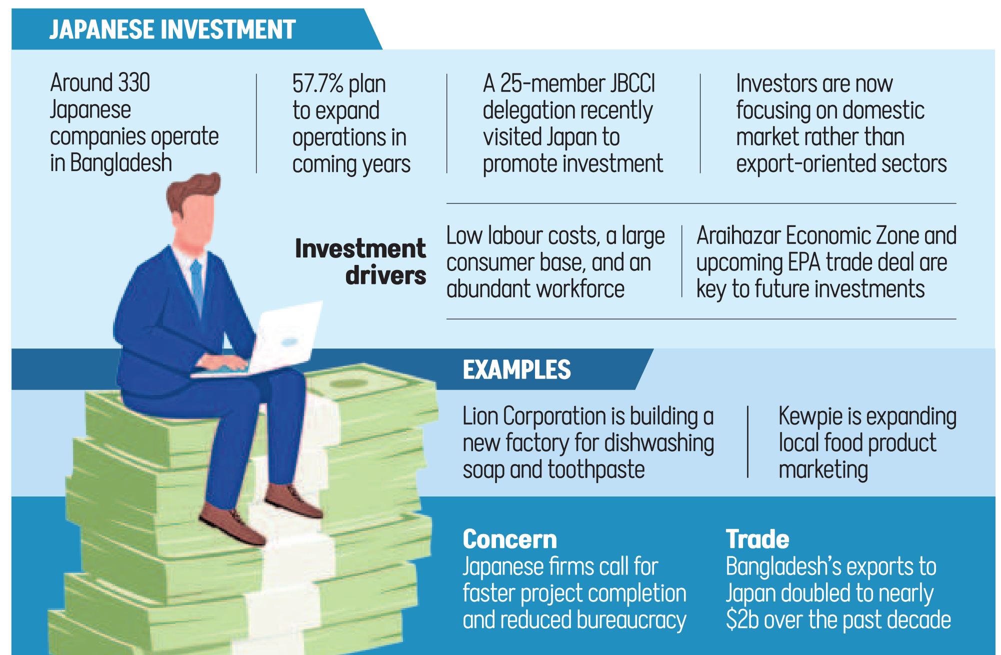
He said the number of Japanese companies in Bangladesh has continued to grow over the past year, even as many local and foreign investors held back amid political uncertainty.

According to him, the new entrants to the Bangladesh market believe a smooth political transition through elections would help accelerate further expansion.

Kataoka said the 20 percent tariff imposed on Bangladesh by the Trump administration provides some advantage in international trade, but it is not a decisive factor for Japanese companies since they have limited export volumes from Bangladesh to the United States.

He added that the full operation of the Japan-dedicated Special Economic Zone at Araihazar on Dhaka's outskirts Narayanganj, along with the signing of a proposed Economic Partnership Agreement (EPA) between Dhaka and Tokyo, would help attract more Japanese investment.

READ MORE ON B3



BB buys $38m more from market

STAR BUSINESS REPORT

Bangladesh Bank (BB) yesterday bought $38 million more from six commercial banks to rebuild foreign exchange reserves and maintain stability in the exchange rate.

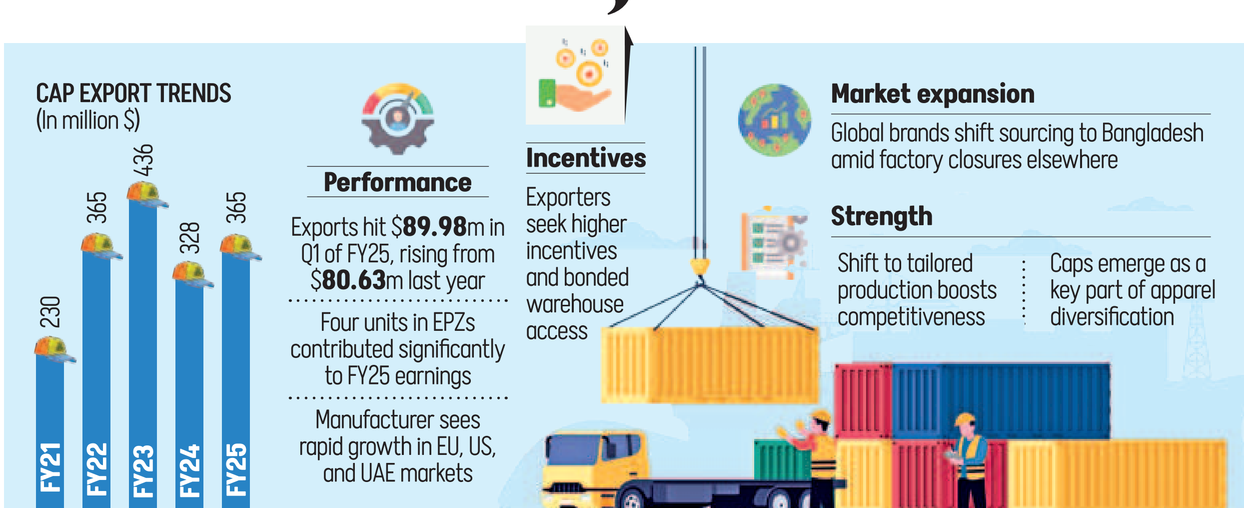
As a result, total dollar purchases have reached $2.12 billion since the beginning of this fiscal year.

Due to the continued US currency purchasing spree by the central bank, the foreign exchange reserves of Bangladesh Bank currently stand at $27.12 billion.

BB, which sold more

READ MORE ON B3

Cap exports rise as buyers look beyond China, Korea



JAGARAN CHAKMA

Once an overlooked corner of the accessories market, caps are now a growing contributor to Bangladesh's export portfolio, reflecting both shifting global trends and the country's ability to adapt and scale.

According to data from the Export Promotion Bureau (EPB), Bangladesh exported $89.98 million worth of headgear in the first quarter of FY 2024-25.

This was a 12 percent year-on-year increase from the same period last fiscal year.

The goods fetched $364.46 million last fiscal year.

The figures reflect the increasing importance of non-traditional exports like caps and headwear in Bangladesh's broader apparel diversification efforts, said exporters.

Industry insiders attribute this remarkable rise to a shift in global sourcing patterns, with international buyers increasingly moving away from traditional suppliers such as China and Korea, many of whose factories are scaling down or shutting operations.

"Earlier, global buyers didn't know that Bangladesh had the capability to manufacture such high-quality headwear," said Md Mahbubur Rahman Masum, managing director of Jalal Hats & Apparels Ltd.

"Now they're discovering us," he said.

Founded with a vision to deliver premium-quality, globally competitive headwear, Jalal Hats & Apparels Ltd has emerged as a premier manufacturer, producing a range of stylish, durable, and customizable caps for international brands, retailers, and wholesalers.

"Currently, we export to countries like Italy, Denmark, Germany, France, the UAE, and the USA," Masum shared.

"The growth is happening fast—even if the export volume is still smaller than garments, the rate of expansion is impressive," he said.

Masum believes the sector holds strong potential and could play a role in Bangladesh's export diversification strategy.

However, he said, greater policy support—particularly in the form of higher cash incentives and easier access to bonded warehouse facilities—could accelerate the industry's development.

"Caps currently fall under the RMG incentive structure, but the percentage is not uniform. We believe caps deserve a higher incentive rate as this is a newer, promising export sector," he added.

"We often talk about garments, but the cap industry deserves its spotlight too. It's time to recognise this growing segment," said Masum.

Jessi Yiu, deputy managing director of Actor Sporting Ltd, sees a transformative future for Bangladesh's cap and headwear industry, as shifting global consumption patterns and sustainable practices reshape how fashion is made—and where.

Operating out of the Dhaka Export Processing Zone since 1995, Actor Sporting Ltd is a wholly export-oriented manufacturer catering primarily to clients in the US and EU.

But as the global fashion industry evolves, so too do expectations from buyers.

"We've observed a clear shift in our customers' buying practices—from mass production to smaller, more tailored orders," said Yiu.

"This reflects the rise of ethical fashion, where consumers value style alongside environmental and social responsibility," she said.

The shift aligns with global trends in athleisure and streetwear, which require fast adaptation to changing styles, shorter production cycles, and reduced inventory risk, she said.

"Tools like 3D design and automated sewing machinery allow us to reduce fabric waste and shorten lead times," Yiu explained.

"This makes our products more

READ MORE ON B3

IMF projects modest recovery in FY26

REJAUL KARIM BYRON

Following projections by the Asian Development Bank (ADB) and the World Bank, the International Monetary Fund (IMF) has forecast a modest recovery for Bangladesh's economy in the current fiscal year (FY).

The IMF expects GDP growth to reach 4.9 percent in FY2025-26, up from 3.8 percent in FY25, according to its World Economic Outlook released yesterday in Washington, DC, during the annual IMF-World Bank meetings.

Earlier in June, the multilateral lender had projected a higher growth rate of 5.4 percent for Bangladesh in FY26, citing political uncertainty, a tighter policy mix, rising trade barriers, and stress in the banking sector. The downward revision of roughly 0.5 percentage points by October comes without a detailed explanation.

The IMF's latest projection comes a week after the World Bank, in its latest Bangladesh Development Update, projected 4.8 percent growth for the current fiscal year and expected it to accelerate to 6.3 percent in FY27.

Prior to that, the ADB, in its Asian Development Outlook on September 30, projected 5 percent GDP growth in FY26, mainly driven by increased public consumption.

The bank, however, noted headwinds from global trade shocks, persistent inflation, and domestic financial sector fragilities but predicted moderate economic expansion compared to last year.

"Future growth will depend on improving the business environment to boost competitiveness and attract investment, and on ensuring reliable energy supplies," Hoe Yun

READ MORE ON B3

Lack of lab accreditation hampers exports

Says chairman of Pran-RFL

STAR BUSINESS REPORT

Many of Bangladesh's laboratories are not internationally accredited, which creates challenges for exports, a leading food processor and conglomerate said at an event yesterday.

"When exporting to India or other countries, our goods are re-tested because our reports aren't accepted. This adds cost and complexity," said Ahsan Khan Chowdhury, chairman of Pran-RFL Group.

The Bangladesh Standards and Testing Institution (BSTI) must fast-track lab accreditation and international recognition, he added.

READ MORE ON B2

Ctg port users urge CA to review new tariff

Maritime law society serves legal notice

STAFF CORRESPONDENT, *Ctg*

The Chattogram Port Users Forum has urged the chief adviser of the interim government to reconsider the implementation of the newly approved port tariff, warning that the sharp increase would severely impact the country's economy, including imports and exports.

In a letter sent to the chief adviser yesterday, Amir Humayun Mahmud Chowdhury, the forum's convener, said the 41 percent tariff hike would push up the cost of imported essential commodities such as fuel, wheat, fertiliser, and industrial raw materials.

It will also hurt exporters' competitiveness in global markets, he said.

"When the previous tariff structure was introduced in 1986, the dollar exchange rate was Tk 30.61. Now it has surpassed Tk 122, meaning existing tariffs have already increased more than fourfold in taka terms," the letter stated.

It added that port service fees, handling charges, pilotage, and demurrage rates have already been raised multiple times over the years.

The forum emphasised that the Chattogram port is a public service entity, not a profit-driven commercial organisation.

Despite financing its own modernisation and expansion, the port maintains a large reserve fund, it said, questioning the rationale for further tariff escalation.

"The port plays a vital role in transporting the country's energy, food grains, raw materials, and consumer goods," it added.

"A sudden rise in charges will erode the confidence of international partners and may label Chattogram as a costly and uncertain destination," the letter warned.

The forum said the increase would have several negative consequences, including a rise

READ MORE ON B3

Eastern Bank, Mastercard collaborate to deliver faster, safer inward remittance

STAR BUSINESS DESK

Eastern Bank PLC (EBL) has entered into a strategic collaboration agreement with global digital payment solutions provider Mastercard to leverage its transaction services platform, aiming to enhance and streamline cross-border remittance capabilities to Bangladesh.

The partnership will improve the speed, security, and convenience of money transfers for Non-Resident Bangladeshis (NRBs), reinforcing both organisations' commitment to financial inclusion and the growth of Bangladesh's international financial ecosystem.

Ali Reza Iftekhar, managing director of Eastern Bank PLC, and Suraj Vaghani, senior vice-president, network management and operations, commercial and new payment flows at Mastercard, inked the deal at the bank's head office in Dhaka on Monday, according to a press release.

Commenting on the collaboration, Iftekhar said, "This partnership with Mastercard sets a new benchmark for efficiency and trust in cross-border remittance. Our focus is on making money transfers seamless for NRBs while ensuring recipients benefit from speed, safety, and transparency."

"Together, we are laying the foundation for a more connected, inclusive, and digitally driven financial future," he added. Vaghani said, "Through this collaboration with EBL, we are combining Mastercard's global payment expertise with local banking excellence to make every transfer faster, more secure, and easier to access. This association reflects our commitment to empowering NRBs with trusted digital solutions that enhance household well-being and contribute to the country's financial resilience."

Mehdi Zaman, deputy managing director and head of treasury FIs and offshore banking; M Khorshed Anowar, deputy managing director and head of retail and SME banking at EBL; Syed Mohammad Kamal, country manager of Mastercard in Bangladesh; Sudipto Ghosh, director of product management; and Md Mamun Hasan, manager of product management, commercial and new payment flows, along with other senior officials from both organisations, were also present.

Ali Reza Iftekhar, managing director of Eastern Bank PLC, and Suraj Vaghani, senior vice-president, network management and operations, commercial and new payment flows at Mastercard, pose for photographs after signing the agreement at the bank's head office in Dhaka on Monday. PHOTO: EASTERN BANK

Youngone wins global diversity award

STAR BUSINESS REPORT

Youngone Corporation has become the first Korean company to be honoured at the Women Corporate Directors (WCD) Visionary Awards, receiving recognition in the Emerging Leadership category for its commitment to diversity and inclusion across global operations.

The company has expanded female employment at its overseas operations, including in Bangladesh, since the 1980s, contributing to women's economic independence and social progress.

The award was presented at a ceremony held at The Drake Hotel in Chicago, marking WCD's 25th anniversary, according to a press release.

The global non-profit represents around 3,700 women corporate directors and recognises companies that demonstrate excellence in governance, performance, and diversity.

Youngone was lauded for advancing women's leadership at its Korean headquarters, where women account for 70 percent of employees and 60 percent of managers — well above industry averages.

NCC Bank unveils its '1st Annual Sustainability Report'

Chowdhury Liakat Ali, director of the Sustainable Finance Department at the Bangladesh Bank, and M Shamsul Arefin, managing director of NCC Bank PLC, attend the unveiling programme of the "1st Annual Sustainability Report 2024" released by NCC Bank PLC in Dhaka recently. PHOTO: NCC BANK

STAR BUSINESS DESK

NCC Bank PLC has unveiled its "1st Annual Sustainability Report 2024" during an awareness-building programme on sustainable finance.

The report, prepared with a focus on environmental, social, and governance (ESG) priorities, aims to strengthen the awareness and capacity of the bank's executives and officials regarding sustainable banking practices and to support the bank's long-term strategic objectives.

Chowdhury Liakat Ali, director of the Sustainable Finance Department (SFD) at the Bangladesh Bank, attended the event as the chief guest, according to a press release.

In his keynote address, Ali elaborated on the current landscape of sustainable finance, green finance, refinancing, and environmental and social risk management. He underscored the growing significance of this sector and lauded NCC Bank for publishing its "1st Annual Sustainability Report" and organising such a timely programme.

He emphasised the importance of integrating environmental considerations into financing decisions across various sectors and urged all financial institutions, including banks, to adopt more environmentally responsible practices.

"NCC Bank has been conducting its operations in line with Bangladesh Bank's guidelines, giving due importance to environmental, social, and governance (ESG) factors," M Shamsul Arefin, managing director of NCC Bank PLC, said while presiding over the programme.

"As part of this commitment, the bank has formally published its "1st Annual Sustainability Report 2024", which showcases the bank's initiatives and activities towards building a sustainable future," he added.

Nighat Mumtaz, senior vice-president and head of the sustainable banking and women's banking division of NCC Bank PLC, conducted the programme.

Ahmed Zubaer Mahbub, additional director of the central bank; Md Abu Rayhan, joint director; Md Abu Nayeem, assistant director of the SFD; M Khurshed Alam, additional managing director and chief risk officer of NCC Bank; Md Mahbub Alam, Md Zakir Anam, Mohammed Mizanur Rahman and Md Monirul Alam, deputy managing directors; and Md Khalid Hossain Khan, managing director of Euro Knitwear Ltd, were also present.

Citizens Bank, ZNRF University partner to empower youth

Prof Mohammad Mohiuddin, pro-vice-chancellor of the ZNRF University of Management Sciences, and Md Abdul Latif, deputy managing director of Citizens Bank PLC, pose for photographs after signing the agreement on the university campus in Badda, Dhaka recently. PHOTO: CITIZENS BANK

STAR BUSINESS DESK

Citizens Bank PLC has signed an agreement with the ZNRF University of Management Sciences (ZUMS) to sponsor the Youth Acceleration Programme (YAP) with the aim of empowering younger people.

Md Abdul Latif, deputy managing director of Citizens Bank PLC, and Prof Mohammad Mohiuddin, pro-vice-chancellor of the ZNRF University of Management Sciences, signed the agreement at the university campus in Badda, Dhaka recently, according to a press release.

Under the agreement, Citizens Bank will support ZUMS in organising the programme, which aims to engage students from colleges and institutions across the Dhaka division.

The initiative seeks to promote and enhance knowledge in science, technology, entrepreneurship, innovation, digital literacy, sustainability, and leadership through a variety of activities, including seminars, workshops, competitions, and project showcases. The programme will enable students to acquire practical skills, gain national recognition, and foster a culture of innovation.

Through this initiative, Bangladesh will nurture a new generation of problem-solvers, innovators, and entrepreneurs who will play a vital role in the country's sustainable development and digital transformation.

Nargis Rafiqa Rahman, vice-chairman of the university; Mohammad Ali, registrar; Alamgir Hossain, managing director of Citizens Bank PLC; and Md Mostafizur Rahman, deputy managing director, along with other senior officials from both organisations and a large number of university students, were also present.

Singer offers discounts to MetLife customers

Nowfel Anower, chief marketing officer of MetLife Bangladesh, and Shabbir Hossain, director of marketing at Singer Bangladesh Limited, pose for photographs after signing the memorandum of understanding at the Singer's head office in Gulshan-2, Dhaka yesterday. PHOTO: SINGER BANGLADESH

STAR BUSINESS DESK

Singer Bangladesh Limited has signed a memorandum of understanding (MoU) with MetLife Bangladesh.

As part of the collaboration, Singer Bangladesh will offer special discounts on selected products for eligible MetLife Bangladesh customers.

Shabbir Hossain, director of marketing at Singer Bangladesh Limited, and Nowfel Anower, chief marketing officer of MetLife Bangladesh, signed the MoU at Singer's head office in Gulshan-2, Dhaka yesterday, according to a press release.

Commenting on the agreement, Anower said, "This collaboration with Singer Bangladesh Limited reflects our focus on providing added value to our customers."

Hossain expressed his enthusiasm about the partnership, saying, "This collaboration highlights our shared dedication to creating greater ease and value in the everyday lives of our customers. At Singer | beko, we are committed to going beyond products by delivering solutions that truly make a difference."

"Partnering with MetLife Bangladesh allows us to extend customer-focused benefits to an even broader community."

"We sincerely value MetLife Bangladesh's trust in Singer|beko for its initiative in fostering this partnership, and we look forward to a lasting relationship that will continue to enrich our customers' lives through meaningful services and accessible innovations," he added.

MetLife customers can avail themselves of the discount by using a special coupon code designed exclusively for them.

Mohammad Zubayed Ul Islam, director of retail sales at Singer Bangladesh Limited; Maruf Sobhan, director of supply chain; Farhan Azhar, head of product– MDA and home entertainment; Kamanashis Barua, assistant director and head of strategic face-to-face channel at the life insurer; and Shiuly Akhter, manager of marketing and product, along with other senior officials from both organisations, were also present.

Lack of lab accreditation hampers exports

FROM PAGE B1

The event was organised by the BSTI at Krishibid Institution Bangladesh in Dhaka in celebration of World Standards Day.

He also said, "A recent example: I attempted to export fans to the Philippines. Their standards didn't align with ours, and we couldn't proceed."

"We need to align our standards internationally so that products from Bangladesh — fans, TVs, microwaves — can be sold globally," he said.

"Now, about halal certification, Bangladesh is the second-largest Muslim country, yet our halal certificates are not recognised by key Muslim markets like Malaysia and Indonesia. We must change this," he added.

SM Ferdous Alam, director general of the BSTI, said developed countries maintain exemplary standards, while many developing nations, including Bangladesh, continue striving to meet those benchmarks.

In a country of over 17 crore people, local manufacturers have created employment for hundreds of thousands, yet they must compete not only locally but globally by meeting both national and international standards, he said.

"Entrepreneurs take risks to produce export-quality products, often facing rejection from buyers over technical issues, while also contending with counterfeit goods that harm consumers and damage reputations," he added.

Alam said a recent test revealed that some cosmetic products contained hydroquinone levels over 2,000 times the legal limit, posing serious health risks to women, including liver and kidney damage and long-term reproductive harm.

Such actions are not only unethical but also dangerous, he said.

"Our labs also conduct microbiological testing and offer garment testing services critical to the RMG sector, including tensile strength, colour fastness, and chemical residue analysis, at affordable rates," he added.

Abdul Hasib Chowdhury, a professor and pro-vice-chancellor of the Bangladesh University of Engineering and Technology, said standards must reflect ecological and cultural realities.

"Even in the legal and ethical realm, our value systems differ from Western norms. While procedural justice dominates Western systems, our society prioritises moral justice and social responsibility," he said.

Therefore, in Bangladesh, something may be technically correct but ethically unacceptable, he mentioned.

"To address this, we must integrate ethics, values, and cultural understanding into how we define and apply standards," he added.

AHM Shafiquzzaman, president of the Consumers Association of Bangladesh, said Bangladesh's private sector has made remarkable progress and plays a vital role in driving the country's economy, creating jobs, and expanding exports worldwide.

"However, a critical challenge we face is the widespread issue of counterfeit products in the market, including well-known local brands," he said.

The BSTI and related authorities must increase their monitoring and public engagement, making consumers aware of quality standards and the risks associated with fake products, he mentioned.

Coordinated efforts between the government and the private sector are essential to protect genuine businesses, uphold product quality, and restore consumer confidence, he added.

Md Obaidur Rahman, secretary to the Ministry of Industries, said Bangladesh's export sector is growing, with companies like Pran-RFL Group and many pharmaceutical firms reaching over 150 countries.

Yet, Bangladesh's products face obstacles abroad due to the absence of agreements on mutually recognised standards, leading to rejections and financial losses, he said.

E-waste could bring $500m a year

FROM PAGE B1

Without a formal system, the vast majority of Bangladesh's e-waste, laden with toxic materials like lead and mercury, is handled by the informal sector, leading to unsafe recovery practices that endanger workers and leak pollutants into soil and water.

This stands in contrast to the potential of formal recycling, which could prevent environmental damage and create a new, green industry.

Sumon Ahmed Sabir, president of the WEEE Society, said the first step to resolving the e-waste management crisis is collection. "But we lack an effective mechanism for it."

"Secondly, the valuable components of e-waste are not being properly extracted. What we are essentially doing is exporting some parts, allowing foreign companies to profit, while we gain very little. Moreover, there is a serious lack of public awareness," he added.

Sohel Ahmed, executive director at Vista Electronics Ltd, also noted that e-waste is not being managed under any clear framework. "When waste is removed, we don't even know where it goes."

Prof Khondaker Mohammod Shariful Huda of the Department of Geography and Environment at Jahangirnagar University identified batteries and IPS units as major sources of e-waste.

"There is no clear picture of how these are being disposed of or recycled. E-waste is contaminating our water bodies," he added.

Mahmud Hossain, a commissioner at the Bangladesh Telecommunication Regulatory Commission, said, "In the telecom sector, the e-waste that is generated by networks is five percent, while the larger share of the e-waste is made up of discarded handsets. We have taken steps to address the network-related e-waste, but the discarded handsets need to be regulated."

Also speaking at the event, Ahsan Sharif, director of public projects at Fiber@Home, suggested introducing incentives for those involved in the collection and recycling of e-waste.

Faria Yasmin

Bata Bangladesh gets first local country head

STAR BUSINESS REPORT

Bata Shoe Company (Bangladesh) Ltd, the country's oldest and leading footwear maker, has appointed Faria Yasmin as its new country manager, making her the first Bangladeshi to hold the post since independence.

The appointment will take effect this month, and she is expected to assume office on October 20, the company said in a statement. Faria is also the first woman to lead Bata Bangladesh.

She will succeed Debabrata Mukherjee, who will leave the company on November 20, 2025, to take up a position at a multinational company in India, according to Bata.

Faria has over 23 years of strategic leadership experience in brand marketing, portfolio management, and business operations across Bangladesh and Sri Lanka. Before joining Bata, she served as the chief business officer at ACI PLC and held senior positions at Reckitt Benckiser, Marico, and Nestlé.

The five-day show brings together 48 leading companies and brands, showcasing their latest designs and products across 278 stalls.
PHOTO: STAR

Free trade deals to spur furniture exports

Commerce adviser says as five-day show kicks off in Dhaka

STAR BUSINESS REPORT

Free trade agreements currently being negotiated with several countries and regional blocs will open new export opportunities for the local furniture sector, said Commerce Adviser Sk Bashir Uddin.

He made the remarks while inaugurating the 20th National Furniture Fair 2025 at the International Convention City Bashundhara in Dhaka yesterday.

The five-day show, organised by the Bangladesh Furniture Industries Owners Association, brings together 48 leading companies and brands.

They are showcasing their latest designs and products across 278 stalls. The association Chairman Selim H Rahman presided over the ceremony.

Bashir Uddin said the government is taking necessary steps to boost furniture exports. However, he pointed out that the sector still lags behind in both design and functionality because of limited innovation.

"Buyers turn away from us not for the price, but for a lack of innovation. Businessmen should increase innovation," he said, adding that the commerce ministry is working to identify new export markets for the sector.

"The furniture sector reflects aesthetics and taste. We have to work on this," he added.

Local manufacturers earned $45 million from furniture exports in the fiscal year (FY) 2024-25. Shipments in the July to September quarter of the current FY 2025-26 fell 2.5 percent year-on-year to $10.6 million, according to the Export Promotion Bureau (EPB).

Bashir Uddin said the furniture sector holds huge potential and called for greater investment to help it grow further.

At the event, EPB Vice-Chairman Mohammad Hasan Arif said export diversification is essential to increasing national income.

He said the furniture sector could reach international standards by making better use of local raw materials, modern technology, and skilled labour.

Nobel economist warns of AI dangers

AFP, *Washington*

A winner of this year's Nobel prize in economics warned Monday that artificial intelligence offers "amazing possibilities" but should be regulated because of its job-destroying potential.

The remarks from Canadian Peter Howitt, professor emeritus at Brown University in the United States, came amid growing concerns about how AI will impact society and the labor market.

California Governor Gavin Newsom on Monday signed a first-of-its-kind law regulating interactions with AI chatbots, defying a push from the White House to leave the technology unchecked.

Howitt was one of three economists honored Monday by the Royal Swedish Academy of Sciences for work on how technology drives and affects growth.

His research with fellow winner Philippe Aghion of France focused on the theory of "creative destruction" in which a new and better product enters the market, and the companies selling the older products lose out.

Howitt told a news conference that it remains to be seen who will be the leader in AI, and "we don't know what the creative destruction effects are going to be."

"It's obviously a fantastic technology that has amazing possibilities. And it also obviously has an amazing potential for destroying other jobs or replacing highly skilled labor. And all I can say is that this is a conflict. It's going to have to be regulated," he said.

Toothpaste, food or toys

FROM PAGE B1

Meanwhile, JBCCI President Tareq Rafi Bhuiyan (Jun) said they have just concluded a "highly successful" visit to Japan with the 25-member JBCCI delegation.

"We held two major seminars titled 'Business Opportunities and Investment in Bangladesh' in Tokyo and Osaka," he said.

The seminars, jointly organised by Jetro, the Bangladesh Embassy in Japan, and the Osaka Chamber of Commerce and Industry, were attended by hundreds of Japanese companies keen to explore businesses in Bangladesh, Jun said.

He mentioned both sides highlighted the importance of addressing delays in some ongoing major projects, such as the metro rail and the third terminal at Dhaka airport, to preserve the strong partnership Japan and Bangladesh have maintained since independence.

He added that the delegation also held meetings with the Osaka Chamber of Commerce, UNIDO, Marubeni, NEXI, and Chori Co Ltd to discuss ways to increase Japanese investment and expand industrial collaboration.

JBCCI Secretary General Maria Howlader, who joined the visit, said Japanese firms view Bangladesh positively but remain frustrated by bureaucratic delays that slow decision-making.

She said Japanese investors are particularly interested in agro-processing, light engineering and manufacturing.

Japan is the only Asian country where Bangladesh first crossed the $1 billion export milestone about a decade ago. Exports have since risen to nearly $2 billion, supported by growing demand for Bangladeshi-made garments that enjoy zero-tariff access to the Japanese market.

To retain this zero-duty benefit after Bangladesh graduates from Least Developed Country (LDC) status in November next year, Dhaka has completed negotiations to sign the Economic Partnership Agreement (EPA) with Japan.

Google to invest $15b in India AI hub

AFP, *New Delhi*

Google said Tuesday it will invest $15 billion in India over the next five years, as it announced a giant data centre and artificial intelligence base in the country.

"It is the largest AI hub that we are investing in anywhere outside of the US," Google Cloud CEO Thomas Kurian said at a ceremony in New Delhi.

Demand for AI tools and solutions is surging among businesses and individuals in India, which is projected to have more than 900 million internet users by year's end.

Kurian announced "capital investment of $15 billion" over the five years and a "gigawatt-scale AI hub in Visakhapatnam", a port city in the southeastern state of Andhra Pradesh.

Google plans for the centre to scale to multiple gigawatts, he added, comparing the project to "a digital backbone connecting different parts of India together".

Globally, data centres are an area of phenomenal growth, fuelled by the need to store massive amounts of digital data, and to train and run energy-intensive AI tools.

Google chief Sundar Pichai said on X that he had spoken to Prime Minister Narendra Modi about the "landmark development".

"This hub combines gigawatt-scale compute capacity, a new international subsea gateway, and large-scale energy infrastructure," he wrote.

"Through it we will bring our industry-leading technology to enterprises and users in India, accelerating AI innovation and driving growth across the country."

Cap exports rise

FROM PAGE B1

competitive in a global market increasingly focused on sustainability and efficiency," she said.

With over two decades of experience, Actor Sporting Ltd stands as a model of resilience and innovation in Bangladesh's growing apparel diversification journey.

"The future is bright. By staying ahead of trends in technology and sustainability, Bangladesh can become a global leader in ethical headwear and sports fashion," said Yiu.

ASM Anwar Parvez, executive director (public relations) of the Bangladesh Export Processing Zones Authority (Bepza), highlighted the growing role of EPZ-based cap manufacturers in the country's export landscape.

According to Bepza data, there are four cap factories operating inside the Dhaka and Chattogram EPZs. They collectively exported $64 million worth of headwear products in fiscal year 2024-25.

In the Chattogram EPZ, two factories—Young An Hat (BD) Ltd and Young An International (BD) Limited—are both based on South Korean investments.

Meanwhile, Dhaka EPZ hosts Actor Sporting Ltd, a Hong Kong-based company, and Dhakarea Ltd, another South Korean venture.

These factories represent the growing presence of foreign direct investment in Bangladesh's headwear manufacturing sector, driven by global demand and export diversification.

As of August 2025, these four companies have brought in a cumulative investment of $54 million, and together they employ 4,130 Bangladeshi nationals.

"The sector is expanding steadily, and the potential for future growth is strong, especially as global buyers diversify sourcing destinations," said Parvez.

BB buys $38m more from market

FROM PAGE B1

than $25 billion from its forex reserves to help cover imports of fuel, fertiliser, and food between FY21 and FY25, has been purchasing the greenback since the start of this fiscal year as supply increased owing to higher exports and remittances.

Since early July, the taka has been gaining against the dollar, which traded as high as Tk 121.80 yesterday.

Ctg port users

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in production and export costs, higher inflationary pressure on consumers, and a possible decline in the country's ranking in international logistics and ease of doing business indices.

It made three specific recommendations, including the suspension of the implementation of the new tariff and the initiation of a time-bound review.

It proposed consultation with all stakeholders such as shipping agents, importers, exporters, vessel owners, and business platforms before finalising any revision.

It also urged maintaining a cost-based and service-oriented approach in port operations rather than revenue-driven decisions.

Referring to the government's diplomatic success in securing tariff relief from the United States in recent trade talks, the forum cautioned that "reintroducing higher tariffs at home would undermine those hard-earned gains."

Meanwhile, the Bangladesh Maritime Law Society (BMLS) served a legal notice on the government and the Chittagong Port Authority (CPA) seeking the cancellation of the recently issued CPA circular enforcing the new port tariff, terming it "illegal and beyond the provisions of the parent law."

In the notice, the BMLS urged the authorities to withdraw the CPA circular dated September 30, 2025, which directed that the new tariff schedule would be effective from October 15.

BMLS President Mohiuddin Abdul Kadir served the notice on the secretaries to the shipping, finance, and law ministries, the CPA chairman, and its chief finance and accounts officer.

The notice said the BMLS would initiate legal measures if the circular was not withdrawn within 72 hours.

IMF projects modest recovery

FROM PAGE B1

Jeong, ADB country director for Bangladesh, said in the report.

Recent data from Bangladesh Bank show early signs of recovery. In July, letters of credit for capital machinery imports rose 0.72 percent, while total imports increased over 19 percent and exports grew 27 percent year-on-year.

However, private sector credit growth continued to decline in August, falling to 6.35 percent, following a multi-month downward trend.

The Bangladesh Bureau of Statistics (BBS) has already published the provisional GDP growth figure for the last fiscal year, which stands at 3.8 percent.

According to the IMF's latest projection, inflation in the current fiscal year is expected to be 8.7 percent, down from 10 percent in the previous year.

Engineering, food losses drag stocks down

STAR BUSINESS REPORT

Dhaka stocks closed lower yesterday, reversing the previous session's gains as losses in engineering and food shares weighed on the indices.

The DSEX, the benchmark index of the bourse, declined by 30.48 points, or 0.58 percent, to close at 5,197.26, according to DSE data.

Other indices followed the same pattern of negative performance, as the Shariah-based DSES and the blue-chip DS30 also edged lower.

The market closed in the red as most large-cap sectors posted negative performances, BRAC EPL Stock Brokerage Ltd said in its daily market update.

Turnover, a key gauge of investor activity, was Tk 606 crore, up from Tk 530 crore in the previous session, reflecting higher participation despite the market downturn.

Turnover, a key gauge of investor activity, was Tk 606 crore, up from Tk 530 crore in the previous session, reflecting higher participation despite the market downturn

Block trades — high-volume transactions involving large numbers of securities — contributed 3.2 percent to the overall market turnover.

Market breadth was firmly negative, with 105 issues advancing, 233 declining, and 58 remaining unchanged.

Among the major sectors, engineering led the sectoral losses with a 1.15 percent fall, followed by food and allied, down 1.02 percent; fuel and power, 0.60 percent; and pharmaceuticals, 0.50 percent.

Other sectors posting losses included banks (down 0.20 percent), non-bank financial institutions (0.08 percent), and telecommunications (0.07 percent).

Orion Infusion emerged as the most traded stock, posting a turnover of Tk 30.3 crore, said BRAC EPL.

On the performance table, Social Islami Bank surged 10 percent to top the gainers' list, while Peoples Leasing and Financial Services slumped 9.09 percent, making it the worst performer of the session.




Native to the tropical Americas, hog plum is making waves in the Barishal and Khulna divisions. Many farmers, who traditionally cultivated guava, are now adding hog plums to their orchards, attracted by its higher market prices and longer shelf life. PHOTO: TITU DAS

SMALL FRUIT, BIG SUCCESS

Hog plum fuels profits for southern farmers

SUSHANTA GHOSH

From the traffic signals of Dhaka to the floating markets of Barishal, the hog plum, locally known as amra, is now a common sight across Bangladesh. Once grown mostly in homesteads, it is now one of the most popular fruits you can find selling at corners of markets, bus, launch terminals, and rail stations.

For thousands of city vendors, the fruit provides a profitable source of seasonal income between June and October. Hawkers sell it fully prepared – peeled, neatly cut, salted, and often packaged in transparent plastic pouches. But it is the southern farmers who largely deserve the credit for its rapidly rising popularity, and it is they who are the biggest beneficiaries of this trend.

Native to the tropical Americas, the hog plum is making waves in the Barishal and Khulna divisions. Barishal, Patuakhali, Pirojpur, Bhola, Barguna, and Jhalakathi are among the leading districts. Many farmers who traditionally cultivated guava are now adding hog plums to their orchards, attracted by higher market prices and a longer shelf life.

One such farmer from Jhalakathi Sadar, Wahidul Islam Hiru, said he began cultivating guava three decades ago on only two bighas of land, along with a few hog plum trees. Over the years, he has shifted more towards hog plums. Now, on 20 acres of land, he produces 80-100 tonnes of hog plum each year. "I earn over Tk 30 lakh a year from hog plum sales."

Early this season, hog plums sold for Tk 800-Tk 900 per maund (37.32 kg), rising to Tk 1,800 later on, earning him a hefty profit. "Though flowering was slightly lower this year, higher prices offset the loss. This fruit is now the main source of income not just for me, but for thousands of farmers across Barishal."

His point seems valid to anyone visiting the southern region.

During harvest season, rivers and canals across Jhalakathi Sadar, Nesarabad in Pirojpur, and Banaripara in Barishal turn vibrant with green, fruit-laden boats heading to wholesale markets – a scene that has become emblematic of the region's rural economy.

According to the Bangladesh Bureau of Statistics, hog plum production stood at 45,400 tonnes in fiscal year 2023-24. Barishal accounted for 39 percent of the total, followed by Khulna with just over 20 percent.

In Pirojpur, 3,390 farmers cultivated hog plum on 577 hectares (per hectare = roughly 2.5 football fields) this year, producing over 10,000 tonnes worth around Tk 15 crore, said Mohammad Mahfuzur Rahman, deputy director of the Department of Agricultural Extension (DAE).

"The initial cost is slightly higher, but it drops to one-third in subsequent years," he noted.

At Jindakathi village in Pirojpur, farmer Suvash Mondol switched from guava to hog plum and has no regrets. "Guava gave me Tk 1.5 lakh a year. Now, from the same three acres, I get five tonnes of hog plum and make about Tk 1 lakh profit per acre," he said.

Mondol's expense stands at Tk 1 lakh per acre, including 200 kg of fertiliser and Tk 40,000 in labour. He sells hog plums for Tk 1,200 per maund early in the season and Tk 1,800 later, sending truckloads to Dhaka and Sylhet.

Production stood at 45,400 tonnes in FY24, with Barishal accounting for 39%

Deepak Maitra, another seasoned farmer from the same village, said, "From one bigha (0.62 acre) of land, I harvested about 50 maunds of hog plum and sold them for around Tk 70,000-Tk 75,000."

He added that from the same amount of land, he earned only Tk 17,000 by selling guava from his orchard.

Across the Barishal Division, hog plum was grown on 1,849 hectares this year, producing around 24,000 tonnes worth an estimated Tk 100 crore, according to regional DAE data. The crop was cultivated on 315 hectares in Patuakhali, 251 in Barishal, 72 in Barguna, and 32 in Bhola.

"Hog plum offers better market value and longer shelf life, so many farmers are incorporating it alongside their guava orchards," said Barishal DAE Additional Director Nazrul Islam.

Jhalakathi alone produced 4,578 tonnes from 602 hectares, said DAE Deputy Director Md Abdullah Al Mamun. "Per acre, production costs Tk 75,000-Tk 80,000, while returns reach up to Tk 1.7 lakh. After hog plum received Geographical Indication status, its value and importance rose further," he said.

Wholesaler Tapas Bepari said some 50-60 major traders operate across the three southern upazilas, each shipping 200-300 maunds of hog plum daily to major cities like Dhaka and Sylhet.

Still, farmers say they are missing out on higher profits due to the lack of local processing facilities and fair market prices.

"We don't have factories or cold storage, so we don't get the added value our produce deserves," said Nityananda Samaddar, a farmer from Jhalakathi.

"Many tourists visit the floating markets of hog plum, guava, and vegetables, but farmers still depend on the wholesale prices fixed by Dhaka traders. We want fair local markets and fruit-processing factories established here," he added.

Why our financial sector lags behind the real economy

SHAHIDUL ISLAM

Bangladesh's economy presents a striking contrast. Its markets for real sector products such as consumer goods, construction materials, pharmaceuticals, and real assets like land and apartments are relatively robust, with their share of GDP comparable to peer countries. The same, however, cannot be said for financial products such as corporate bonds, life insurance policies, and mutual funds. These markets remain among the least developed in the region. Even countries with lower per capita income, including Nepal and Pakistan, have more advanced financial markets.

Bangladesh's banking sector, which flourished after World Bank-mandated financial reforms in the early 1990s, has steadily declined, with deposit and loan growth now lagging far behind nominal GDP. Why does this disparity persist between a thriving real sector and a struggling financial one?

The answer lies in the nature of the products. Real sector goods involve tangible items and immediate value exchange; buyers receive groceries or materials at the point of payment. In such transactions, the role of legal and regulatory authorities is minimal because trust is built through instant delivery.

Financial products, by contrast, are fundamentally different. They represent claims on future cash flows, their value depending on the present worth of payments expected years later. A life insurance policyholder, for example, may pay premiums for decades before any payout is made. This complexity makes the development of financial markets heavily dependent on a sound legal and regulatory system that encourages trust and credibility.

For financial markets to function effectively, a country needs a strong legal system to enforce contracts between issuers and investors. Without reliable enforcement, investors cannot trust that promised payments will be honoured. Equally critical are competent regulatory institutions that ensure issuers remain adequately capitalised, solvent, and transparent.

In Bangladesh, these foundations have long been weak, and the situation has worsened over the past decade. Regulators have often been influenced by vested interests seeking to exploit financial institutions. Licences for banks, insurance companies, and mutual fund managers have frequently been issued not to promote financial inclusion or stability but to enable insiders to siphon off public funds. This erosion of integrity has undermined confidence and stifled the growth of financial markets.

The lag in Bangladesh's financial sector carries serious consequences. A robust financial system is essential for channelling household savings into productive investments, supporting real sector growth, and helping households and businesses manage risks. An underdeveloped insurance market limits businesses' ability to mitigate risk, while a weak corporate bond market restricts firms' access to long-term capital. The banking sector's decline further constrains financial intermediation, as slower deposit and loan growth reduces lending capacity. Without a dynamic financial sector, Bangladesh's economic progress is curtailed because savings cannot be efficiently channelled into building productive capacity.

To close this gap, Bangladesh must pursue comprehensive financial sector reform. Strengthening governance is crucial; regulatory institutions need to be independent, transparent, and insulated from political influence. Upholding the rule of law is equally important to ensure contract enforcement and protect investors. Rebuilding institutional credibility through stricter licensing, regular audits, and penalties for misconduct will help restore public trust. Public awareness campaigns could also educate citizens about the risks and benefits of financial products, enabling them to make informed decisions when choosing service providers.

Bangladesh's real economy has shown remarkable resilience, but its financial sector remains the weak link. Without urgent reform, the gap will only widen, threatening long-term growth. By fostering a trustworthy and resilient financial system, Bangladesh can unlock its full economic potential, ensuring household savings drive sustainable development.

The writer is CEO of VIPB Asset Management Company and former president of CFA Society Bangladesh

'Industrialise first, clean up later' no longer suits developing nations

UNDP economist says sustainability has become central to growth

STAR BUSINESS REPORT

The old model of "industrialise first, clean up later," which once prioritised rapid growth over environmental concerns, no longer works for developing nations, according to economists and business leaders.

They said sustainability and responsible business practices are no longer simply ethical choices but essential elements of economic growth and competitiveness.

"Sustainability and competitiveness are increasingly becoming inseparable for modern businesses as the world faces deepening environmental and social challenges," said Owais Parray, country economic adviser at UNDP Bangladesh.

Speaking at "Sustainability Day 2025," organised by the UN Global Compact Network Bangladesh (UN GCNB) in Dhaka yesterday, Parray said, "We face many environmental concerns today, from the climate crisis to severe air pollution, not only in Bangladesh but across many other countries."

He said businesses are responding to these challenges, and as an economist, he has observed how they are also adapting to changing consumer demands.

"These shifts, in turn, reflect the evolution of our societal values," he added.

Drawing from history, Parray said, "Many years ago, during the First Industrial Revolution, it was quite common, even encouraged, for factories to hire young children. There were no questions asked."

"Today, while it sadly still exists in some places, it is largely unthinkable for most of us that children should work in factories."

The UNDP economist said that while laws have helped prevent such exploitation, the real change has come from a deeper moral transformation. "There has been a fundamental shift in our values."

According to Parray, ideas once considered fringe, such as social business, green finance, and creating value at the bottom of the pyramid, have now become mainstream — a positive shift over the past two decades.

He said innovation has been the driving force behind this transformation. And it is not just technological but also about ideas and business models. For instance, corporate social responsibility (CSR) was once seen merely as a cost, something done to build goodwill, said Parray, adding, "Now, it is increasingly viewed as an investment."

Rejecting the traditional development path of high-income industrialised countries, Parray said the old "industrialise first, clean up later" model no longer suits developing economies.

Drugmaker Renata PLC has installed rooftop solar panels at its Bhaluka site in Mymensingh to promote sustainability and reduce the environmental impact of its pharmaceutical operations. PHOTO: RENATA

At the event, AK Azad, vice-president of the International Chamber of Commerce (ICC) Bangladesh, urged the country's business community to integrate sustainability and responsible practices into their core operations to remain competitive in a rapidly changing global trade landscape.

Azad, also the chairman of Ha-Meem Group, a leading readymade garment supplier, said that as Bangladesh prepares to graduate from least developed country (LDC) status, it faces both new opportunities and challenges.

"We must enhance competitiveness, diversify exports, and embrace sustainability and innovation as the foundation of our next phase of growth," said the business leader.

He commented that state-led innovation in technology, green finance, and digital transformation could make industries more efficient and globally competitive.

Calling the event "not just a celebration but a call to action," Azad urged business leaders, policymakers, and civil society to work together so that sustainability becomes a shared national goal.

In his opening remarks, Farooq Sobhan, network representative at the UN Global Compact Network Bangladesh, highlighted the role of the private sector in integrating innovation into sustainability strategies.

He said the next phase of corporate growth will depend on how effectively businesses align their models with environmental and social priorities.

Among others, Commerce Secretary Mahbubur Rahman, Green Delta Insurance PLC Managing Director Farzanah Chowdhury, and Global Compact Network Bangladesh Executive Director Shahamin S Zaman spoke at the event.