

# 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."

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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.

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## 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.

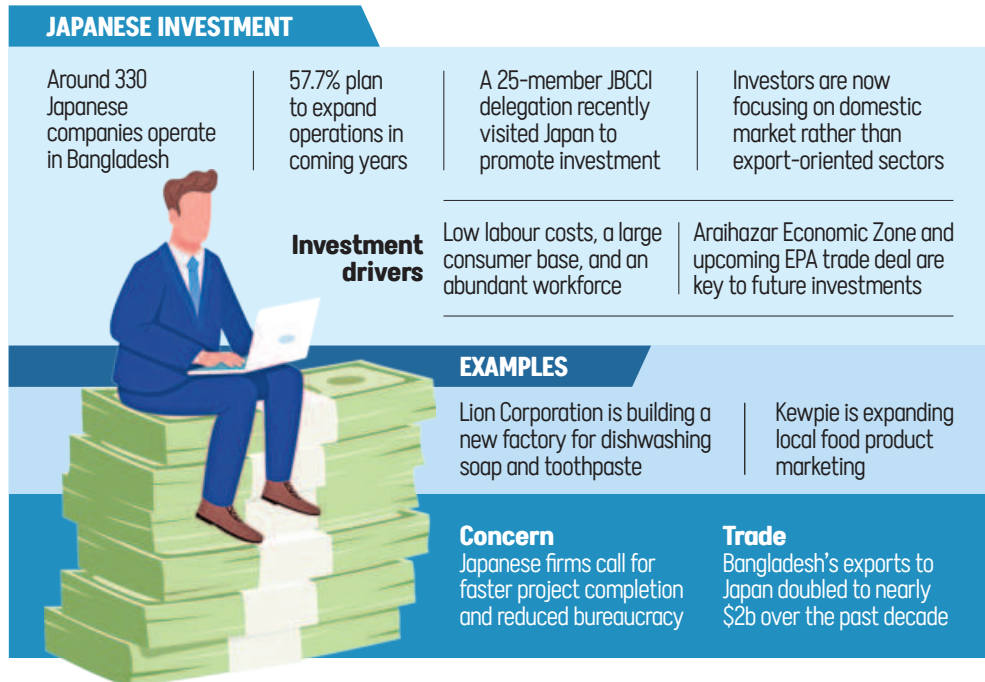
"Japanese investors are showing interest in Bangladesh because of advantages such as low labour costs, abundant human resources and a large domestic market," said Kazuaki Kataoka, country representative of the Japan External Trade Organisation (Jetro).

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.

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## BB buys \$38m more from market

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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

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## Lack of lab accreditation hampers exports

Says chairman of Pran-RFL

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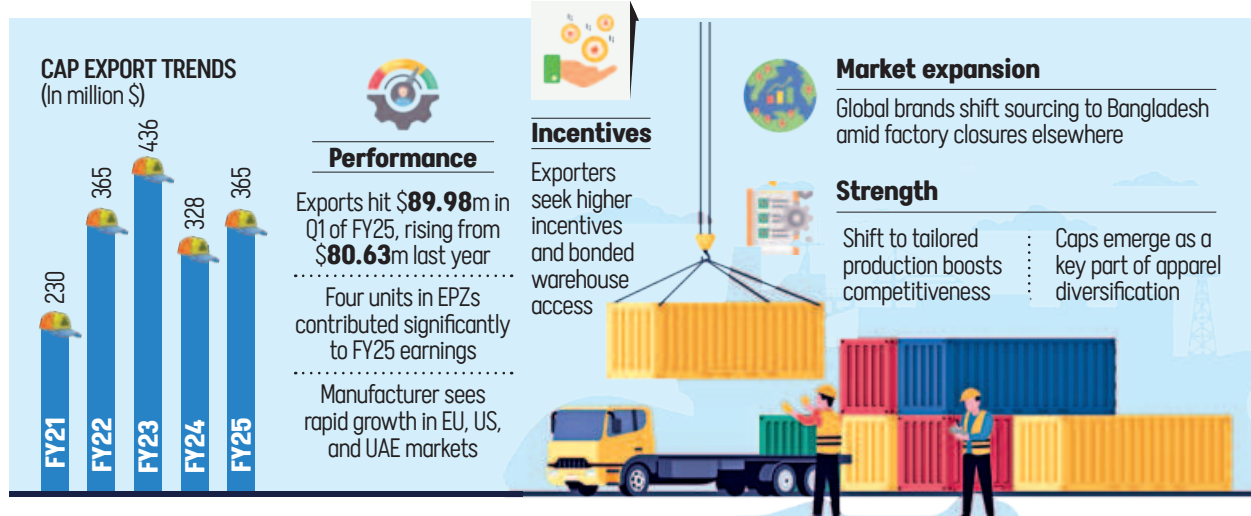
Many of Bangladesh's laboratories are not internationally accredited, which creates challenges for exports, a leading food processor and conglomerate said at an event yesterday.

"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.

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## 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

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## IMF projects modest recovery in FY26

REJAUJ 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

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## Ctg port users urge CA to review new tariff

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

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