



Owais Parray, senior economic adviser at the UNDP Bangladesh, speaks at a seminar on shifting trade landscape in Asia and the Pacific organised by The Daily Star in collaboration with UNDP Bangladesh at the newspaper's office in Dhaka yesterday. The event was attended by other economists, analysts, policy experts and UN officials. PHOTO: STAR

# Bangladesh should tap Asian markets as protectionism reshapes trade: experts

## STAR BUSINESS REPORT

As rising protectionism across major economies continues to shape global trade, Bangladesh should pivot towards emerging Asian markets to expand its trade horizons, experts said yesterday.

Currently, the country's exports remain heavily concentrated in European and American markets — both increasingly affected by tariff-based protectionism and the breakdown of multilateral trading norms, they noted.

The experts, including economists, analysts, and high-ups of the United Nations, were speaking at a seminar on the shifting trade landscape in Asia and the Pacific, organised by The Daily Star in collaboration with UNDP Bangladesh, at The Daily Star office in Dhaka.

They identified the US's recent move to impose reciprocal tariffs on countries as an example of the most difficult protectionism in global trade and stated that it remains unclear how far such measures will go as negotiations continue.

On the other hand, they pointed out that Asian markets now account for about 40 percent of global GDP, with rapidly expanding consumer bases and strong economic growth, presenting major opportunities for Bangladesh's export diversification.

Md Hafizur Rahman, administrator of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), said Bangladesh should continue to negotiate trade deals under the World Trade Organization's multilateral framework, even though it is under significant strain from protectionist trends.

He urged policymakers to prioritise Asian markets but noted that major regional and bilateral agreements such as

the Regional Comprehensive Economic Partnership and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership have yet to deliver significant results, except for groupings like ASEAN and the EU.

Rahman also called for reducing logistics and unnecessary trade licensing costs, including import and export registration certificates and their renewal, as those things hardly add any value.

### Challenges

- Rising global protectionism
- Overdependence on Western markets
- High tariff and anti-export bias
- Inefficiency in trade procedures
- Weak multilateral negotiation environment

### Recommendations

- ..... Diversify export destinations toward Asia
- ..... Engage in effective multilateral and regional agreements
- ..... Rationalise tariff structures
- ..... Reduce trade and logistics costs
- ..... Balance export-led growth with domestic strengthening

Zaidi Sattar, chairman of the Policy Research Institute (PRI) of Bangladesh, recommended rationalising the high trade tariffs, currently averaging around 28 percent, as they discourage other countries from signing trade deals with Bangladesh.

He argued that tariff reduction is not necessarily detrimental to revenue collection. "In the 1990s, when the tariff rate was reduced drastically, revenue generation doubled."

The unnecessarily higher tariff to protect local production units ultimately created an anti-export bias, and the expected export product diversification did not take place, he added.

Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD),

said Bangladesh should simultaneously continue both export-led economic growth and strengthen the domestic economy to be more competitive.

She pointed out that negotiations among countries within the WTO framework have often stalled, leading nations to shift toward bilateral and regional trade agreements. "Simply put, multilateralism is no longer functioning as effectively as before."

The CPD executive director, however, noted that Bangladesh, a least developed country, has been among the few that managed to take advantage of a supportive global trade environment.

Also speaking at the event, Owais Parray, senior economic adviser at UNDP Bangladesh, said earlier estimates suggested that about \$1 billion worth of exports in Asia were at immediate risk, and around \$47 billion potentially at risk from new US tariffs.

For Bangladesh, he noted that recent estimates, including one by Research and Policy Integration for Development (RAPID), indicate a possible 14 percent drop in exports to the US under current conditions.

Citing the RAPID report, Parray said

China's exports to the US have fallen sharply, while its trade with ASEAN and other regional partners has increased slightly, part of a broader shift toward intra-Asian trade.

He went on to explain further shifts in trade relationships with the US.

"In 2000, 54 percent of Cambodia's exports went to the US; today that share has declined as the EU's has grown. Similar trends are seen across the region, alongside a steady rise in intra-regional trade within Asia-Pacific," Parray said.

Indonesia and others began exporting more to non-US destinations, though dependence on US trade remains significant in many cases, he also noted.

"Globally, we are clearly living in a more restrictive trade environment, which has surged from \$600 billion last year to around \$2 trillion between October 2024 and May 2025. Tariffs and non-tariff barriers are both increasing," said the senior economic adviser.

Mahfuz Kabir, research director at the Bangladesh Institute of International and Strategic Studies, said during tariff negotiations with the US Trade Representative (USTR), Bangladesh included local importers to demonstrate efforts to reduce its trade gap with the US.

The government also signed an agreement to import 3.5 million tonnes of American wheat as part of its effort to narrow the trade imbalance, he said. "Bangladesh's primary goal was to reduce tariffs, not to finalise a trade deal with the US," Kabir noted.

The US wants the materialisation of the commitments that Bangladesh made during the negotiation and possible signing of the trade deal, he added.

The event was moderated by Syed Yusuf Saadat, economist for UNDP Bangladesh.

# The courage to copy

MAHTAB UDDIN AHMED

If you walk into a startup pitch competition in Dhaka, it often feels like going to a winter wedding. Everyone wears the same panjabi and waistcoat, and talks about disruption in the same polished accent they learned from a YouTube video. The judges, of course, sit with serious faces and ask their favourite question: "What is unique about your idea?" As if the fate of the nation depends on discovering the next flying rickshaw. Ironically, everyone in the room ends up chasing "uniqueness," while quietly presenting the same recycled models with new names and brighter slides.

Here is the uncomfortable truth that few like to admit. Winning in a messy and uncertain market does not always require being the first or the most original. More often, the winners are those who learn the fastest. Stanford's Kathy Eisenhardt and Rory McDonald from Virginia call this idea "parallel play." It is borrowed from how young children play in parks. They do not collaborate. They simply observe the clever moves of the child with the most exciting toy and quietly adapt.

In the business world, this means watching your competitors with care, borrowing what works, and improving it faster than they can. It is not theft. It is survival with a sharper mind.

The Bangladeshi startup ecosystem offers plenty of proof. The country now sits among the top fifty global startup ecosystems. But according to a 2023 BCG and Bangladesh Angels study, seven out of ten startups collapse before reaching their third year. Nearly half of those failures happen because founders burn their early cash trying to be "different" rather than building something that works.

Meanwhile, companies like Pathao succeeded by adopting a proven global model and adapting it quickly to local realities. Here, good ideas often die young, not because they are bad, but because they are born into an ecosystem that offers little government backing, weak investor protection, and almost no clear exit path.

The story is no different abroad. When ride-sharing emerged, Uber, Lyft, and Sidecar did not become rivals by building three completely different inventions. They copied each other's smartest ideas. Sidecar tried peer-to-peer rides and in-app payments. The others observed and borrowed. Their real competition was not among themselves but with the taxi industry. Google, too, did not invent its advertising engine. It observed GoTo.com and applied the best idea in a smarter way.

For Bangladeshi founders, this lesson matters deeply. In a market where funding is scarce and regulations can change overnight, building something entirely new is often a luxury. What gives a fighting chance is the ability to observe and adapt faster than others. That requires humility, sharp eyes, and the courage to let go of ego.

Copying blindly is foolish. But copying wisely is a strategy. It is about learning through action, testing quickly, and adjusting to the market before others can even finish their second investor deck.

In the playground of innovation, the winner is not always the loudest dreamer. The winner is the quiet observer who learns from everyone else's mistakes and rides the wheel better than the one who invented it.

Bangladesh stands at a turning point. An innovative approach can unlock a massive untapped opportunity. If we stop worshipping "originality" as a divine gift and start rewarding strategic learning and adaptation, hundreds of new ventures could emerge stronger. With over two million young people entering the job market each year, a thriving startup ecosystem is not a luxury. It is a national necessity. By encouraging fast learners, building better investor protection, and enabling easier exits, we can turn startup failures into sustainable enterprises that create jobs, attract capital, and power the next wave of economic growth.

The writer is the president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd



# Nestle to cut 16,000 jobs worldwide

AFP, Zurich

Nestle, the Swiss food giant whose brands include Nespresso coffee and Perrier water, will eliminate 16,000 jobs worldwide over the next two years, its new chief executive said on Thursday.

"The world is changing, and Nestle needs to change faster," Philipp Navratil, who took the reins of the multinational in early September, said in a statement.

That included making "hard but necessary decisions to reduce headcount", he said.

Navratil spoke as the company published nine-month figures showing sales down by 1.9 percent to 65.9 billion Swiss francs (\$83 billion).

The layoffs include 12,000 white-collar jobs, saving the company one billion Swiss francs — which it said was double what had been previously planned — on top of 4,000 job cuts already underway in production and the supply chain. Navratil said Nestle was increasing its savings target to three billion Swiss francs by the end of 2027, up from the previous target of 2.5 billion.

The food giant, which owns more than 2,000 brands — including Kit Kat chocolate bars and Purina dog food — experienced a turbulent September, with the dismissal of its previous CEO over an office relationship.

That was followed by the earlier-than-expected departure of its chairman.

Financial analysts hope that Navratil will succeed in restoring stability to the group, which has seen its growth falter since 2022. Nestle has also been rocked by a scandal surrounding its bottled water that began in France in 2024. Organic sales growth amounted to 3.3 percent in the first nine months of 2025, driven by price increases of 2.8 percent.

AFP, New Delhi

India said Thursday that its energy priority was the interest of its citizens, after US President Donald Trump said New Delhi had promised it will stop buying Russian oil.

New Delhi neither confirmed nor denied it was shifting policy towards Russia.

Trump in August raised tariffs on Indian exports to the United States to 50 percent, with Washington accusing India of fuelling Russia's war in Ukraine.

When Russia invaded Ukraine in 2022, India seized the opportunity to buy discounted crude.

Exports of Russian oil to India surged, making Moscow India's top oil supplier.

Ukraine's Western allies have repeatedly sought to hobble Russia's export earnings. But Russia has been able to redirect energy sales to other countries, ensuring a multibillion-dollar flow of funds.

### HOW MUCH DOES INDIA IMPORT?

India, one of the world's largest crude oil importers, relies on foreign suppliers for more than 85 percent of its oil needs.

While New Delhi traditionally sourced most of its crude from the Middle East, it has shifted heavily toward discounted Russian barrels over the past three years. In 2024, Russia accounted for nearly 36

percent of India's total crude oil imports, up from roughly two percent before the war, according to India's commerce ministry.

New Delhi bought approximately 1.8 million barrels of Russian crude per day in 2024. That made up around 37 percent

of Moscow's total oil exports, the highest after China.

### WHAT IMPACT HAVE TARIFFS HAD?

New Delhi imported a little over 1.6 million barrels per day from Russia in September, according to trade intelligence

platform Kpler.

This was roughly 160,000 barrels per day lower than average Russian volumes imported during the first eight months of 2025.

But analysts attribute the dip to pricing trends rather than policy shifts.

Since oil contracts are typically signed more than a month before delivery, experts say the impact of Trump's tariffs will become clearer by the end of October.

Meanwhile, the 50 percent duties have begun impacting India's exports to the United States, its top trading partner, according to New Delhi's commerce ministry.

Shipments to the United States sank 11.93 percent in September from a year earlier, and were down over 20 percent from the previous month.

But India's overall exports for September stood at \$36.38 billion, up 6.7 percent from a year earlier, buoyed by increased shipments to China and the United Arab Emirates.

### WHY DOES INDIA RELY ON RUSSIA?

India's foreign ministry has said it "began importing from Russia because traditional supplies were diverted to Europe after the outbreak of the conflict".



Workers stack oil barrels at a filling station in Chennai. India relies on foreign suppliers for more than 85 percent of its oil needs. PHOTO: AFP/FILE

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