

# star BUSINESS

Former IFIC Bank MD fined Tk 5cr for Aamar Bond scam

STAR BUSINESS REPORT

The stock market regulator has decided to fine Shah Alam Sarwar, former managing director of IFIC Bank, Tk 5 crore for his involvement in the manipulation of the IFIC Aamar Bond.

Earlier, the Bangladesh Securities and Exchange Commission (BSEC) declared Salman F Rahman, former chairman of the bank and former adviser to prime minister Sheikh Hasina, persona non grata in the stock market for life for misleading investors with a deceptively named bond.

A similar punishment was imposed on his son, Ahmed Shayan Fazlur Rahman, former vice-chairman of the bank, and Prof Shibli Rubayat-Ul-Islam, former BSEC chairman, for their involvement in the same scam.

They deceived investors by naming a bond "IFIC Aamar Bond," creating the false impression that it was issued by IFIC Bank, when the actual issuer was Sreepur Township Ltd.

Salman was fined Tk 100 crore, while his son Shayan was fined Tk 50 crore.

The Daily Star exposed the irregularities in a report titled "Aamar Bond not IFIC's," published on November 23, 2023.

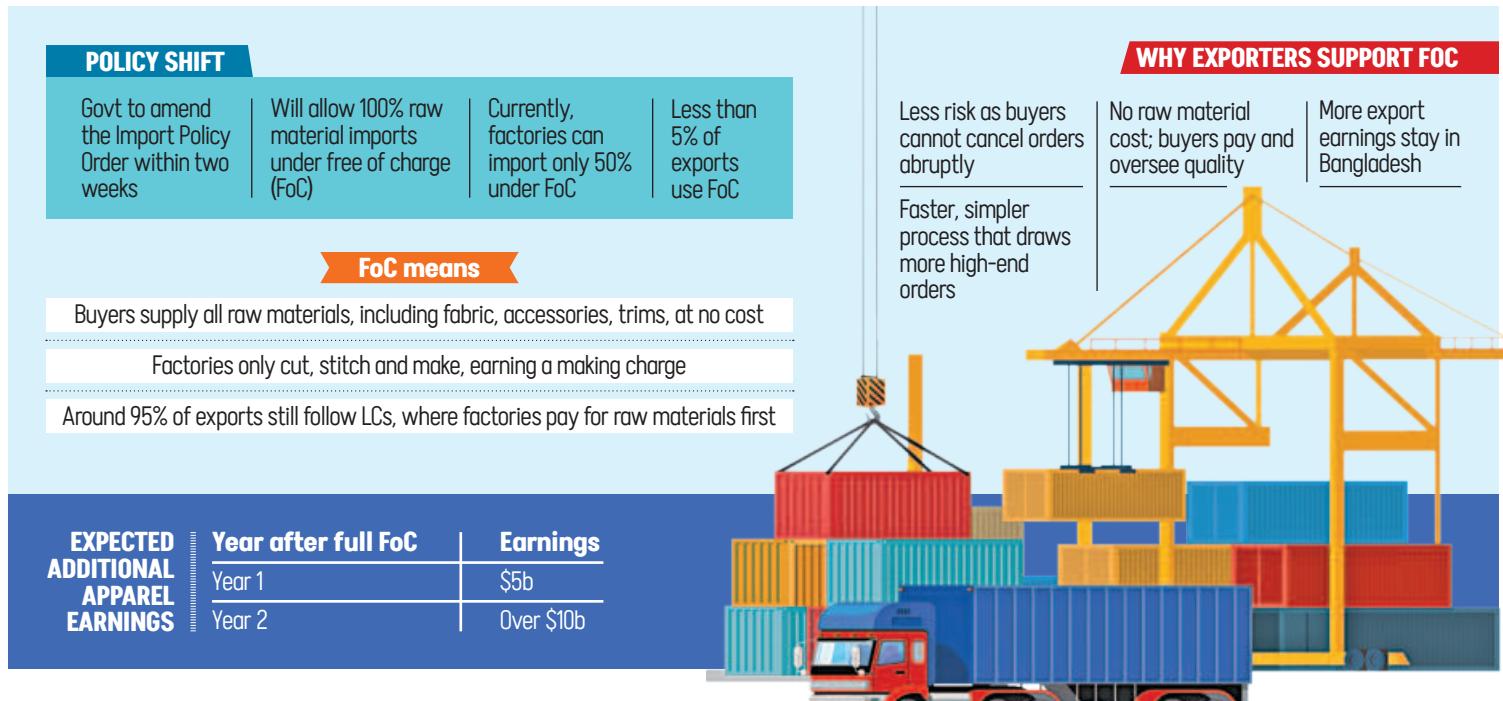
Beximco Ltd and SFR Real Estate Ltd had collectively contributed 25 acres of land to form a joint venture on a revenue-sharing basis with Sreepur Township Ltd.

The owners from Beximco were Salman and Shayan, who served as vice-chairman and adviser of

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## With import policy tweak, garment makers expect \$5b more in exports

Govt amending import rules so factories can get all raw materials from buyers, instead of the current 50% limit



REFAYET ULLAH MIRDHA

Bangladeshi apparel manufacturers expect to earn an additional \$5 billion in high-end garment exports in the first year after the government scraps the 50 percent ceiling on free-of-charge (FoC) imports. Under this arrangement, the buyer supplies raw materials such as fabrics, accessories and other inputs.

They say the additional earnings could cross \$10 billion in the second year once the FoC quota is fully abolished.

The Chief Adviser's Office says the commerce ministry has decided to amend the Import Policy Order within the next two weeks. The amendment will allow garment exporters to source all raw materials from overseas buyers, process them and ship the finished products back.

At present, exporters are permitted to import only 50 percent of the required raw materials under the FoC arrangement.

Md Shehab Udduza Chowdhury, vice-president of the Bangladesh Garment Manufacturers and Exporters Association

(BGMEA), said Bangladesh could earn an extra \$5 billion in exports in the first year of the FoC quota removal.

In the second year, he expects the value to cross \$10 billion as factories can get all raw materials under the FoC arrangement.

A few years ago, FoC imports were capped at 33 percent of total raw materials. This was increased to 50 percent later.

Under FoC, international buyers supply fabrics, accessories and other inputs needed to produce export items. Local manufacturers receive only the cutting and making charge.

Local apparel exporters currently use FoC for less than 5 percent of total shipments due to restrictive conditions and reported complications at Chattogram customs.

Garment exporters say that FoC is straightforward, less risky and faster. Without any quota on FoC import, they believe global brands will place more orders in Bangladesh because of the country's skilled workforce and strong manufacturing capacity.

At present, more than 95 percent of

garments are exported using usual letters of credit (LCs). FoC has seen limited uptake because of import restrictions and bureaucratic hurdles. BGMEA Vice-President Chowdhury said he submitted a proposal two months ago to ease the rules.

He said that Bangladesh exported \$7 billion worth of garments made from man-made fibres in fiscal year 2022-23. Local textile mills supplied only 4 percent of the raw materials, with the rest imported, mainly from China.

Manufacturers say orders for high-end man-made fibre and polyester garments are shifting from China to Bangladesh as the United States has imposed higher tariffs on Chinese goods. Some Bangladeshi factories cannot take full advantage of it because they are barred from importing more than 50 percent of raw materials under the current FoC rules.

According to Chowdhury, FoC reduces risk because buyers cover raw material costs and cannot cancel orders abruptly. READ MORE ON B2

## BB keeps policy rate unchanged as high inflation persists

STAR BUSINESS REPORT

The Bangladesh Bank (BB) has kept its policy rate unchanged at 10 percent as inflation continues to hover well above the target set by the regulator.

The Monetary Policy Committee (MPC) of BB made the decision in its 10th meeting on Monday, reviewing current economic conditions, recent inflation data, and the near-term outlook, according to officials familiar with the matter.

Governor Ahsan H Mansur, who chairs the MPC, presided over the meeting attended by both internal and external members.

Along with keeping the policy rate unchanged, BB also left the Standing Deposit Facility (SDF) rate at 8 percent—which allows banks to earn interest on overnight deposits with the central bank—and the Standing Lending Facility (SLF) rate at 11.50 percent, which banks pay when borrowing overnight funds from BB.

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"The policy rate will remain unchanged as inflation has not come down to our expected level," said Md Habibur Rahman, deputy governor of BB and an internal MPC member.

The central bank had initially aimed to bring inflation down to 7 percent by August and 5 percent by the end of 2025, but recent data show the economy is still some way off these goals. Governor Mansur has repeatedly stated that he would not lower the policy rate until the inflation rate comes down.

Bangladesh's inflation rose slightly to 8.36 percent in September from 8.29 percent in August, according to the latest data from the Bangladesh Bureau of Statistics (BBS).

The increase was driven mainly by non-food prices, which climbed to 8.98 percent from 8.90 percent, while food inflation moved up to 7.64 percent from 7.60 percent.

Inflation in Bangladesh had remained above the 9 percent mark for an extended period; however, it came down to 8.48 percent in June from 9.05 percent in May, data showed.

The MPC on Monday discussed the country's macroeconomic conditions, key challenges, and the

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## MNCs' profit shifting costs Bangladesh \$692m in lost tax: report

### MNCs' profit shifting from South Asian nations and tax losses

In million \$ (In 2021) ■ Profits shifted outward ■ Tax revenue loss

Afghanistan	143	29
Bangladesh	2,458	692
India	249,129	88,370
Maldives	237	36
Nepal	354	88
Pakistan	2,698	797
Sri Lanka	3,620	970

The estimates are based on aggregate country by country reports published by the OECD in 2024 for the years from 2016 to 2021.

SOURCE: THE STATE OF TAX JUSTICE 2025, TJN

STAR BUSINESS REPORT

Bangladesh lost \$692 million in tax revenue from 2016 to 2021 due to profit shifting by multinational companies, according to a new report by the Tax Justice Network (TJN) released yesterday.

The report, The State of Tax Justice 2025, says global firms moved \$2.45 billion in profits out of Bangladesh to avoid paying local taxes.

Profit shifting is a common tax avoidance tactic where companies transfer earnings from countries with higher taxes to low- or no-tax jurisdictions. They do this through intra-group transactions, such as charging fees between subsidiaries, reducing taxable income in Bangladesh while booking profits elsewhere.

Bangladesh is the fourth largest country in South Asia—after India, Sri Lanka, and Pakistan—in terms of profit shifting and tax losses.

On average, the South Asian country loses about \$397 million each year to global tax

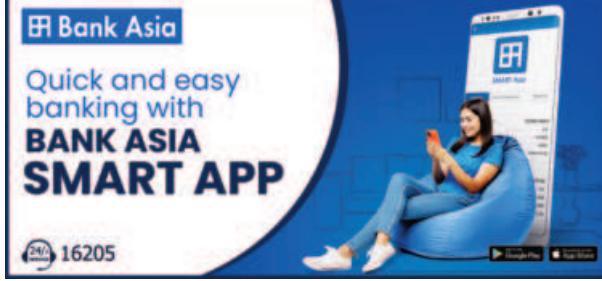
abuse, roughly 1.6 percent of total tax revenue, or \$2 per person. Of this, \$371 million comes specifically from multinational corporations. The report adds that the lost revenue equals nearly a third of Bangladesh's health budget and over 6 percent of its education spending.

The TJN report also states that United States-headquartered multinationals are responsible for revenue losses around the world of \$495 billion—about 29 percent of the global total of \$1.7 trillion. The US itself has suffered \$57 billion of the global total, of which its own multinationals were responsible for \$271 billion.

The report, however, points out that US-based multinationals did not shift profits from Bangladesh between 2016 and 2021.

Towfiqul Islam Khan, additional director at the Centre for Policy Dialogue (CPD), said Bangladesh has made strides in various areas of development, but tax justice remains a significant challenge.

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Local consortium commits to \$1b US soybean purchase over next year

Apparel exporters say US cotton also holds strong promise if tariff rules clarified

STAR BUSINESS REPORT

A consortium of three Bangladeshi soy crushing companies has committed to purchasing US soybeans worth \$1 billion over the next one year, according to a statement from the US Embassy in Dhaka.

The companies are Meghna Group, City Group, and Delta Agro.

US Chargé d'Affaires in Dhaka Tracey Ann Jacobson welcomed the agreement with the US Soybean Export Council (USSEC) -- a trade body representing the interests of US soybean farmers abroad.

At the signing ceremony at a hotel in Dhaka, the senior US diplomat said the deal signals a growing market for US agricultural products in Bangladesh.

**BGMEA president said around 10 percent of cotton imported into Bangladesh comes from the US, which could be doubled or even tripled with strategic initiatives**

In a separate development, leading Bangladeshi apparel makers yesterday met a visiting delegation from Cotton USA.

They said imports of American cotton could be "doubled or even tripled" if the US administration provided clearer duty guidelines for apparel exports made with US cotton.

At a meeting at the BGMEA office in Dhaka, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Mahmud Hasan Khan discussed the recently announced US Executive Order, under which apparel made with at least 20 percent US raw materials will receive a proportional exemption from newly imposed additional tariffs when exported to the US.

"This new tariff exemption presents a tremendous opportunity for our industry, making our products even more competitive in the international market," he said.

The BGMEA president said they are yet to receive clear guidelines on how Bangladesh's spinning mills and garment factories can access the benefit.

He urged the US delegation to seek clarification from the US administration and share it promptly with BGMEA.

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IMF, WB urge unified debt office in Bangladesh

STAR BUSINESS REPORT

A joint mission of the International Monetary Fund (IMF) and the World Bank has recommended the creation of a unified debt management office (DMO) in Bangladesh to strengthen the country's public debt framework and reduce fiscal and operational risks.

According to the mission, Bangladesh's debt management functions remain fragmented across multiple agencies, creating coordination gaps, inconsistent data, and difficulties in formulating a comprehensive strategy.

The proposal was presented at a workshop titled "Establishing a Debt Management Office" at the Secretariat in Dhaka on Monday, according to a press release.

The event was organised under the scheme on strengthening the capacity of the Treasury and Debt Management Wing of the Finance Division, as part of the Strengthening Public Financial Management to Enable Service Delivery (SPFMS) programme.

The mission suggested consolidating all government and government-guaranteed debt functions under the Finance Division, beginning with restructuring the Treasury and Debt Management Wing. In its initial phase, the DMO would oversee domestic debt issuance, prepare annual borrowing



Michael Miller

"We have done this by providing preferential access to the EU market under the Everything But Arms (EBA) initiative, offering development cooperation and expertise, and supporting both public and private investment under the EU's Global Gateway strategy," he said.

The ambassador shared that the EU and Bangladesh are nearing the conclusion of negotiations on a comprehensive, upgraded partnership and cooperation agreement.

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READ MORE ON B2

# Prime Bank, Rangs partner to offer discounts on Mitsubishi vehicle purchase

## STAR BUSINESS DESK

Prime Bank PLC recently signed an agreement with Rangs Limited, an automobile company under the Rangs Group and the authorised distributor of Mitsubishi vehicles in Bangladesh.

Mamur Ahmed, senior executive vice-president and head of branch distribution at Prime Bank PLC, and Mohammad Hamdur Rahaman, chief executive officer of Rangs Limited, signed the agreement at the bank's corporate office in Dhaka, according to a press release.

Under this partnership, Prime Bank customers will be entitled to special discounts when purchasing Mitsubishi vehicles in Bangladesh.

This initiative reflects Prime Bank's continued commitment to enhancing customer benefits by offering premium lifestyle privileges and superior service experiences, the release added.

Through this collaboration, Prime Bank further strengthens its pledge to deliver premium lifestyle advantages for its customers and employees, enriching their overall banking and lifestyle experience.

Joarder Tanvir Faisal, executive vice-president and head of cards and retail assets at the bank, and Mohammad Fahim Hossain, divisional head of marketing at the automobile company, along with other senior officials from both organisations, were also present.



Mohammad Hamdur Rahaman, chief executive officer of Rangs Limited, and Mamur Ahmed, senior executive vice-president and head of branch distribution at Prime Bank PLC, pose for photographs after signing the agreement at the bank's corporate office in Dhaka recently.

PHOTO: PRIME BANK

# Pubali Bank launches co-branded credit card with CMC, CMCH



Prof Mohammad Jasim Uddin, principal of Chittagong Medical College (CMC), unveils the co-branded credit card, launched jointly by Pubali Bank PLC, CMC and Chittagong Medical College Hospital, on the hospital premises recently.

PHOTO: PUBLI BANK

# AB Bank opens collection booth at Mirpur BCIC College

## STAR BUSINESS DESK

AB Bank PLC has inaugurated a dedicated collection booth at Mirpur BCIC College in Dhaka recently to provide comprehensive and modern banking services for the college's students and employees.

Syed Mizanur Rahman, managing director and CEO of AB Bank PLC, and Colonel Md Tauhidul Islam, principal of Mirpur BCIC College, jointly inaugurated the booth, according to a press release.

Operated under the bank's Mirpur Branch, the booth will facilitate all types of financial collections for the college and offer payroll services to its teachers and staff.

This initiative reflects AB Bank's ongoing efforts to strengthen partnerships with educational institutions and promote digital and accessible banking solutions across Bangladesh, the release added.



Colonel Md Tauhidul Islam, principal of Mirpur BCIC College, and Syed Mizanur Rahman, managing director and CEO of AB Bank PLC, inaugurate the collection booth on the college premises in Dhaka recently.

PHOTO: AB BANK

# 'Rise Above All 2025' inspires youth with lessons on leadership, resilience



Ahmed Armaan Siddiqui, chief executive officer of Shukhee, poses for group photographs with participants of a summit, titled "Shukhee Presents Rise Above All 2025", organised by Don Sumday Facilitation & Consultancy, at the Krishibid Institute Bangladesh (KIB) Complex in Dhaka recently.

PHOTO: SHUKHEE

# With import policy tweak

Under full FoC imports, he said that more foreign currency will remain within the country, as apparel-makers will no longer need to spend dollars upfront on raw material imports, as required under the LC system.

After the fifth Investment Coordination Committee meeting on Sunday, the Chief Adviser's Office said the commerce ministry has decided in principle to remove FoC quotas for fully export-oriented companies. The amendment is expected within two weeks and should reduce stockpiling costs and enhance competitiveness.

Md Shahriar, president of the Bangladesh Garments, Accessories and Packaging Manufacturers and Exporters Association, said removing the quota for FoC import would be beneficial if international buyers choose local accessory suppliers. Otherwise, he said, the risk of cancelled orders will be lower.

"It was our long-time demand to the government," he added.

However, Showkat Aziz Russell, president of the Bangladesh Textile Mills Association (BTMA), said the government should consult all stakeholders before taking such an important decision.

He believes heavy imports of raw materials could harm the local textile industry by reducing demand for domestically produced yarn, fabrics and accessories, and lowering local value addition.

"The government is trying to facilitate the businessmen by easing the rules," Khan told The Daily Star.

BGMEA President Mahmud Hasan Khan said removing the FoC quota would bring a lot of benefits to the garment sector, as buyers will pay for raw materials and the risk of cancelled orders will be lower.

"It was our long-time demand to the government," he added.

# IMF, WB urge

FROM PAGE B1  
plans, coordinate auction calendars, assess portfolio risks, and build a unified debt database.

A clear legal framework defining borrowing authority, accountability, and transparency standards was also recommended.

Specialised staffing was identified as critical, with expertise in capital markets, pricing, settlement operations, and risk management to be sourced from Bangladesh Bank, commercial banks, and the capital market.

To retain such professionals, the government would need to offer competitive pay and career development pathways.

Over the medium term, the DMO could evolve into an autonomous entity

with expanded functions, including contingent liability oversight and investor relations.

International experience since the 1980s shows that centralised DMOs help reduce borrowing costs, strengthen fiscal transparency, and separate debt management from monetary policy.

The mission said that establishing a DMO would require political commitment, phased restructuring, modern IT systems, and sustained inter-agency coordination.

Once operational, it is expected to enhance market confidence, lower financing costs, and reinforce long-term fiscal stability.

Senior officials from the Finance Division and IMF-World Bank experts attended the workshop.

# Microsoft unveils \$15.2b AI investment in UAE

AFP, Abu Dhabi

US tech giant Microsoft on Monday announced \$15.2 billion in investments in artificial intelligence and cloud computing in the United Arab Emirates.

Microsoft's vice chairman and president Brad Smith said Microsoft had invested \$7.3 billion in the Gulf country since 2023 and would spend \$7.9 billion more by the end of 2029.

The deal sent US chip maker Nvidia shares up 2.6 percent, buoyed by hopes the AI juggernaut could see access for its most advanced chips expand to more markets.

"This is not money raised in the UAE. It's money we're spending in the UAE," Smith wrote in a blog post published during a visit to Abu Dhabi.

Smith said the investments had been encouraged by both the US and UAE governments and had involved a partnership with the country's G42 sovereign artificial intelligence company.

Roughly two-thirds of the money spent will go on building AI and cloud data centres in the UAE, and a third of it on planned local operating expenses. In the blog post, Smith boasted that Microsoft was the first company to receive export licences from President Donald Trump's administration to supply GPU chips to the UAE.

In some cases, Washington has restricted international access to some of American industry's most advanced processors of the type that can run the latest AI models.

The UAE is a close US ally and popular investment destination but Washington is keen to avoid seeing the most advanced chips evade export controls and end up with rivals such as China.

Microsoft hailed the "substantial work we did to meet the strong cybersecurity, national security, and other technology conditions required by these licences." Updated licences granted in September allow the firm to "ship the equivalent of 60,400 additional A100 chips ... involving Nvidia's even more advanced GB300 GPUs."

# Rupayan teams up with BestBari to promote smart housing solutions

## STAR BUSINESS DESK

Rupayan Group, one of the country's leading real estate companies, has recently signed a memorandum of understanding (MoU) with local proptech start-up BestBari, enabling both organisations to combine efforts to strengthen property sales in Bangladesh.

Brig Gen (retd) Abul Kalam Azad, adviser of Rupayan Group, and Hridoy Rahman, director (sales and business development) of BestBari, signed the MoU at the Rupayan Centre in Mohakhali, Dhaka recently, according to a press release.

Under the MoU, BestBari will provide

online promotions, digital marketing, and warm introductions to prospective clients such as users from BestBari's website who have expressed interest in purchasing new properties in specific locations for Rupayan's corporate sales team.

The collaboration will also create new opportunities for potential property buyers in Bangladesh to access high-quality development projects offered by Rupayan Group.

Shawkat Ahmed, head of operations (corporate sales) of the real estate company, and Salman Kabir, assistant chief operating officer, along with other senior officials from both organisations, were also present.



Hridoy Rahman, director (sales and business development) of BestBari, and Brig Gen (retd) Abul Kalam Azad, adviser of Rupayan Group, pose for photographs after signing the memorandum of understanding at the Rupayan Centre in Mohakhali, Dhaka recently.

PHOTO: BESTBARI

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Date- 04.11.2025

## e-Tender Notice

This is to notify all concern that the following tender is invited in the national e-GP portal:

Sl. No	Tender ID No	Name of work	Publishing, Closing date & Time
01	1163928	Blanket	03-Nov-2025 19:00, 23-Nov-2025 12:00
02	1164836	M.S.R Items	03-Nov-2025 19:00, 17-Nov-2025 13:00
03	1164835	Medical and Surgical Instruments	03-Nov-2025 19:00, 17-Nov-2025 13:00
04	1164838	Re-agents	03-Nov-2025 19:00, 16-Nov-2025 13:00
05	1164650	Hospital Bed Sheet	16-Nov-2025 12:30
06	1164588	Computer Equipment	03-Nov-2025 19:00, 16-Nov-2025 12:30

This is an online Tender where only e-Tender will be accepted in the national e-GP portal and no offline/hard copies will be accepted. To submit e-tender, registration in the National e-GP portal (<http://www.eprocure.gov.bd>) is required. Further information and guidelines are available in the national e-GP system portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

*(Abdul Quddus)*  
Asst. Inspector General of Prisons (Finance)  
For Inspector General of Prisons  
Telephone No. 57300514.

GD-2326



## Adani Power seeks arbitration in Bangladesh payment row

REUTERS, New Delhi/Dhaka

India's Adani Power said on Monday it has opted for an international arbitration process to resolve disputes over Bangladesh's power supply payments.

The company led by Indian billionaire Gautam Adani has been at loggerheads with Bangladesh Power Development Board over pending payments for the electricity it supplies as part of a pact that both sides had signed in 2017.

"There are disagreements in the way certain cost elements are calculated and billed. Hence, both partners have agreed to invoke the dispute resolution process and are confident of a quick, smooth and mutually beneficial resolution," an Adani Group spokesperson said in a statement.

However, Bangladesh's de-facto power minister Muhammad Fouzul Kabir Khan told Reuters that negotiations are still on.

**The company has been at loggerheads with Bangladesh Power Development Board over pending payments for the electricity it supplies**

"Once that process is over, we will move toward international arbitration, if needed," he said.

Adani Power supplies electricity from its coal-fired 1,600 megawatt Godda power plant in eastern India, which meets nearly a tenth of Bangladesh's power needs.

Bangladesh's interim government had accused Adani of breaching the power purchase agreement by withholding tax benefits that the Godda plant got from India, Reuters reported in December.

Bangladesh paid Adani a tariff of Tk 14.87 (\$0.1220) per unit during the fiscal year to June 30, 2024, higher than an average of Tk 9.57 for power supplied by other Indian companies.

Adani Power had last week said its power dues from Bangladesh had narrowed significantly to equivalent of 15 days of tariff, down from about \$900 million in May and nearly \$2 billion early this year.

"Adani Power reaffirms its commitment to the PPA (power purchase agreement) and will continue to support Bangladesh by supplying reliable, cost-competitive and high-quality power," the company said on Monday.



Workers in Faridpur load bundles of jute onto a truck, preparing them for transport to domestic and export markets. Jute prices have been higher this year amid low production.

PHOTO: SUZIT KUMAR DAS

## Export cap fails to cool jute market as premium prices climb

SUZIT KUMAR DAS, Faridpur

The government's move to impose export restrictions on raw jute, aiming to stabilise domestic prices, has failed to produce the desired effect even after two months. In fact, as traders had warned, it has had the opposite effect, with premium grade raw jute prices climbing further.

Medium grade fibre has softened slightly but remains elevated, highlighting the limited impact of the export cap.

The export restriction, issued by the commerce ministry in September following recommendations from the textiles and jute ministry, requires prior approval for raw jute shipments. The measure was intended to ensure domestic mills could secure enough fibre at reasonable prices and curb rising costs for jute products.

High quality jute, which sold for around Tk 4,000 per maund (37.32 kg) in September and October, is now trading at about Tk 4,300, according to Farhad Ahmed Akand, former chairman of the Bangladesh Jute Association.

In Faridpur, the largest producing district, the Department of Agricultural Marketing (DAM) reports premium jute selling for Tk 4,000-Tk 4,300 per maund, Tk 100-Tk 300 higher than before the export restrictions. Faridpur alone produces around 2.14 lakh tonnes of premium-grade jute annually, making it the country's main hub for high-quality fibre.

"Even though the government limited exports, prices in the market continue to rise," said Akhtaruzzaman Chan, a trader at Kanaipur market in Faridpur.

### LOW PRODUCTION, TIGHT SUPPLY

Officials note that lower production this year has tightened domestic supply. Jute output fell 6.5 percent year-on-year to 89.5 lakh bales

(one bale = 180 kg) in FY25 due to reduced acreage and unfavourable weather, according to Bangladesh Bureau of Statistics data.

"Due to low production, domestic supply is limited despite steady demand. This is why prices have not decreased even after export restrictions," said Shahadat Hossain, senior market officer at the Faridpur DAM.



Many farmers sold their jute early, expecting prices to drop because of the export restrictions. "Because of the export restrictions, we sold our jute quickly. Now we see prices rising. If exports had not been limited, we could have received better prices," said Anowar Molla of Jungurdi village in Faridpur's Nagarkanda upazila.

Lower yields compounded the problem.

Moktar Molla, president of the Faridpur District Jute Farmers Association, said, "Cultivating one bigha costs Tk 40,000-Tk 42,000. We harvested only 5-6 maunds per bigha instead of the usual 10. After paying wages, many farmers are barely covering costs. Many thought prices would drop due to export limits, so they sold in September. But now, prices are increasing."

Medium-quality jute, used mainly for bags, sacks, hessian, and packaging, has declined modestly to Tk 3,600-Tk 3,700 per maund from around Tk 3,900. Md Omar Faruk Talukdar, assistant director at the Faridpur Jute Department, explained that high quality fibre feeds export-oriented yarn mills, while medium grades cater to domestic demand, creating a natural price divergence.

### HOARDING AND MARKET PRESSURE

Some traders point to alleged hoarding as another factor keeping prices elevated. "Hoarders are buying large quantities of jute and storing them to sell later at higher prices to mill owners. The government should take action against them," alleged Akand.

Talukdar noted, "Under government rules, anyone hoarding over 1,000 maunds of jute for more than a month is considered a hoarder, and action is taken. However, due to limited staff, not all cases can be addressed."

"This year, lower production has left demand in the market, pushing prices up. Without export restrictions, prices could have reached Tk 5,500, causing instability in the jute market," he added.

Raw jute exports declined following the restriction. During July-October of FY26, jute and jute goods exports together grew 4.7 percent year-on-year to \$277 million, largely driven by yarn, twine, sacks, and bags. Raw jute shipments, however, remained lower.

The rebound comes after FY25, when exports of jute and jute goods fell to \$820 million, the lowest in six years.

Farmers like Nab Kumar Kund of Raotara village in Magura Sadar describe a complex market. "Prices have increased mainly due to reduced production. We want prices high enough to encourage cultivation, but the government should ensure stability for all stakeholders," he said.

## Supreme Court cannot stop all of Trump's tariffs. Deal with it, officials say

REUTERS, Washington

US factory equipment maker OTC Industrial Technologies has long used low-cost countries to supply components - first China and later India - but President Donald Trump's blitz of tariffs on numerous trade partners has upended the supply chain math for CEO Bill Canady.

"We moved things out of China and went to some of those other countries, and now the tariffs on those are as bad or worse," Canady told Reuters. "We just have to hang on and navigate our way through this so we don't all go broke in the short run."

It is a dilemma that is sinking in with companies, foreign trade ministers, trade lawyers and economists as the US Supreme Court considers the legality of Trump's global tariffs, with arguments, set for Wednesday. Under one legal authority or another, Trump's tariffs are expected to stay in place long term.

### LOWER COURTS RULE AGAINST TRUMP

The court, whose 6-3 conservative majority has backed Trump in a series of major decisions this year, is hearing his administration's appeal after lower courts ruled that the

Republican president overstepped his authority in imposing sweeping tariffs under a federal law meant for emergencies.

A ruling striking down Trump's use of the 1977 International Emergency Economic Powers Act, or IEEPA, to quickly impose broad global tariffs also would eliminate a favorite cudgel to punish countries that draw his ire on non-trade political matters.

These have ranged from Brazil's prosecution of former president Jair Bolsonaro to India's purchases of Russian oil that help fund Russia's war in Ukraine.

"We were subject to being abused by a lot of other countries, including China - for years, not anymore. Tariffs have brought us tremendous national security," Trump said, reinforcing a key justification for the duties.

Trump added that he will not attend Wednesday's arguments, but Treasury Secretary Scott Bessent told the Fox News Channel that he would

attend to "emphasize that this is an economic emergency."

Trump is the first president to invoke this statute - which often has been used to apply punitive economic sanctions to adversaries - to impose tariffs. The law provides a president broad authority to regulate a variety

of economic transactions when a national emergency is declared.

In this case, Trump deemed a \$1.2 trillion US goods trade deficit in 2024 a national emergency - even though the United States has run trade deficits every year since 1975 - and also cited overdoses of the often

abused painkiller fentanyl.

Bessent told Reuters that he expects the Supreme Court to uphold the IEEPA-based tariffs. But if it strikes down the tariffs, Bessent said in an interview, the administration will simply switch to other tariff authorities, including Section 122 of the Trade Act of 1974, which allows broad 15 percent tariffs for 150 days to calm trade imbalances.

Bessent said Trump also can invoke Section 338 of the Tariff Act of 1930, a statute that allows tariffs up to 50 percent on countries that discriminate against US commerce.

"You should assume that they're here to stay," Bessent said of Trump's tariffs. For countries that have negotiated tariff-lowering trade deals with Trump, "you should honor your agreement," Bessent added. "Those of you who got a good deal should stick with it."

The Supreme Court case covers only a portion of the tariffs Trump has imposed this year. His administration already is using other authorities for certain tariffs. He is busy piling up tariffs under Section 232 of the Trade Expansion Act of 1962 involving national security concerns to protect strategic sectors including autos, copper,



US President Donald Trump speaks to the media while signing executive orders in the Oval Office of the White House. Under one legal authority or another, Trump's tariffs are expected to stay in place long term.

## Can legal reforms free BB from political control?

SELM RAIHAN

The Bangladesh Bank (BB) has proposed a comprehensive legal overhaul to secure full institutional autonomy and reduce political interference. In a letter to the finance adviser, BB Governor Ahsan H Mansur presented nine draft amendments to the Bangladesh Bank Order 1972, aiming to align the central bank's governance with international standards. The proposed Bangladesh Bank Ordinance 2025 would introduce significant structural changes to administration and governance, including management, board composition and institutional functions.

Key proposals include a search committee to appoint the governor and deputy governors to prioritise professional competence rather than political loyalty. A Court of Inquiry would be authorised to investigate serious allegations against regulators and issue formal advice following a trial. This would make appointment and removal processes less politically driven. The board structure would shift towards greater independence, reducing government-appointed positions and increasing independent experts. The governor's rank would be elevated to that of a cabinet minister, matching peers in India and Singapore, to reinforce institutional standing. The draft also expands the bank's oversight powers, granting legal authority to protect whistleblowers, regulate credit rating agencies, value collateral and act against monopolies to improve discipline across the financial sector.

Backed by the International Monetary Fund (IMF) recommendations under its \$5.5 billion loan programme, these reforms are seen as long overdue. The initiative is a long anticipated attempt to address one of the central bank's deepest weaknesses: its lack

of independence. For decades, political considerations have shaped decisions in monetary policy, banking regulation and financial governance. Governor Mansur's proposals aim to convert the idea of autonomy into a practical legal framework, creating guardrails that could survive changes in political leadership.

Yet the initiative is as ambitious as it is fragile. The timing, under an interim government and IMF conditions, creates both opportunity and risk. It offers a brief window for technocratic reform without partisan obstruction, but it also raises questions of legitimacy and durability. Without broad political consensus, future governments could overturn the ordinance. Bangladesh's history is full of reforms reversed before they could take root.

The design of the proposal draws heavily from models such as the Bank of England and the Reserve Bank of India. It is an impressive effort to meet international standards. However, the local political economy is different. The central bank operates in a system where informal influence, patronage networks and bureaucratic overlap are deeply entrenched. Legal safeguards alone cannot overcome such forces. Autonomy is not just a legal matter, but a political one, shaped by how much space political leaders are willing to allow and how responsibly that space is used.

Elevating the governor's rank to cabinet level may enhance authority, but it could also blur boundaries between fiscal and monetary policy if not carefully managed. Likewise, extending the bank's mandate to include whistleblower protection and anti-monopoly action could overburden it without adequate capacity and coordination with other agencies.

In the end, the proposed amendments are an important and urgent beginning, not a cure all. Independence cannot be granted only by law; it must be built through credible leadership, transparency and consistent enforcement of rules. If enacted, the amendments would strengthen the legal foundations of financial governance. But without political restraint, professional integrity and sustained implementation, they risk becoming another chapter in the country's long record of unfulfilled promises of reform.

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semiconductors, pharmaceuticals, robotics and aircraft, as well as tariffs under Section 301 of the Trade Act of 1974 involving unfair trade practices investigations.

"This administration is committed to tariffs as a cornerstone of economic policy, and companies and industries should plan accordingly," said Tim Brightbill, co-chair of law firm Wiley Rein's trade law practice in Washington.

**NEGOTIATING POWER**

Trump administration officials have touted his tariffs as pushing major trading partners such as Japan and the European Union to negotiate major concessions that will help to reduce the US trade deficit, arguing those concessions will survive any Supreme Court ruling.

US trade partners are not waiting for a Supreme Court ruling in deciding how to proceed. The US Trade Representative's office has announced finalised framework trade deals with Vietnam, Malaysia, Thailand and Cambodia, locking in tariff rates of 19 percent to 20 percent. South Korea agreed to terms on a \$350 billion investment plan, unlocking a 15 percent tariff for its cars and other goods.