

LDC graduation must drive deeper reforms: experts

STAR BUSINESS REPORT

As Bangladesh nears its 2026 graduation from Least Developed Country (LDC) status, economists and business leaders have urged the government to use the milestone as a turning point for deeper reforms, stronger competitiveness, and global integration — rather than mere celebration.

"Graduation itself cannot be deferred. We are working to minimise its trade-related shocks," said Commerce Secretary Mahbubur Rahman at a seminar titled "LDC Graduation: Challenges and Prospects," organised by the Bangladesh-Malaysia Chamber of Commerce and Industry (BMCCI) at the Sheraton Dhaka on Sunday.

Rahman said the government is taking steps to secure trade privileges and ensure a smooth transition after 2026.

He said that key export markets — particularly the European Union — will continue offering duty-free access until 2029, covering around 45 percent of Bangladesh's exports. However, the US

has not extended any such facility since 2013.

Other countries, including Japan, South Korea, China, Australia, and Canada, continue to offer different forms of preferential access, together accounting for over 90 percent of Bangladesh's exports.

Rahman also confirmed that the government has requested a readiness assessment from the UN Committee for Development Policy (UN CDP), which is expected to send a mission later this month to consult with stakeholders.

Selim Raihan, executive director of the South Asian Network on Economic Modeling (Sanem), criticised the government's Smooth Transition Strategy (STS), describing it as "ambitious but superficial."

"It identifies the right issues — like macroeconomic stability and export diversification — but avoids addressing deep-rooted problems like corruption, bureaucratic inertia, and fiscal mismanagement," he said.

Raihan warned that without

transparency and political ownership, the strategy risks becoming "just another decorative document."

He also cautioned that private sector requests to delay the transition, though understandable, could send the wrong signal to global investors. "A delay might buy time but risks destroying reform momentum. Deferral should be a reform window — not a retreat," he said.

LDC graduation must not become a "penalty for progress," said Faruque Hassan, former president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

"Despite our export growth and human development achievements, challenges like high interest rates, energy crises, and rising business costs threaten our competitiveness," he said.

Hassan called for financial sector reforms, including the introduction of green credit lines and better policy coordination to remove hidden costs caused by tariffs, licensing, and regulatory inefficiencies.

He also urged greater market and

product diversification, calling for Free Trade Agreements (FTAs) and Economic Partnership Agreements (EPAs) with the EU, the UK, Japan, Canada, and others. "We must move up the value chain to survive tariff shocks," he said.

Highlighting Bangladesh's progress in sustainable manufacturing, Hassan noted that the country now has over 100 platinum-rated LEED-certified garment factories, with more than 500 more in the pipeline. "We must show the world that we are not only cost-competitive but also responsible," he added.

Khondaker Golam Moazzem, research director at the Centre for Policy Dialogue (CPD), said he remains optimistic about the private sector's capacity to manage the transition but emphasised the need for political and economic stability.

"Despite concerns, I believe the private sector is competent enough to adapt. But recent political uncertainty has slowed business activity. Once the new government is in place, things will stabilise," he said.

Laldia Char Terminal opens

FROM PAGE B1

"In advanced countries, most ports are operated by private companies. Why should we lag behind? We want to move forward in the same way," said Brig Gen (Retd) Hussain.

He added that no decisions would be taken against national interest and that priority would go to firms capable of running the port efficiently. "Our goal is to ensure that businessmen get opportunities while protecting the country's interests," he said.

Primarily planned as a bulk-cargo facility, the Laldia Char Terminal was later redesigned as a multipurpose terminal to handle both bulk and containerised cargo.

Built on 14 acres of land, the terminal offers 10,000 container slots and parking for 1,500 trucks.

It also includes an eight-acre heavy-lift cargo jetty backup and a 10-acre APM terminal area.

The terminal, approved by the Cabinet Committee on Economic Affairs on March 11, 2013, was built under the public-private partnership model with the Chattogram Port Authority as the implementing agency.

After years of delay due to land acquisition issues, the project gained momentum in fiscal year 2023-24, attracting interest from global investors, including APM Terminals, a subsidiary of Maersk Group.

Senior officials, including Port Chairman Rear Admiral M Moniruzzaman and representatives from several ministries, attended yesterday's inauguration ceremony.

Private sector seeks six-year delay

FROM PAGE B1

said it intends to maintain that timeline, local businesses have urged authorities to seek an extension, pointing to inadequate readiness.

Amid this, the government invited the UN team, comprising both officials and independent experts, for a ground-level evaluation.

The team was led by Roland Møllerus, acting director of the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS).

At a meeting held at the UN House in Dhaka yesterday, business leaders said they wanted the deferment because of mounting economic challenges, including high bank interest rates, years of loan scams and irregularities, and the fallout of the pandemic and the Russia-Ukraine war.

They alleged that the country's reported economic growth figures were "false, baseless and inflated", painting an inaccurate picture of Bangladesh's real condition to the international community.

They also claimed that under the previous government they had little opportunity to raise concerns.

Businesses told the delegation that Bangladesh has made limited progress in preparing for post-graduation challenges. The country has yet to sign major trade deals such as Free Trade Agreements (FTAs), Economic Partnership Agreements (EPAs) or Comprehensive Economic Partnership Agreements (CEPAs) with key trading partners — which are essential to retain preferential market treatment after the graduation.

At present, Bangladesh enjoys LDC-related trade benefits in 38 countries, with 78 percent of its total exports linked to such preferences. So far, it has signed only one preferential trade agreement, with Bhutan.

Once the country graduates, it will also lose concessional loans from international lenders and donor countries, which trade leaders believe could undermine macroeconomic stability.

"NOT READY YET" Md Zakir Hossain, secretary general of the Bangladesh Textile Mills Association (BTMA), who attended the meeting, said the UN delegation requested a detailed roadmap for LDC graduation preparedness.

"We did not expect to stop the graduation process. We requested just a deferment for six years," Hossain told The Daily Star over the phone after the meeting.

Kamran T Rahman, president of the Metropolitan Chamber of Commerce and Industry (MCCI), said the business community believes Bangladesh will not be able to sustain the graduation if it proceeds.

"...six years have been sought for taking preparation as the country is not ready to sustain the challenges of the graduation right now," Rahman said, adding that the country's inadequate preparation is visible across several sectors, including logistics.

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said the delegation has been briefed on the current economic, trade and industrial situation.

"The poor condition of the banking sector and the fall of exports indicate that the macroeconomic situation is not well now," he said.

He added that after graduation, Bangladesh would lose Generalised System of Preferences (GSP) benefits in markets such as the European Union, where exporters could face tariffs of 12.5 percent instead of the current zero-duty access.

Mahmud Hasan Khan, president of the Bangladesh Garment Manufacturers and Exporters

Association (BGMEA), said the price of gas had risen by 286 percent between 2016 and 2023, while captive power costs increased by 40 percent, driving up production expenses amid an already strained economy.

He added that non-performing loans have risen to 27 percent, while bank interest rates stand at around 15 percent, further burdening manufacturers.

Khan expressed concern over ongoing political uncertainty, instability in global trade, declining orders ahead of the national election, and weak coordination in implementing the Smooth Transition Strategy (STS).

He said limited industrial diversification and heavy dependence on imported raw materials pose major risks to long-term economic stability.

Economist Mohammad Abdur Razzaque, chairman of local think tank Research and Policy Integration for Development (RAPID), who has been working with the UN team, said the delegation met Anisuzzaman Chowdhury, special assistant to the chief adviser, at the ERD office in Dhaka.

"The UN team has been listening about the situation now," said the economist.

Anwar Ul-Alam Chowdhury (Parvez), president of the Bangladesh Chamber of Industries (BCI), said domestic industries should receive greater priority in the discussions. He advocated for a deferment, arguing that Bangladesh is not ready yet.

Leaders of the International Chamber of Commerce-Bangladesh, the Foreign Investors' Chambers of Commerce and Industry, the Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB), and the Dhaka Chamber of Commerce and Industry also took part in the meeting.

Political and geopolitical risks

FROM PAGE B1

Investment grew by 1.76 percent in FY25, lower than 3.27 percent in FY24, due to higher inflation and rising borrowing costs, along with political developments arising after the July uprising, it added.

The report said private sector credit grew at a historically low rate of 6.5 percent, reflecting subdued business confidence alongside the cumulative impact of the tight monetary stance.

Government consumption expenditure growth also dropped sharply to 3.21 percent from 9.77 percent during the same period, resulting from the interim government's austerity measures.

The BB quarterly report said the external sector demonstrated notable resilience in the fourth quarter of FY25.

It was supported by strong remittance inflows, a stable market-determined exchange rate, higher inflows of medium- and long-term loans, including assistance from development partners, and steady export growth.

"The overall condition of Bangladesh's economy is satisfactory.

It has overcome significant challenges and achieved macroeconomic stability, with resilient GDP growth," the report said.

Looking ahead, the expected easing of inflation, strong remittance inflows, and improved foreign exchange reserves are likely to increase private consumption and investment in the coming quarters.

All of these are indicative of a robust economic recovery, the BB said.

"To this end, the industrial and service sectors are expected to gain momentum, supporting Bangladesh's steady economic expansion."

On inflation, it said favourable rainfall, easing global commodity prices, exchange rate stability, and a growing foreign exchange reserve are likely to help contain inflation.

Softer global commodity prices should also help contain price pressures, it said.

The 12-month average inflation is projected to decline to 6.5 percent at the end of FY26, it added.

"Bangladesh Bank is expected to gradually reverse its contractionary monetary policy stance once inflation

demonstrates a sustained downward trend," the report said. The central bank may adjust the policy rate if the downward trend in inflation persists.

However, the financial sector continues to face major problems with non-performing loans. This has had an impact on capital adequacy performance and banks' ability to make investments, said the BB.

On the trade front, it said the final reciprocal US tariff for Bangladesh may open up new opportunities for exports to the US, particularly for readymade garments, as low-end garment items remain competitive.

"The ongoing banking sector reforms, including the upcoming bank mergers and acquisitions, are expected to address the challenges of the industry," the BB said.

However, it said, "The political events leading up to the next general election continue to be a cause for concern as they pose a risk to the economy's strong growth trajectory."

The BB said domestic political developments during the period before the next general election remain a concern for investor confidence and the momentum of FDI inflows.

Govt may cut growth target

FROM PAGE B1

the current fiscal year, reflecting a consensus that economic momentum is slowing.

Alongside growth, inflation expectations are being recalibrated. The Fiscal Coordination Committee has proposed raising the inflation target to 7 percent, above the 6.5 percent set out in the finance adviser's budget speech.

This adjustment reflects the 12-month average inflation of 9.22 percent recorded in October and aligns with projections from the IMF and World Bank, both of which expect consumer prices to exceed 8 percent by the close of FY26.

Fiscal adjustments are also on the

table. The government is reportedly considering a Tk 20,000 crore reduction in the national budget, with the Annual Development Programme (ADP) absorbing the majority of the cuts due to extremely poor implementation.

The ADP, which accounts for Tk 230,000 crore of the total Tk 790,000 crore budget, has seen only Tk 10,490 crore disbursed so far.

Officials at yesterday's meeting reportedly noted concerns about the pace of execution, prompting discussions on reallocating resources towards the non-development budget to maintain fiscal balance.

According to the finance ministry official, the government will now

prepare a revised budget draft, though final approval is expected in March, after the new government assumes office following the general election slated for February.

Discussions also touched on the upcoming fiscal year, with indications that the first budget of the new administration could increase by Tk 100,000 crore, as the new administration is expected to prioritise public investment to boost overall growth.

The meeting also discussed the implementation of the pay commission's recommendations. Officials suggested deferring action in this regard until the next government takes office, leaving the final decision to the incoming administration.

Invitation for Tender (Local)
Bangladesh Rural Electrification Board
Government of The People's Republic of Bangladesh

1	Ministry/Division	Ministry of Power, Energy & Mineral Resources/ Power Division.				
2	Agency	Bangladesh Rural Electrification Board.				
3	Name of Procuring Entity & District	Superintending Engineer (Grid & Sub-Station), Bangladesh Rural Electrification Board, Dhaka.				
4	Invitation For Tender Name	TURNKEY CONTRACT FOR UPGRADE, DESIGN, SUPPLY, CONSTRUCTION, INSTALLATION, TESTING & COMMISSIONING WORKS UNDER FOLLOWING PACKAGE NOS. (i) SE(G&SS)-33/11KV-SS-Aug-Kanugia-Magura PBS (ii) SE(G&SS)-33kV-BB EX-Modonganj-Narayanganj PBS-1				
5	Invitation Reference No. & Date	Memo No: 27.12.0000.173.18.018.25.209	Date: 09-11-2025			
KEY INFORMATION						
6	Procurement Method	One Stage Two Envelope Method (NCT)				
FUNDING INFORMATION						
7	Budget and source of Fund	Package No.	Fund			
		(i) SE(G&SS)-33/11KV-SS-Aug-Kanugia-Magura PBS	Magura PBS Fund (Revenue)			
		(ii) SE(G&SS)-33kV-BB EX-Modonganj-Narayanganj PBS-1	Narayanganj PBS-1 Fund (Revenue)			
8	Development Partners	N/A				
PARTICULAR INFORMATION						
9	Project / Programme Name	N/A				
10	Tender Package No.	(i) SE(G&SS)-33/11KV-SS-Aug-Kanugia-Magura PBS (ii) SE(G&SS)-33kV-BB EX-Modonganj-Narayanganj PBS-1				
11	Tender Publication Date	11-11-2025				
12	Tender Last Selling Date & Time	26-11-2025 within office hour: BST.				
TENDER CLOSING & OPENING						
13	Tender Closing Date & Time	Date: 27-11-2025	Time: 12:00 Noon (BST)			
14	Tender opening Date & Time.	Package No.	Date	Time		
		SE(G&SS)-33/11KV-SS-Aug-Kanugia-Magura PBS SE(G&SS)-33kV-BB EX-Modonganj-Narayanganj PBS-1	27-11-2025	12:30 Noon (BST)		
15	Pre-Tender Meeting: Date & Time	All Package	17-11-2025	11:00 AM (BST)		
		Name & Address of the Office				
16	- For Selling Tender Document	Office of the Superintending Engineer (Grid & Sub-Station) BREQ, Executive Building (3rd floor), Nikunja-2, Khilkhet, Dhaka-1229.				
	- For Receiving Tender Document					
	- For Opening Tender Document					
	- For Pre-Tender Meeting					
INFORMATION FOR TENDERER						
17	Eligibility of Tender	As per tender document.				
18	Price of Tender Document (TK)	Tk 8,000/- (Taka Eight Thousand Only) Per Package (Non-refundable) in the form of Bank Draft/Pay order.				
19	Short Description of the Package:					
	Bid Package No.	Location / Description of Works	Tender Document Purchase B.D./P.O in the name of following Person and Address	Quantity	Tender Security Amount in TK	Completion Time.
	SE(G&SS)-33/11KV-SS-Aug-Kanugia-Magura PBS	As per tender document.	General Manager, Magura PBS, Panchkhali, Magura.	01 (One) No.	5.00 (Lac)	270 Days.
	SE(G&SS)-33kV-BB EX-Modonganj-Narayanganj PBS-1	As per tender document.	Senior General Manager, Narayanganj PBS-1, Chengin, Sonargaon, Narayanganj.	01 (One) No.	5.00 (Lac)	270 Days.
20	Mode of Payment	Payment will be made directly to the Tenderers in Local Currency (BDT).				
21	Completion Period	Completion Period shall begin with effect from the date of handover of site/layout.				
22	Special Instruction	Tender Document can be viewed in the BREQ website: www.reb.gov.bd				
PROCURING ENTITY DETAILS						
23	Name of Official Inviting Tender	Abdul Latif Sardar				
24	Designation of Official Inviting Tender	Superintending engineer				
25	Address of Official Inviting Tender	Office of the Superintending engineer (Grid & Sub-Station), BREQ, Dhaka.				
26	Contract details of official Inviting Tender	Tel: 8900757				
27	The procuring entity reserves the right to reject all tenders.					

বাংলাদেশ পল্লী বিদ্যুতায়ন বোর্ড
BANGLADESH RURAL ELECTRIFICATION BOARD

বাপবিবো/জন (২৫১১-৪৮) ২০২৫-২০২৬

GD-2382

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Directorate General of Medical Education
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Reference No: DGME/Tender/GoB/2025-2026/107 Date-10/11/2025

e-GP: Tender Notice (OTM)

e-Tender are invited in the e-GP system Portal (<http://www.eprocure.gov.bd>) for the procurement of the following goods. Details are given below:

Serial No	Invitation Reference No	Tender ID No.	Brief Description of Goods and Related Service	Tender Documents Last selling (Date & Time)	Tender Closing & Opening Date & Time
1.	DGME/Tender/GoB/2025-2026/PKG-1	1173486	purchase of Computer Consumables	23-nov-2025 12:30	23-nov-2025 13:30

The interested persons/firms may visit the website www.eprocure.gov.bd to get the details of the tender. This is an online tender, where only e-Tender will be accepted in the national e-GP portal and no offline/hard copy will be accepted. To submit e-Tender, registration on the National e-GP System portal is required. Further information and guidelines are available in the National e-GP System portal and e-GP Help Desk (helpdesk@eprocure.gov.bd)

(Dr. Misbah Uddin Ahmed)
Director (Administration)
Directorate General of Medical Education
Mohakhali, Dhaka-1213

GD-2384