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BUSINESS



Banks asked to ready default data of poll candidates

STAR BUSINESS REPORT

The Bangladesh Bank (BB) has instructed scheduled banks to ensure accurate and complete reporting of loan default information of candidates submitting nomination papers for the upcoming 13th national parliamentary election.

The instruction came from a meeting on December 7 between Bangladesh Bank and a delegation of the Association of Bankers, Bangladesh (ABB), presided over by Ahsan H Mansur, governor of Bangladesh Bank.

The central bank is likely to issue a letter to banks in this regard soon.

Ahead of the polls, the banking watchdog emphasised that all credit information related to aspiring candidates must be prepared “quickly, accurately, and comprehensively” to support the Election Commission in verifying the financial status of nominees.

According to BB’s directive, banks must strictly follow existing BB circulars on loan classification and ensure that the Credit Information Bureau (CIB) database reflects the correct status of all loans, including any off-balance-sheet liabilities.

Officials of the central bank said that several recurring gaps in CIB reporting remain, such as outdated borrower identification data, incomplete reporting of persons or entities linked to a loan, and misclassification arising from unpaid non-transactional credit card fees.

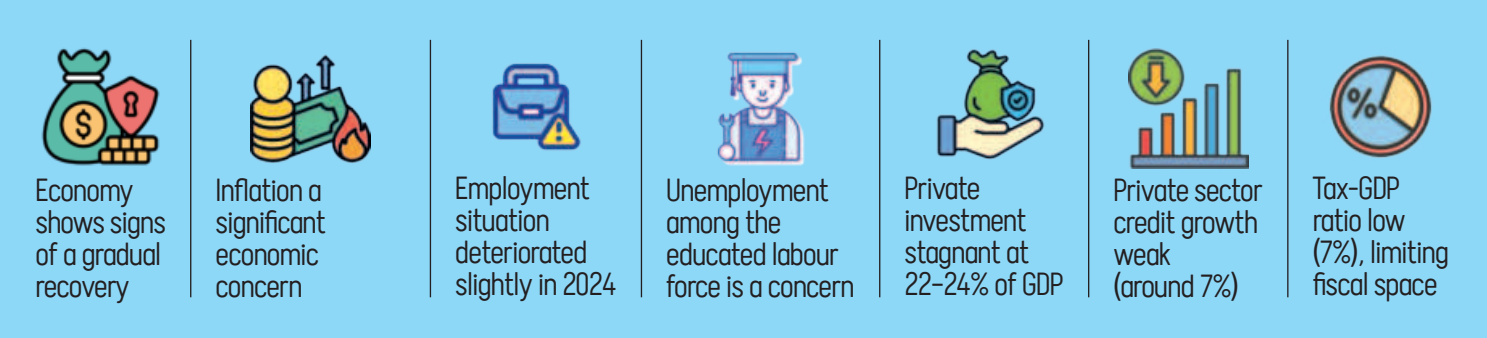
Banks have been asked to correct any adverse classifications made solely

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Economy at a critical point despite some stability

Tackle threats now or risk slower growth, rising poverty, warns GED report

HIGHLIGHTS



Key priorities suggested

Labour force: Addressing the needs of a large and growing labour force
Manufacturing: Strengthening key sectors, especially garments and SMEs
External flows: Boosting remittance inflows
Future growth: Investing in human capital

Looming vulnerabilities

Inflation
Financial instability
Weak investment climate
Governance challenges
External risks

STAR BUSINESS REPORT

Bangladesh’s economy may have regained some stability in recent months, but it now stands at a critical point, with inflation, financial sector weaknesses, low investment, governance shortcomings and external risks emerging as major threats, according to a new government report.

Unless these vulnerabilities are addressed, the country risks slower growth, falling living standards and rising poverty, warns the report, Bangladesh State of the Economy 2025, prepared by the General Economic Division (GED) of the Planning Commission.

“Foreign direct investment remains critically low and is expected to remain at

this level in the coming months. Subdued investment and industrial activity are cited as major contributors to slower growth,” states the report unveiled yesterday.

However, it added, “Bangladesh has a real chance to re-accelerate, build more resilient institutions, and make growth more inclusive.

“The key will be speed and seriousness of reform, clear communication, policy credibility, and ensuring that those reforms benefit ordinary people, not just aggregate macro statistics. Bangladesh has a real chance to re-accelerate.”

The GED noted that the second half of fiscal year 2024-25 (FY25) showed rebounding economic activity. But the outlook remains clouded by political uncertainty, subdued

industrial output, persistent inflation and global headwinds, including pressures linked to the reciprocal tariff imposed by the United States.

It pointed out that growth forecasts from international agencies, including the World Bank, now range between 3.3 percent and 4.1 percent for FY25, with a modest rebound expected in the ongoing fiscal year. According to provisional government data, the growth rate for FY25 stood at 3.97 percent.

The GED identified remittances, export performance and manufacturing, particularly garments and SMEs, as the main drivers of growth in FY26, while noting that improvements in capital machinery imports may indicate early signs of recovering investment appetite.

The report, however, stresses that inflation continues to erode real incomes, particularly among low-income households.

“If Bangladesh can keep inflation under control, rebuild investor confidence, and stabilise the financial sector, there is potential for stronger growth in FY26.”

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61% women in agro-industries face abuse

BIDS study finds supervisors behind majority of the cases

STAR BUSINESS REPORT

Nearly three in five women working in factories that make food and non-food items from farm, fisheries and forestry products face verbal or emotional abuse, according to a new study.

Besides, one in nine reported physical or sexual harassment, according to the study by the Bangladesh Institute of Development Studies (BIDS).

The survey covered 510 women in Mymensingh, Narayanganj, Gazipur, Dhaka, Cumilla and Chattogram districts.

Most respondents said their supervisors were responsible for the abuse, pointing to a serious misuse of authority at work.

The study was unveiled yesterday at a session titled “Labour Market, Agriculture and Energy” in Dhaka on the second day of the BIDS Conference on Development 2025.



PHOTO: HABIBUR RAHMAN

It found that 61.37 percent of women employed in agro-based enterprises had faced verbal and emotional abuse. Of this group, 10.98 percent reported sexual or physical harassment, and 2.55 percent mentioned cyber harassment. Supervisors accounted for 64.4 percent of all reported incidents.

Researchers also highlighted punishing work hours with little reward. Women work an average of 51.6 hours a week. Nine in ten said overtime is compulsory, yet only 6.3 percent receive the legally required double overtime pay.

The session featured four studies that highlighted systemic inequalities across cities, farms, factories and households. The study on the working conditions and economic empowerment of women in agro-based industries was presented by Kashfi Rayan, research associate at BIDS.

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Employers less interested in hiring NU graduates

Finds BIDS study

STAR BUSINESS REPORT

Employers are less likely to hire National University (NU) graduates, even if they have good academic records, because they are often perceived as low-quality graduates, a new study finds.

Students who fail to secure admission to public universities often enrol at NU, according to the research.

The findings were presented by Tahreen Tahrima Chowdhury, a research fellow at the Bangladesh Institute of Development Studies (BIDS), on the second day of the Annual BIDS Conference on Development 2025, held yesterday at Parjatan Bhaban in Dhaka’s Agargaon.

46% of NU graduates remain unemployed up to four years
Employers favour experience over academic grades
Only 23.7% of NU graduates found in salaried jobs
Under-resourced colleges leave graduates ill-prepared
Better-ranked colleges and ICT training improve job prospects

The study, titled “Employability of NU Graduates in Bangladesh: Academic Performance or Work Experience?”, surveyed 1,639 graduates from 515 NU-affiliated colleges nationwide.

Chowdhury cited a World Bank report showing that 46 percent of NU-affiliated college graduates remain unemployed even three to four years after graduation. This is significantly higher than the 38 percent unemployment rate for all university graduates, highlighting gaps in Bangladesh’s higher education system and job market.

Bangladesh currently faces nearly 9 lakh unemployed graduates, according to the Labour Force Survey 2024 by the Bangladesh Bureau of Statistics.

While overall unemployment has fallen in the past five years, the rate among tertiary-educated individuals has risen to 13.5 percent in 2024 – the highest among all education levels.

CHALLENGES FACED BY NU GRADUATES

With over 2,000 affiliated colleges, NU produces the largest number of tertiary graduates in the country. However, many colleges are under-resourced, have weak industry connections, and provide limited career guidance, putting their students at a disadvantage compared to peers from public and private universities.

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Extortion at Chattogram port Tk 2-2.5 crore daily, adviser says

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Extortion occurs at every corner of Chattogram port, according to Labour Adviser Brig Gen (retired) M Sakhawat Hussain, who estimates the daily amount at Tk 2 crore to Tk 2.5 crore.

“That is the minimum. The amount could be even higher,” the adviser told journalists at his Secretariat office in Dhaka yesterday.

He said, “The port is somewhat like the golden goose; everyone wants to slaughter it quickly and take everything out.”

When asked whether he had managed to stop the extortion, Hussain said, “It has decreased a lot.”

Pressed on whether it was possible to end the practice entirely, he replied, “Is it possible to stop it entirely in Bangladesh?”

Hussain said transport stands inside the port had been removed, but extortion continued outside, near bus and truck stands, where people collected money after being displaced from the port.

Turning to labour reforms, he said the government had amended the labour law with an ordinance on November 17, allowing domestic workers and agricultural labourers to form trade unions.

“The amendment aligns our labour law with international standards, responding to pressure from the European Union, the United States and the International Labour Organization (ILO),” he said.

The changes also extended maternity leave for female workers from 112 days to 120 days and lowered the threshold for forming a trade union to 20 workers, making it easier for workers to organise.

Hussain said the government has ratified ILO Conventions 155, 187 and

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