

Bida digitises outward remittance approval process

STAR BUSINESS REPORT

The Bangladesh Investment Development Authority (Bida) has launched its outward remittance repatriation approval service on the Bida One Stop Service (OSS) online portal, enabling fully digital processing for approvals related to royalty, technical know-how, technical assistance, and franchise fees.

Previously available only through offline channels due to technical limitations, the service now offers a streamlined and transparent digital experience, according to a press release.

Investors can submit applications online, track their progress, pay fees digitally, and receive approvals within seven working days, in line with the service level agreement (SLA).

"We've closed yet another gap," said Ashik Chowdhury, executive chairman of Bida.

"Investors can now benefit from a fully electronic and environment-friendly workflow, which brings greater efficiency and accountability to a critical process for both local and foreign industries operating in Bangladesh."

He also highlighted the recent launch of BanglaBiz, a unified digital platform developed by Bida in collaboration with the Japan International Cooperation Agency (Jica).

The portal currently connects the OSS platforms of Bida and other investment promotion agencies.

Once more than 25 services are fully integrated into BanglaBiz by the end of this month, investment processes are expected to become even faster and more user-friendly.

With the latest addition, Bida's OSS now offers 142 investor services in total.

This development reflects the agency's continued commitment to improving the ease of doing business and facilitating investment, in line with the Bida Act (2016), the Foreign Exchange Regulation Act (1947, amended in 2015), and Bangladesh Bank's 2018 Foreign Exchange Guidelines.

The Research and Analytics Unit (RAU), under the UNDP's Transformative Economic Policy Programme (TEPP-II) – funded by the UK Foreign, Commonwealth & Development Office – provided technical assistance and supported coordination efforts to digitise the process.

Rod price recovers as demand, scrap costs climb

JAGARAN CHAKMA

The price of mild steel (MS) rod has inched up in recent months, supported by seasonal construction demand and a rebound in international scrap steel prices since December.

Data from the Trading Corporation of Bangladesh (TCB) and industry sources show that the price of 60-grade MS rod has risen by roughly 2 percent, from around Tk 84,000 per tonne in October to Tk 85,500 by the second week of January.

Despite the recovery, prices remain well below the mid-2024 peak of nearly Tk 1 lakh per tonne. Last year, per tonne 60-grade MS rod prices reached a maximum price of Tk 89,000 in early August, before falling to Tk 86,000 in September.

Industry insiders attribute the recent increase partly to higher global scrap prices. Imported scrap rose by about \$20-\$30 per tonne from autumn lows, driven by renewed buying from major consuming markets, particularly Turkey, along with winter-related supply constraints in Western countries.

According to market participants, international scrap prices fell to around \$336 per tonne on a CFR (cost and freight) basis during September and October, with some transactions reported even below that level. By early December, prices had rebounded to the \$360-\$370 per tonne range.

"The price increased due to a slight rise in seasonal demand during winter, which is the peak season for the construction sector, as well as a commercial adjustment following the global scrap price hike," said Tapan Sengupta, deputy managing director of BSRM, a leading steel manufacturer.

He said the sector has been facing weak demand for more than a year and a half following political changes, as many development projects were put on hold and local government bodies lacked elected representatives to approve construction plans. Still, he estimated that demand for rods has risen by up to 10 percent compared with the lean season.

Bangladesh's monthly MS rod demand has fluctuated significantly from mid-2024, falling from around 6.5 lakh tonnes to about 4 lakh tonnes during lean periods amid economic uncertainty and lower government spending, according to the Bangladesh Steel Manufacturers Association (BSMA).

"This rise in demand is still not enough to



In Khulna city's New Market area, rods are transported on an easybike. MS rod prices have risen to Tk 85,500 per tonne, up from about Tk 84,000 in October, as private construction picks up this winter.

PHOTO: HABIBUR RAHMAN

reach the levels seen after the Covid-19 period or to help the industry grow at a healthy rate," Sengupta said, adding that the current trend may nevertheless offer limited relief from the prolonged slowdown.

Market participants noted that Turkey, the world's largest seaborne scrap buyer, has been a key driver of the recent global price increase, amid tight supply and strong demand for January shipments.

Against this backdrop, local rod prices have risen by about Tk 1,500 per tonne over the past three months, particularly at smaller mills, according to industry insiders. Rising replacement costs due to higher scrap prices, along with volatile freight rates and longer lead times, have added further pressure.

Manwar Hossain, former president of the BSMA and chairman of Anwar Group, said the steel industry has been among the sectors hardest hit since the pandemic.

"Negative returns have caused serious capital erosion and forced many factories to shut down," he said, adding that a price correction was overdue after a prolonged period of selling below cost.

He said millers are still selling rods at Tk 4,000 to Tk 6,000 per tonne below production cost to keep operations running.

Sumon Chowdhury, secretary general of the BSMA, echoed the concern, warning that a prolonged slowdown in construction activity could weigh on the broader economy.

"The government and the elected administration must urgently engage with the private sector to revive the construction industry," he said, noting that thousands of businesses are linked to the sector. "If construction slows, the ripple effect spreads across many others."

Chowdhury said an extended period of unusually low prices had led some buyers to adopt a "wait-and-see" approach.

However, with global scrap supply tightening and mills adjusting prices, stockists and project suppliers may begin securing materials earlier to avoid higher costs later in the season. A more realistic pricing environment, he added, would help stabilise demand, allow mills to operate more consistently, and reduce disruptions caused by cash-flow stress.

Crime is a group performance

MAHTAB UDDIN AHMED

A famous mango seller named Mintu sold the cheapest and juiciest mangoes. One night, the inspector discovered mangoes were being stolen from the government orchard. Everyone shouted, "Mintu is the mastermind!" When caught, Mintu said, "I planned it, but I didn't work alone." He pointed to the guard who opened the gate, the driver who carried the mangoes, the shopkeeper who sold them, and even the tea man who supported them. A boy asked, "If one steals and many help, why blame only one?" The inspector replied, "Crime is a group performance." Every big crime has many small helpers; silence and support are also crimes.

We love chasing headlines like kids chasing kites, especially when the kite is already flying out of the country. Every big financial scandal in Bangladesh comes with a superstar villain, a flashy tycoon, a visionary businessman, or a successful defaulter who is now conveniently beyond our reach. The government, media, and social media then hold a national seminar in anger. But behind every such genius crook, there were bankers who approved, regulators who slept, auditors who blinked, and agencies who saw everything except the crime.

And the best part? Almost all these helpful accomplices are still here, drawing salaries, signing documents, and attending seminars on good governance. Have we fired any bankers for enabling scams? Have we publicly punished bureaucrats who looked away? Hardly. By keeping them in the system, we are basically issuing an unofficial certificate, "Corruption Friendly Professional, Renewable License." So next time a new fraud appears with a new hero, do not be surprised. The cast will be the same, only the lead actor will change.



The interim government had a rare chance to break the corrupt system by focusing on what it could actually control. Everyone knows big fish are hard to catch, but local accomplices are not. If action had been taken against bankers, officials, and facilitators from both public and private sectors, at least new money swindlers could have been stopped. Instead, the government

chased unreachable giants and let local enablers roam free, even rewarding some of them. The message was clear: survive corruption once, and you can survive anything.

To break the support system behind money flight and rising NPLs in Bangladesh, accountability must reach the enablers. Bankers and officials who approve risky loans should face real consequences, not just transfers. Boards and regulators must be free from political influence, with fit-and-proper tests and disclosures of conflicts. Real-time data sharing among the Bangladesh Bank, FIU, ACC, NBR, and intelligence units can quickly freeze suspicious transactions. Financial penalties, professional bans, and confiscation of unexplained wealth will deter accomplices more than speeches.

We also need transparency and consequences for powerful figures. For example, an election candidate with over a thousand crore in default loan faced only a mild request to repay rather than legal action, sending the wrong message.

Publish defaulter lists, protect whistleblowers, and punish enablers. Also, remove bureaucrats and professors from business entities and committees when they lack real business experience. Cut the helpers, and the big fish will struggle to swim.

UNODC estimates 2.5 percent of world GDP is laundered yearly. Asset recovery is also "few and far". Some countries reduce flights by targeting enablers. In the IMDB case, US authorities recovered and returned about \$1.4 billion to Malaysia. Nigeria's Abacha funds were repatriated with World Bank monitoring. Our leaders refused to learn from them!

We keep hunting lions with whistles while the monkeys who open the cages get promotions. Big thieves need small helpers, and helpers love quiet corners. Until we stop rewarding the gate-openers of corruption, new "masterminds" will keep graduating every year. Our problem is not a shortage of villains; it is also a surplus of protected accomplices.

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

Subsidised Tk 30 per kg rice sales now at 434 upazilas

STAR BUSINESS REPORT

The government has expanded its open market sale (OMS) programme to include 419 more upazilas, extending subsidised rice sales to 434 out of 495 upazilas nationwide.

Under the arrangement, rice is being sold at Tk 30 per kg at these administrative subdivisions to help steady the market, the food ministry said in a press release issued yesterday.

The regular OMS programme previously covered 12 city corporations, 52 district headquarters municipalities, 15 labour-intensive upazilas and five labour-intensive municipalities.

Through the channel, the government is selling a combined 11,417.5 tonnes of flour each day at subsidised prices. Loose flour was priced at Tk 24 per kg, while a two kg packet costs Tk 55. Daily rice sales under the regular arrangement stand at 1,175 tonnes, at Tk 30 per kg.

Food grain distribution rises to nearly 18 lakh tonnes in FY26. But OMS trails behind last year's performance, falling to 5.7 lakh tonnes in the July-January period from 6.5 lakh tonnes in the same period the previous year

Now under the expanded arrangement, each of the newly included upazilas is selling 1 tonne of rice a day, according to the press release. The additional sales are running alongside the existing OMS programme, which continues unchanged across the country.

Officials said the additional sales aim to ease pressure on consumers by keeping prices in check.

The decision comes as authorities report comfortable food stock levels, while prices of fine rice have edged up slightly. The press release described the recent price movement as "undesirable".

The government has also instructed officials to step up market monitoring and to take legal action against any irregularities.

Despite progress in overall food grain distribution, the OMS operation in the current fiscal year 2025-26 trails behind last year's performance.

Between July 1, 2024 and January 15, 2025, distribution through all government channels exceeded 16 lakh tonnes, with OMS accounting for about 6.5 lakh tonnes.

In the same period of the current fiscal year, total distribution rose to nearly 18 lakh tonnes, while OMS distribution stood at around 5.7 lakh tonnes.

Indian refiners shift oil strategy

REUTERS, New Delhi/Singapore

Indian refiners are redrawing crude import strategies to shift away from top supplier Russia and boost imports from the Middle East, a move that could help New Delhi clinch a trade deal with the United States to lower tariffs.

India became the top buyer of discounted Russian seaborne crude after the 2022 outbreak of war in Ukraine, but the trade drew backlash from Western nations targeting Russia's energy sector with sanctions, saying oil revenues help it fund the war.

The shift away from Russia comes as Middle East producers, armed with higher output quotas from the Organization of the Petroleum Exporting Countries, are keeping global markets well-supplied, softening the impact on prices.

Indian refiners have begun scaling back Russian oil purchases following discussions at a government meeting to help accelerate a US-India trade deal, three refining sources said.

The oil ministry's Petroleum Planning and Analysis Cell is collecting weekly data on refiners' purchases of Russia and US crude, sources told Reuters this month.

In the latest change, state refiner Bharat Petroleum Corp awarded one-year tenders to buy Iraqi Basrah and Omani crude to trader Trafigura and is in the market to buy Murban oil from the United Arab Emirates under a separate tender, said the sources, who sought anonymity.

From April, Trafigura will supply four cargoes of Oman crude every quarter at 75 cents a barrel below Dubai quotes and one parcel of Basrah Medium at a discount of 40 cents a barrel to the grade's official selling price, said two traders.

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Surging memory chip prices dim outlook for electronics makers

REUTERS

Global demand for smartphones, personal computers and gaming consoles is expected to shrink this year as companies from Britain's Raspberry Pi to HP Inc raise sticker prices to offset surging memory chip costs.

The rapid build-out of artificial intelligence infrastructure by US tech firms such as OpenAI, Alphabet-owned Google and Microsoft has absorbed much of the world's memory chip supply, pushing up prices as manufacturers prioritize components for higher-margin data centers over consumer devices.

Samsung, SK Hynix and Micron, the world's three largest producers of memory chips, have said in recent months that they were struggling to keep up with demand as they reported rosy quarterly earnings on the back of surging prices for their semiconductors.

But the price surge is rippling through consumer markets.

Research firms IDC and Counterpoint both now expect global smartphone sales to shrink at least 2 percent this year, in a sharp reversal from their growth outlook a few months ago. That would mark the first annual decline in shipments since 2023.

The PC market is expected to shrink at least 4.9 percent in 2026, IDC estimated, after an 8.1 percent growth last year. Meanwhile, console sales are expected to fall 4.4 percent in the current year after an estimated growth of 5.8 percent in 2025, according to TrendForce.

While several firms have already raised prices, industry heavyweights Apple and Dell face a tough choice: take on the costs and sacrifice margins or pass them onto consumers at the risk of stifling demand.

"Manufacturers might absorb some costs but given the scale of the shortage,



Visitors look at a model of SK hynix's high-bandwidth memory technology during the 2025 World IT Show in Seoul.

PHOTO: AFP/FILE

it is certainly going to show up as higher prices for consumers," Emarketer analyst Jacob Bourne said.

"It is going to result in more tepid consumer device sales in 2026. It will be a challenge for these companies that are trying to sell products during a time of broader inflation."

Pressure is being compounded by expectations that the price increases will persist, possibly into next year. Counterpoint estimates that memory prices will jump 40 percent to 50 percent in the first quarter, after last year's 50 percent surge.

"Over the last two quarters, we've seen 1,000 percent price inflation in some products and pricing is continuing to rise," said Tobey Gonnerman, president of semiconductor distributor Fusion Worldwide.

"Consumers can expect to pay significantly higher prices for laptops, mobile phones, wearables and gaming devices very soon."

Analysts believe the impact is likely to be most pronounced for manufacturers of low- and mid-range devices, such as Chinese smartphone makers Xiaomi and TCL Technology and PC firm Lenovo.

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