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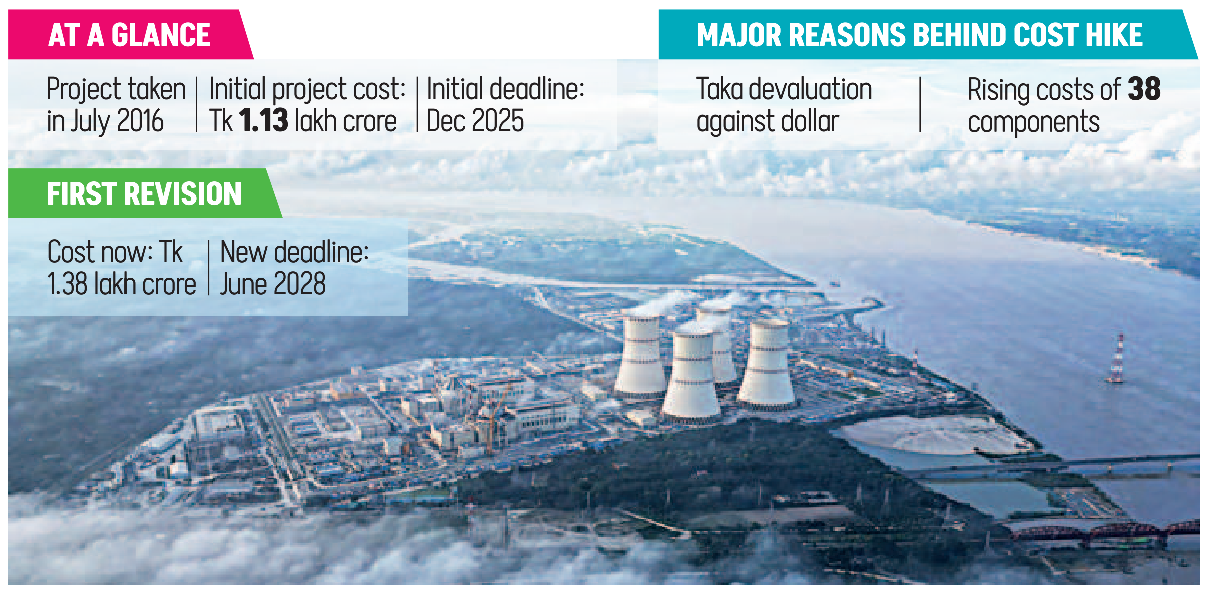
Star BUSINESS

Rooppur power project seeks Tk 25,593cr cost hike

Higher allocation for components, weaker taka cited for the increase

AHMED HUMAYUN KABIR TOPU *and* MD ASADUZ ZAMAN



The cost of the Rooppur nuclear power plant is set to rise by Tk 25,593 crore, pushing the total outlay to Tk 138,685 crore and extending the completion deadline to 2028.

The revised proposal is expected to be placed before the Executive Committee of the National Economic Council today, with Chief Adviser Professor Muhammad Yunus will chair the meeting.

If approved, the first revision will lift the 2,400 MW project cost from Tk 113,092 crore, an increase of about 23 percent. The original deadline of the country's first nuclear power project was December 31, 2025.

The project was initially approved in 2016, with around 90 percent of the funding coming from a soft Russian loan.

According to Planning Commission documents, the cost escalation is driven mainly by higher allocation for project components, adding 10 new ones, and the depreciation of local currency taka against the US dollar.

As Bangladesh's first nuclear project, limited prior experience led to an underestimation of costs related to maintenance, spare parts and advisory services, it said.

The documents mention that the combined allocation for 38 components has been increased in the revised development project proposal, including expanded facilities at the residential bloc Green City.

Besides, additional requirements emerged during the long implementation period, contributing to higher costs.

The Ministry of Science and Technology, the implementing agency of the nuclear power plant, also cited the sharp fall in the exchange rate from an original assumption of Tk 80 per dollar, alongside the exhaustion of allocations for advance payments, customs duty and value-added tax (VAT).

Delays caused by the Covid-19 pandemic, the Russia-Ukraine war and international sanctions on some Russian banks have led to extensions of both the loan agreement and the construction timeline, it said.

"The dollar exchange rate was Tk 80 when the project began in 2016; it has now reached Tk 122.40. This shift is the primary driver behind the cost increase," said Project Director Md Kabir Hossain.

He said that despite the higher overall cost, the project saved Tk 166 crore from the government exchequer. While expenditures increased in 34 components, allocations were reduced in 49 others.

FUEL LOADING AT UNIT-1 LIKELY IN FEB

Of the two units at the plant, construction work at unit-1 was completed last year. However, the unit has not yet entered operation due to the incomplete technical testing process.

Following a recent site visit, senior government officials said fresh nuclear fuel loading for unit-1 is likely to begin in the last week of February this year, subject to the Russian side completing its final requirements.

"Our preparations for fuel loading are complete. The Russian side expects to begin loading at unit-1 in late February, and we are hopeful the plant will be ready within this timeframe," Md Anwar Hossain, secretary at the Ministry of Science and Technology, told The Daily Star last week.

READ MORE ON B3

Govt debt jumps 28% to Tk 7.45 lakh crore in FY25

STAR BUSINESS REPORT

The outstanding balance of government debt through the issuance of different securities, mainly treasury bills and bonds, increased further in fiscal year 2024-25, as authorities borrowed more to cover budget deficits amid sluggish revenue collection.

At the end of FY25, the total outstanding balance of government securities rose 28 percent year-on-year to Tk 744,850 crore, according to a Bangladesh Bank (BB) report on government securities published on Thursday.

Of the amount, outstanding debt from treasury bonds was Tk 518,995 crore, which increased 27 percent year-on-year.

At the same time, outstanding debt through treasury bills grew 31 percent to Tk 175,131 crore.

Including other securities, such as Shariah-based sukuk bonds, the total outstanding amount of government debt rose to Tk 768,850 crore-12.92 percent of Bangladesh's gross domestic product (GDP) at the end of June 2025.

The BB said the increase in debt from the banking sector was significant, driven by policy measures to reduce non-tradable securities such as savings certificates, as well as higher financing needs related to budget implementation.

The BB said the banking sector was the leading investor, accounting for 68.87 percent of total outstanding securities, followed by 12.03 percent held by long-term investors such as insurance companies, trust funds, and provident funds.

Individual investors held 1.14 percent of the total outstanding amount.

READ MORE ON B3

Govt mapping plots to reduce arable land loss

New land use ordinance rolls out the digital system as country lost 2% cropland in 2015-2023

An excavator carves into farmland in Rajshahi, where arable land is increasingly being turned into ponds or being sold as plots for real estate development. To protect farmlands, authorities are classifying arable land nationwide under a new ordinance. PHOTO: AZAHAR UDDIN

SUKANTA HALDER

The authorities have begun classifying all the country's land into 18 categories under a zoning model to reduce the loss of arable land caused by unplanned industrialisation and urbanisation, and to ensure national food security.

Under this zoning, a colour-coded, geo-referenced digital map is being developed, with arable lands marked green.

Officials say the system will make land-use information scientific, transparent, and easily accessible at national, district, and upazila levels.

The Land Use Control and Agricultural Land Protection Ordinance, 2026, which was issued on January 19, mentions such land classifications to ensure region-based planned land use. It says maps may be prepared either for the entire country at once or gradually, prioritising specific regions or land uses.

The maps will be updated every ten years.

Apart from arable lands, the zoning will also protect hills and forests, according to ASM Saleh Ahmed, senior secretary at the Ministry of Land.

Ahmed said that the project, which initially progressed slowly, has gained momentum. Zoning has been completed in 50 upazilas, and the target is to cover all 495 upazilas by 2027.

As the ordinance has taken effect, the government will now prepare, maintain, and regularly update the zoning maps and associated databases to protect agricultural land, he added.

The ordinance applies nationwide, except for the Chittagong Hill Tracts, including Rangamati, Bandarban, and Khagrachari.

The ordinance says research from the Soil Resource Development Institute will guide the mapping process.

According to Bangladesh Environmental Statistics 2024, released by the Bangladesh Bureau of Statistics (BBS), the country lost around 2 percent of agricultural land between 2015 and 2023. This is roughly 1,470 square kilometres.

READ MORE ON B3

Telcos get one week to submit plan on data price cut

MAHMUDUL HASAN

The Bangladesh Telecommunication Regulatory Commission (BTRC) has asked all mobile network operators to submit reports within a week detailing the measures they are taking to reduce data package prices, amid growing public concern over rising mobile internet costs.

The directive came on Wednesday, following meetings between the regulator and mobile operators in December and earlier this month.

According to an official document, a meeting chaired by BTRC Vice Chairman Md Abu Bakar Siddique reviewed the progress of initiatives announced earlier this month to lower data tariffs.

During the meeting, the director general of BTRC's system and service division highlighted that, despite previous instructions, mobile data prices have risen significantly in recent months.

Vice Chairman Siddique said the sharp increase in data package prices has placed a financial burden on consumers. "Considering public interest, mobile operators must take necessary steps to lower data package prices," he said.

He added that the issue has drawn attention at the highest levels of government.

According to the meeting minutes, Siddique mentioned clear instructions from the government, including from the chief adviser's special assistant, to bring down data prices.

He also warned that if operators do not act effectively, BTRC will intervene in line with government directives.

In response, mobile operators said rising operational costs are the main reason for recent price hikes. They pointed to inflation, higher network maintenance costs, and increased foreign exchange rates, which have made imported equipment and investments more expensive.

The operators, however, assured the regulator that they are working on ways to reduce data prices and requested separate meetings with BTRC to explain their proposed actions and possible tariff changes in detail.

Following the discussion, Vice Chairman Siddique instructed all operators to submit written reports within a week, outlining the steps they have

READ MORE ON B3

Square Toiletries holds annual sales conference

STAR BUSINESS DESK

Square Toiletries Limited recently held its "Annual Sales Conference 2026" at Hotel Sea Palace in Cox's Bazar, with nearly 1,600 members of the company taking part.

This year's conference slogan was "Shahoshi Loraiye, Lokkho Chariye."

Anjan Chowdhury, managing director of Square Toiletries Limited, inaugurated the conference as the chief guest, according to a press release.

In his inaugural speech, Chowdhury said 2025 had been a challenging year for everyone, adding that the year was successfully concluded due to the collective efforts and sense of responsibility of all employees.

He expressed optimism that the momentum of success would continue in the new year. During the conference, Square Toiletries launched several new products, including Meril Serum Soap Bar, Meril Moisturising Shower Gel and Hair Growth Scalp Serum, under its renowned brands Meril, Milk Soap Bar, Vitamin-C Soap Bar and Maya.

Square's oral care brand White Plus introduced a 10 percent Baking Soda Toothpaste, expected to add a new dimension to teeth whitening.

Noting that most powdered instant drinks in the market contain nearly 94 percent sugar, the company said its brand Zerocal has launched a powdered instant drink targeting health-conscious consumers.

Revive, a trending skincare brand, launched the Revive Glass Skin Serum Range at an affordable price, aiming to meet the demands of modern skincare.

Meanwhile, Square's natural wellness brand Maya introduced new skincare and haircare products made entirely with natural and organic ingredients.

Actor Shakib Khan, brand ambassador of Meril Petroleum Jelly, was present.

The company also recognised and awarded its best salespeople for outstanding performance throughout the year.

Anjan Chowdhury, managing director of Square Toiletries Limited, poses for a group photograph with participants of the company's "Annual Sales Conference 2026" at Hotel Sea Palace in Cox's Bazar recently. PHOTO: SQUARE TOILETRIES

Eurozone business activity growth steady in January

AFP, *Brussels*

Eurozone business activity maintained a steady, if modest, rate of growth in January, a closely watched survey said Friday.

The HCOB Flash Eurozone purchasing managers' index (PMI) published by S&P Global -- an important gauge of the overall health of the economy -- was at 51.5, unchanged from December.

Any reading above 50 indicates growth, while a figure below 50 shows contraction.

Activity in the manufacturing sector was buoyed by an increase in orders, S&P Global said. However, the service sector grew at a slower pace.

The Eurozone economic "recovery still looks rather feeble", said Cyrus de la Rubia, chief economist at Hamburg Commercial Bank.

"The start into the new year points to more of the same in the months to come."

He said that the overall picture would be "anything but reassuring" for the European Central Bank as it weighed future interest rate decisions because inflation in the service sector has increased.

PHOTO: PUBALI BANK

Mohammad Ali, managing director and CEO of Pubali Bank PLC, attends the bank's "1st Managers' Conference-2026" at its head office in Dhaka yesterday.

Pubali Bank arranges managers' conference

STAR BUSINESS DESK

Pubali Bank PLC yesterday held its "1st Managers' Conference-2026" for managers of all branches, sub-branches and Islamic banking windows from the Dhaka Central, North and South regions.

Mohammad Ali, managing director and CEO of Pubali Bank PLC, inaugurated the conference as the chief guest at the bank's head office in Dhaka, according to a press release. In his speech, Ali urged managers to play a more active role in the bank's ongoing progress, the development of customer service and the expansion of technology-based banking systems.

He said, "Pubali Bank is a symbol of trust and confidence in the country's financial sector. Every branch must work together to make customer service easier, faster and more modern."

Air Commodore (retd) Md Shaharul Huda, executive member of the Bangladesh Investment Development Authority, and Osman Ershad Faiz, managing director of Dhaka Bank PLC, pose for a photograph after signing the memorandum of understanding at Bida's office in Agargaon, Dhaka recently. Chowdhury Ashik Mahmud Bin Harun, executive chairman of Bida, was present. PHOTO: DHAKA BANK

Bangladesh Development Bank organises managers' conference

STAR BUSINESS DESK

Bangladesh Development Bank PLC yesterday organised its "Managers' Conference-2026" at its head office in Dhaka.

Ahmed Ismet, chairman of Bangladesh Development Bank PLC, inaugurated the conference as the chief guest, according to a press release.

Md Jashim Uddin, managing director and chief executive officer of the bank, presided over the meeting.

Md Abdul Mojid, Md Shah Alam, Sultan Mahmud Bin Zulfiqar,

Md Shah Alam Mia and Md Chaynul Haque, directors of the bank, attended the event.

Parveen Akter, deputy managing director, was also present, along with all general managers, managers and other senior officials of the bank.

PHOTO: BANGLADESH DEVELOPMENT BANK

Ahmed Ismet, chairman of Bangladesh Development Bank PLC, attends the bank's "Managers' Conference-2026" at its head office in Dhaka yesterday.

Dhaka Bank to integrate services with Bida's OSS portal

STAR BUSINESS DESK

Dhaka Bank PLC recently signed a memorandum of understanding (MoU) with the Bangladesh Investment Development Authority (Bida) to integrate its services with Bida's One Stop Service (OSS) portal.

Osman Ershad Faiz, managing director of Dhaka Bank PLC, and Air Commodore (retd) Md Shaharul Huda, executive member of the Bangladesh Investment Development Authority, signed the MoU at the Bida's office in the capital's Agargaon, according to a press release.

In his remarks, Faiz said, "We express our sincere gratitude to Bida for this visionary One Stop Service initiative, which is a transformative step towards improving Bangladesh's investment climate."

"By simplifying and digitalising the business setup process, the OSS portal significantly enhances the country's ability to attract foreign direct investment. Dhaka Bank, with its 30 years of experience and strong reputation as a corporate-oriented bank, is well positioned to support this national agenda."

"We are fully prepared to offer our expertise and tailored financial services to both foreign and domestic investors through this integrated platform, ensuring a seamless and efficient banking experience," he added.

Md Nurun Newaz Salim, chairman of NCC Bank PLC, inaugurates a new shariah-based banking branch in Feni recently. PHOTO: NCC BANK

NCC Bank opens Islamic banking branch in Feni

STAR BUSINESS DESK

NCC Bank PLC launched a shariah-based Islamic banking branch in Feni last week, marking a milestone in the bank's expansion of Islamic banking services across the country.

Through the branch, customers from all sectors, including SME, agriculture and import-export trade, will be able to access comprehensive shariah-based Islamic banking services.

Md Nurun Newaz Salim, chairman of NCC Bank PLC, inaugurated the branch as the chief guest, according to a press release.

In his address, Salim said, "Over its 32-year journey, NCC Bank has earned the trust of customers through modern, technology-driven and timely banking services. The bank remains firmly committed to providing enhanced customer service to meet the evolving needs of its clients."

"Considering the growing importance of Islamic banking in the socio-economic context of Bangladesh, we have already introduced shariah-based banking operations, which have received encouraging responses. Alongside conventional banking, Islamic banking will play a vital role in strengthening the country's financial sector and the local economy," he added.

M Shamsul Arefin, managing director of the bank, presided over the event, where Abdus Salam, vice-chairman; Khairul Alam Chaklader, chairman of the executive committee; and Syed Asif Nizamuddin, director, attended as special guests.

Referring to the strong potential of Islamic banking in Bangladesh, Arefin said NCC Bank has launched shariah-compliant banking services across the country. He added that the bank has already opened two full-fledged Islamic branches in Gulshan, Dhaka, and Muradpur, Chattogram, along with Islamic banking windows at 32 branches nationwide.

Among others, Md Zakir Anam and Md Habibur Rahman, deputy managing directors; Abul Quasem Md Safiullah, executive vice-president and head of Islamic banking; Sharif Mohammad Mahsin, senior vice-president and head of SME; Mohammad Nurul Haque, senior vice-president and head for the South East region; and Khaled Afzal Rahim, vice-president and head of branch support, were also present.

Premier Bank hosts BAMLCO conference

STAR BUSINESS DESK

Premier Bank PLC yesterday organised a daylong "BAMLCO Conference 2026" at its head office in Banani, Dhaka, aimed at enhancing knowledge and capabilities in anti-money laundering (AML) and combating the financing of terrorism (CFT).

Md Mofizur Rahman Khan Chowdhury, executive director and deputy head of the Bangladesh Financial Intelligence Unit (BFIU), attended the event as the chief guest.

In his remarks, Chowdhury emphasised the need to build a strong, risk-based and sustainable compliance framework within the banking sector to effectively prevent money laundering and terrorist financing.

He also highlighted the importance of regular capacity building, robust transaction monitoring systems, and the timely identification, analysis and reporting of suspicious transactions.

Arifur Rahman, chairman of Premier Bank PLC, inaugurated the conference, according to a press release.

In his inaugural remarks, Rahman said compliance is a key foundation of trust and sustainable growth in banking. He added that by equipping officials with appropriate knowledge and effective tools, Premier Bank continues to reaffirm its commitment to integrity and transparency.

Rahman also said the previous practice of inflating expenses—a common money-laundering technique—has been fully eliminated, strengthening the bank's compliance culture and reflecting its commitment to strict regulatory adherence.

Arifur Rahman, chairman of Premier Bank PLC, inaugurates the bank's "BAMLCO Conference 2026" at its head office in Banani, Dhaka yesterday. PHOTO: PREMIER BANK

Meghna Petroleum declares 200% cash dividend

PHOTO: MEGHNA PETROLEUM

Farzana Momtaz, secretary to the Power Division and chairman of Meghna Petroleum Limited, presides over the company's 47th annual general meeting yesterday. The meeting announced a 200 percent cash dividend for 2025.

STAR BUSINESS DESK

Meghna Petroleum Limited has announced a 200 percent cash dividend for the year 2025.

The announcement was made at the company's 47th annual general meeting (AGM), which was held virtually yesterday, according to a press release.

Farzana Momtaz, secretary to the Power Division and chairman of Meghna Petroleum Limited, presided over the meeting, which was attended virtually by a large number of shareholders from across the country. The company reported a profit after tax of Tk 664.32 crore, while its earnings per share (EPS) stood at Tk 61.39 for the financial year (FY) 2024-25.

Ummul Hasna and Md Abdullah Al Mamun, independent directors of the company; Md Ziaul Haque, additional secretary of the Energy and Mineral Resources Division and director; Rawnak Jahan, joint secretary of the Finance Division and director; and Naznin Parvin, joint secretary and director (finance) of Bangladesh Petroleum Corporation (BPC), attended the meeting.

Among others, Md Ali Ahmed Shawkat Chowdhury, professor at Bangladesh University of Engineering and Technology (BUET); Zeyad Rahman, shareholder director and representative of Delta Life Insurance PLC; Md Shahirul Hasan, managing director; and Farhana Akter, company secretary, also joined the meeting.

Potato farmers in Gobindaganj of Gaibandha sort freshly harvested potatoes, even as many remain uncertain about their finances due to delayed government cash incentives following last season's price crash. The photo was taken last week.
PHOTO: MOSTAFA SHABUJ

Incentive fails to reach potato farmers hit by throwaway prices

No timeline set for disbursement yet

MOSTAFA SHABUJ *and* SUKANTA HALDER

After failing to shield potato farmers from a price crash last season, the government is now struggling to deliver cash incentives even as harvesting of this year's early varieties has already begun, raising fresh concerns about policy delays and continued neglect of growers.

The Ministry of Agriculture in early December decided to provide more than Tk 110 crore in cash incentives, in addition to the Tk 150 crore already allocated for subsidies this fiscal year, to potato farmers who incurred losses in the 2024-25 season, according to government documents seen by The Daily Star.

Ministry documents show that the government decided to cancel its earlier plan to procure 50,000 tonnes of potatoes from farmers who incurred losses and instead decided to distribute the subsidy directly among farmers. The move was framed as a measure to protect growers' interests after prices collapsed last season.

But more than a month and a half later, farmers say they are still waiting for any financial support, despite prices remaining low and cultivation risks persisting this year as well.

The potato season lasts from October to April, with planting usually taking place between October and November, and harvesting from February to April, according to Agriculture Information Service.

Bangladesh produced a historic high of 1.15 crore tonnes of potatoes last season, while domestic demand stands at around 90 lakh tonnes, according to government estimates. The surplus pushed prices down sharply and wiped out farmers' margins.

Many farmers had to sell their produce at the field level for as low as Tk 11 per kg, well below the Department of Agricultural Extension's (DAE) estimated average production cost of Tk 14. In some northern regions, where cultivation costs are higher, production expenses reached up to Tk 20 per kg, according to DAE data.

Encouraged by high prices in earlier years, many farmers expanded cultivation, only to fall into debt when prices collapsed last season. With incentives still pending, growers say they are now facing losses for a second consecutive year.

This season, many have grown cautious and reduced cultivation. According to DAE data, potato cultivation area decreased to 4.67 lakh hectares this season from 4.94 lakh hectares in the last season.

Sakiul Islam, a potato farmer from Gobindaganj in Gaibandha, said he cultivated potatoes on 15 bighas last year but lost about Tk 1.5 lakh despite a good harvest, due to extremely low prices.

"This year, I reduced cultivation to nine bighas, but prices are still low. We haven't received any help from the government yet," he told The Daily Star.

Rafiqul Islam, a farmer from Mokamtola in Bogura's Shibganj upazila, said he lost nearly Tk 60,000 last season cultivating potatoes on five bighas, even after storing the crop in cold storage.

"I lost my capital last year. Looking at current prices, there will be no profit this year either. If we keep losing money like this, how will we continue farming?" he said.

A senior official at the Ministry of Agriculture, speaking on condition of anonymity, said data on potato cultivation for the current and previous seasons have already been collected. Farmers who grew potatoes in 2024 and 2025 have been identified and the information will be double-checked before finalising recommendations for incentives based on land size.

He said additional funds would be added to provide cash incentives, but acknowledged that the decision remains at an early stage. The proposal will be placed before the cabinet, and payments will be made only after funds are released and the final list of beneficiaries is approved.

Officials at the field level say the delay is already causing frustration. AKM Sadikul Islam, deputy director of the DAE in Joypurhat, said his office had submitted a list of affected farmers about a month ago but had yet to receive any allocation or official instruction.

DAE Director General Abdur Rahim said the subsidy process was underway, though no specific date had been fixed for disbursement.

China tech seen as dollar hedge

AFP, *Davos*

Lower valuations, government support and loose fiscal policy set against a cyclical backdrop in China is encouraging investors to rotate into technology and diversify away from the US, UBS fund managers told Reuters this week in Davos, Switzerland.

"We like China tech in particular because there's some success there. There also seems to be government support," Mark Haefele, chief investment officer of UBS Global Wealth Management told the Reuters Global Markets Forum.

Haefele said clients in the US, Europe and Asia are seeking hedges against the dollar and growing confidence in China's tech sector is encouraging them to invest more there.

China is rapidly closing the tech gap with the US, while strong market debuts by MiniMax and Zhipu AI underscore rising investor confidence as Beijing cultivates homegrown champions.

While the US still holds an advantage in computing power and infrastructure, researchers say China's progress is driven by innovation under tight budgets.

Ulrike Hoffmann-Buchardi, Americas CIO and head of global equities at UBS, sees a broader cyclical backdrop as the main driver of markets. Fiscal stimulus will lift all regions, creating opportunities in markets that are trading at more attractive valuations, she said.

"We are optimistic, but also cognizant of downside risks, in particular in those countries and areas where capital has gone; (the) US of course has been a big recipient of those inflows," Hoffmann-Buchardi added.

Oil rises nearly 3%

REUTERS, *New York*

Oil prices settled at their highest in over a week on Friday after US President Donald Trump ratcheted up pressure against Iran through more sanctions on vessels that transport its oil, and announced an armada was heading towards the Middle Eastern nation.

Brent crude futures rose $1.82, or 2.8 percent, to settle at $65.88 a barrel, the highest since January 14. US West Texas Intermediate crude gained $1.71, or 2.9 percent, at $61.07, also a more than one-week high.

Both benchmarks notched weekly gains of over 2.5 percent.

Trump's statements renewed warnings to Tehran against killing protesters or restarting its nuclear program. The escalating pressure has caused concerns of oil supply disruptions in the Middle East. Kazakhstan has been struggling to resume output from one of the world's largest oilfields.

Warships, including an aircraft carrier and guided-missile destroyers, will arrive in the Middle East in the coming days, a US official said. The United States conducted strikes on Iran last June.

The US on Friday also imposed sanctions on nine vessels and eight related firms involved in transporting Iranian oil and petroleum products, the US Treasury said in a statement.

At about 3.2 million barrels per day according to Opec figures, Iran is Opec's fourth-biggest crude oil producer behind Saudi Arabia, Iraq and the United Arab Emirates. It is also a major exporter to China, the world's second-largest oil consumer.

US business activity steady in January

Consumer sentiment improves

REUTERS, *Washington*

US business activity was steady in January as an improvement in new orders was offset by a lackluster labor market and lingering concerns among firms over higher costs because of import tariffs, a survey showed on Friday.

S&P Global said its flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, inched down to 52.8 this month from 52.7 in December. A reading above 50 indicates expansion in the private sector. Both services and manufacturing flash PMIs were little changed this month.

S&P Global said the composite PMI was consistent with a moderation in economic growth at the turn of the year.

The government reported on Thursday that the economy grew at a 4.4 percent annualized pace in the third quarter, driven by strong consumer and business spending on intellectual property products, likely related to artificial intelligence, as well as a smaller trade deficit.

The Atlanta Federal Reserve is forecasting gross domestic product increased at a 5.4 percent rate in the October-December quarter. The fourth-quarter GDP report, delayed by the 43-day federal government shutdown, will be published on February 20.

The S&P Global survey's measure of new orders received by businesses rose to 52.2 from 50.8 in December. But exports fell to a nine-month low, pulled down by declines in both goods and services.

Trump sues JPMorgan, CEO for $5b over alleged debanking

REUTERS

US President Donald Trump filed a $5 billion lawsuit against JPMorgan Chase and its CEO Jamie Dimon on Thursday, accusing them of debanking him by closing several of his accounts to further a political agenda.

The lawsuit, filed in a Florida state court in Miami-Dade County, accused the largest US bank of violating its own policies by singling out Trump to ride the "political tide."

JPMorgan denied that it closes accounts for political or religious reasons.

"While we regret President Trump has sued us, we believe the suit has no merit," it said. "We respect the President's right to sue us and our right to defend ourselves."

Later on Thursday, Trump told reporters aboard Air Force One he had not spoken with Dimon about the lawsuit. "You're not allowed to do what they did," he said. "So wrong. I don't know what their excuse would be. Maybe their excuse would be the regulators."

Trump has also attacked other lenders including Bank of America with allegations of debanking, and recently stirred up industry opposition by demanding a 10 percent cap on credit card interest rates.

Dimon, who has run JPMorgan for two decades and is one of the most influential figures in corporate America, told the World Economic Forum on Wednesday that capping card rates would curb access to credit for many consumers and amount to an "economic disaster."

At the same time, industry executives have cheered the administration's push for deregulation, which they say could cut red tape, boost profits and spur economic growth.

Trump accused JPMorgan of violating its principles unilaterally by shutting accounts belonging to him and his hospitality companies.

He also accused Dimon of ordering a malicious "blacklist" to warn other banks about doing business with the Trump Organization and Trump family members, as well as with Trump himself.

President Donald Trump

"Plaintiffs also suffered extensive reputational harm by being forced to reach out to other financial institutions in an effort to move their funds and accounts, making it clear that they had been debanked," Trump added.

JPMorgan said it closes accounts that create legal or regulatory risk for the company. "We regret having to do so but often rules and regulatory expectations lead us to do so," it said. World leaders in government, business, sports, and entertainment attend the America Business Forum in Miami

Shares of JPMorgan closed up 0.5 percent on Thursday and were flat premarket on Friday.

Capital One Financial, another large bank, has sought to dismiss a similar lawsuit filed last March by several Trump plaintiffs, including the president's son Eric Trump. That lawsuit is still pending.

Govt mapping plots to reduce arable land loss

FROM PAGE B1

Factors contributing to the loss include residential and industrial construction, as well as infrastructure development, according to BBS data.

The ordinance includes specific measures to protect farmland.

According to it, tobacco cultivation is banned on lands producing three or more crops per year, and will be phased out on one and two-crop lands.

Besides, commercial housing, resorts, and industrial plants are prohibited on arable land, wetlands, or water bodies. Removal of topsoil for brick kilns or other purposes is also punishable. Permits may be granted for households, places of worship, or family graveyards on private farmland.

The new law says using agricultural land for non-agricultural purposes without permission carries up to three years' imprisonment and fines of up to Tk 10 lakh.

"These measures are intended to curb illegal land conversion and ensure the protection of agricultural land for future generations," Ahmed said.

He added that the Central Land Allocation Committee is reviewing cases where large tracts of allocated land remain unused, while new rules under the Soil and Sand Management Act prohibit the removal of topsoil to maintain land quality.

Land and Food Adviser Ali Imam Majumder said rules to implement the ordinance are being prepared. "We hope to complete it during this government's tenure so that the next government can implement the ordinance smoothly," he said.

Agricultural economist Jahangir Alam Khan described the ordinance as a crucial step to slow the ongoing loss of farmland.

He said previous rules, issued in 2001 and 2012, were largely unenforced, allowing double and triple-cropped lands to be converted into fish ponds or used for brick kilns, which depleted soil and reduced crop yields.

Khan added that effective enforcement of fines and jail terms, combined with active monitoring by union council members and local agricultural officers, could significantly slow land conversion.

While the annual rate of farmland loss has declined from 0.96 percent in 1984-1996 to 0.22 percent in 2009-2019, he said the situation is still concerning.

"If properly enforced, the new ordinance could help secure food production and national food security by protecting valuable arable land," he said.

Rooppur power project seeks Tk 25,593cr

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He said that after missing earlier schedules due to a lack of preparedness, fuel loading has now become the main focus to bring the country's first nuclear power plant online.

Project officials said that if fuel loading starts in late February, a physical start-up could take place by April, with power generation possibly beginning by mid-year. The timeline, however, depends on the successful completion of critical tests and machinery inspections.

"It is delaying to complete all the tests as many complications are found out during the test period, and we are bound to solve those to reach the next period. In this way a huge amount of time is spent." Hossain said.

Without completing the required tests and machinery preparation, the exact timing of fuel loading cannot be confirmed, he added.

Telcos get one week to submit plan

FROM PAGE B1

taken and their plans to lower data package prices.

Based on these reports, BTRC will hold individual meetings with each operator to review their proposals further.

Shahed Alam, chief corporate and regulatory officer of Robi Axiata PLC, said, "Any pricing review should be based on a clear and transparent cost study to ensure decisions are evidence-based, sustainable, and support long-term sector growth.

"In the past 24 months, revenue has steadily declined, while data prices have fallen about 20%, benefiting consumers. Further cuts, if made without considering costs and investment needs, could leave operators financially vulnerable.

"Low returns make it harder to invest in network expansion, improve service quality, and adopt new technologies. Short-term or arbitrary pricing decisions could weaken the industry, reduce service quality, and even increase costs for consumers."

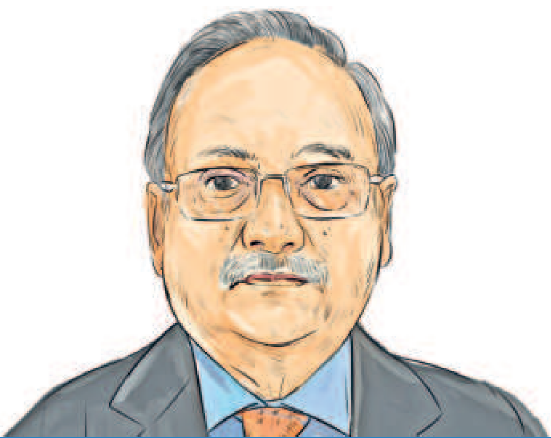
Govt debt jumps 28% to Tk 7.45 lakh crore

FROM PAGE B1

The BB said that in FY25, the average yields of treasury bills and treasury bonds increased during the first half, followed by a marginal moderation during the second half of the fiscal year.

The report said the net issuance of treasury bonds and bills by the government surged in FY25.

During FY25, the net issuance of treasury bonds was Tk 110,762 crore, which was 165.30 percent higher than that of the previous fiscal year. The net issuance of treasury bills grew more than four times during the period.



Kamran T Rahman

Investors in wait-and-see mode as uncertainty persists

Says MCCI President Kamran T Rahman

JAGARAN CHAKMA

Business confidence in Bangladesh is at a low point as the country navigates economic challenges and political uncertainty, according to Kamran T Rahman, president of the Metropolitan Chamber of Commerce and Industry (MCCI).

Speaking to The Daily Star in an exclusive interview about the hurdles Bangladeshi businesses are currently facing, Rahman pointed to high borrowing costs, stress in the banking sector and a widening disconnect between policymakers and industry as key factors weighing on confidence.

"Without stability, reform, and regular dialogue between the government and business leaders, it will be very difficult for the economy to regain momentum," he warned.

He said the interim government's primary responsibility is to hold elections and ensure a peaceful transition to a democratic administration. In the meantime, however, industry leaders say meaningful engagement with decision-makers has been limited, despite repeated attempts at dialogue.

This gap, Rahman noted, has contributed to a slowdown in investment. "Investors are in a wait-and-see mode. They want to see a stable, elected government in place before making long-term commitments."

Inflation, though down from its peak, continues to affect both consumers and producers, Rahman said, adding that businesses are under additional pressure from high interest rates, which currently hover between 13 percent and 14 percent.

"Such rates make access to affordable credit extremely difficult. As a result, many mills and factories are struggling to survive," he said. "Some have already shut down, and more could follow if rates remain this high."

According to Rahman, a sustainable path forward would involve bringing inflation down to around 5-6 percent, which would create room for interest rate cuts and encourage borrowing and expansion.

He also pointed to the depreciation of the taka against the US dollar. Volatility in the currency market, he said, makes it difficult to plan imports, set prices, and make long-term investment decisions.

Rahman, during the interview, especially emphasised the crises in the banking sector.

Highlighting the sharp rise in non-performing loans, which has crossed 35 percent of total outstanding loans, he said this has made banks increasingly risk-averse and less willing to issue new credit.

He also criticised the use of short-term deposits to finance long-term industrial projects, calling it unsustainable. "We need dedicated long-term financial institutions and a stronger capital market to support industrial financing," he argued.

Rahman also commented on recent bank mergers, particularly those involving shariah-based banks, where depositors initially faced restrictions on withdrawing funds. He said restoring confidence in the financial sector would require stable fiscal and monetary policies, stronger enforcement of the rule of law, reduced corruption and improvements in the ease of doing business.

"The cost of doing business has gone up significantly, in part due to bureaucratic delays and corrupt practices," he said. "If we want both local and foreign investors to come forward, these issues must be addressed head-on."

Turning to the labour market, Rahman highlighted the growing gap between the supply of graduates and the availability of formal jobs. With around 20-25 lakh new workers entering the workforce annually, job creation is not keeping pace.

He noted that many graduates are either unemployed or underemployed, mostly due to a mismatch between education and industry needs. "We need to revise our education curriculum and invest in skills training that prepares young people for the real job market."

He also drew attention to the earnings gap among migrant workers from South Asia. While Bangladeshis often go abroad as unskilled workers, Indian or Sri Lankan migrants tend to earn more due to better skills and certifications. "Certification matters. We must invest in both education and skill development if we want to compete globally."

Rahman also called for urgent diversification of the export base. Currently, Bangladesh remains heavily reliant on the ready-made garments sector. "This overdependence is risky. Any disruption in global demand or trade policy could severely impact our economy."

Rahman mentioned that many factories are running under capacity due to gas shortages or unreliable electricity. "When you invest in a large industrial setup, energy availability is a basic expectation."

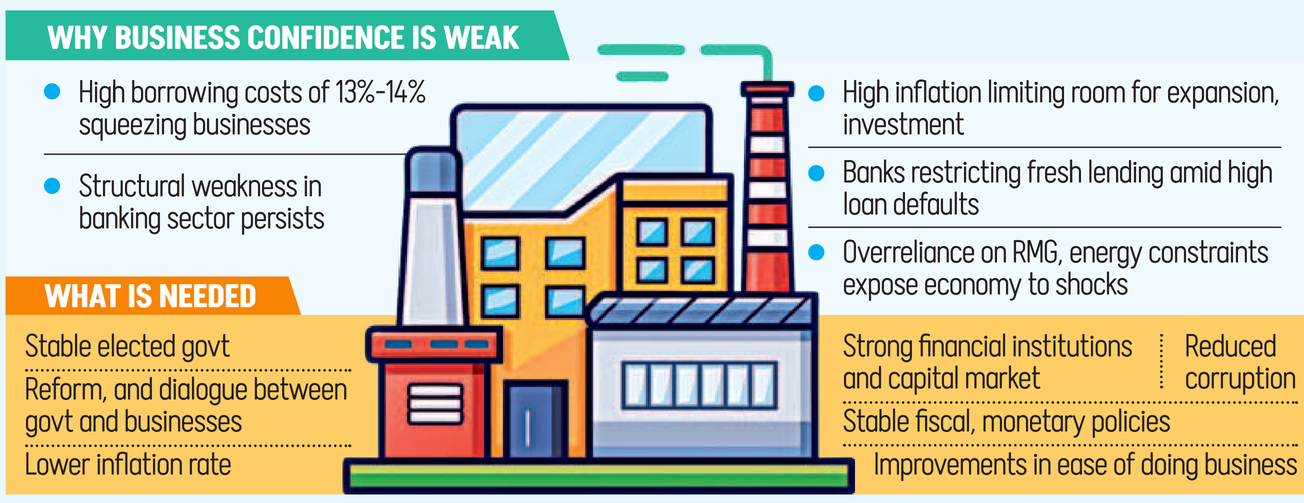
He urged the government to focus on both exploration and extraction of energy resources to ensure future supply, warning that overdependence on imports could drive up costs significantly.

Rahman also called for better infrastructure and public services, which ties back to the issue of revenue generation.

One of the more structural challenges Rahman pointed out is Bangladesh's low tax-to-GDP ratio, which is among the lowest in the region. "With such a limited revenue base, how can the government provide essential services or invest in infrastructure?"

Despite these challenges, Rahman believes that once a stable, elected government is in place and a clear policy direction is established, confidence will gradually return. However, he warned that the recovery won't be instant.

"It may take three months, six months, or even a year, depending on the policy environment and political stability," he said.



Why approve another bank

MAMUN RASHID

One of the deepest wounds in the economy today lies in the banking sector. The number of banks is disproportionately high relative to the size of the economy. At the same time, most banks are burdened with multiple problems, most notably the steadily rising volume of non-performing loans, capital shortfalls, limited product offerings and a severe deficit of good governance. Against this backdrop, initiatives are once again underway to approve new banks. The draft "Microcredit Bank Ordinance, 2025", prepared by the Ministry of Finance as part of this initiative, therefore warrants careful review.

Bangladesh now has 62 scheduled banks, of which 43 are under private ownership. A significant expansion occurred when the previous government repeatedly approved new banks on political grounds. Changes were also made at various levels, including bank boards, in line with the preferences of those in power. While the number of banks increased, there was no corresponding improvement in customer service. Branch networks expanded nationwide, pushing up operating costs. To offset these costs, banks pursued aggressive lending, from which politically connected individuals benefited most. A large portion of these loans has since turned non-performing. As a result, the banking sector became heavily politicised, governance weakened, and the capital structure of most banks deteriorated.

After the formation of the interim government, discussions emerged on reforming the banking sector, with particular emphasis on reducing the number of banks. As part of this process, an initiative was taken to merge five shariah-based banks into a single entity. Except for Sonali Bank, all state-owned banks face capital shortfalls exceeding Tk 100,000 crore. Yet instead of prioritising reform and restructuring of state-owned banks, the government is moving towards approving new banks through public initiatives, an approach that is entirely unacceptable. Rather than increasing the number of banks, the focus should be on strengthening governance and capacity across the sector.

I have personal experience of banking sector reforms in China, which offer valuable lessons on the importance of banking stability for economic development. After 1978, China gradually transitioned from a mono-bank system to a modern, bank-based financial system through phased reforms. At one point, non-performing loans in state-owned banks rose sharply. Structural reforms, including an overhaul of central bank operations, new commercial banking laws, adoption of international standards for loan classification, transfer of bad assets through asset management companies and gradual listing on capital markets, helped place the sector on a strong footing. Each bank now has a clearly defined mandate, and none lends outside its designated sector. In contrast, in Bangladesh, most state-owned banks appear to perform the same functions. There are even allegations that the agricultural bank fails to provide loans to farmers.

In comparable economies, the number of banks has been kept limited. In Thailand, Singapore and Malaysia, domestic bank numbers have not risen in line with economic size. Thailand, with a GDP exceeding $500 billion, has six state-owned and 12 private banks. Singapore has only five local banks, while Malaysia has eight locally established banks. Even in neighbouring India, the number of banks is lower than in Bangladesh. These examples send a clear message: the priority should be to enhance the capacity and diversity of products offered by existing banks, not to add more.

Financial inclusion, entrepreneurship development and social business are often cited as reasons for approving new banks. Yet financial inclusion cannot be achieved simply by increasing bank numbers. It is more effectively advanced through technology-driven services and targeted lending programmes.

Rather than approving more banks, the government should focus on reducing the excess burden created by too many institutions and improving the quality of banking services. The same advice applies to the post-election government as well.

The writer is an economic analyst

Europe, India seek closer ties with 'mother of all deals'

AFP, *Brussels*

India and Europe hope to strike the "mother of all deals" when EU chiefs meet Prime Minister Narendra Modi in New Delhi next week, as the two economic behemoths seek to forge closer ties.

Facing challenges from China and the United States, India and the European Union have been negotiating a massive free trade pact -- and talks, first launched about two decades ago, are nearing the finishing line.

"We are on the cusp of a historic trade agreement," European Commission President Ursula von der Leyen said this week.

Von der Leyen and European Council president Antonio Costa will attend Republic Day celebrations Monday before an EU-India summit Tuesday, where they hope to shake hands on the accord.

Securing a pact described by India's Commerce Minister Piyush Goyal as "the mother of all deals", would be a major win for Brussels and New Delhi as both seek to open up new markets in the face of US tariffs and Chinese export controls.

But officials have been eager to stress there is more to it than commerce.

"The EU and India are moving closer together at the time when the rules-based international order is under unprecedented pressure through wars, coercion and economic fragmentation," the EU's top diplomat, Kaja Kallas said Wednesday.

Russia's invasion of Ukraine and US President Donald Trump's punitive tariffs have brought momentum to the relationship between India and the EU, said Praveen Donthi, of the International Crisis Group think tank.

"The EU eyes the Indian market and aims to steer a rising power like India away from Russia, while India seeks to diversify its partnerships, doubling down on its strategy of multi-alignment at a time when its relations with the US have taken a downward turn," he said.

In this file photo, European Commission President Ursula von der Leyen (left) addresses a joint press briefing as India's Prime Minister Narendra Modi listens, after their meeting at the Hyderabad House in New Delhi on February 28, 2025. PHOTO: AFP/FILE

The summit will offer Brussels the chance to turn the page after a bruising transatlantic crisis over Greenland -- now seemingly defused. Together the EU and India account for about a quarter of the world's population and GDP.

Bilateral trade in goods reached 120 billion euros ($139 billion) in 2024, an increase of nearly 90 percent over the past decade, according to EU figures, with a further 60 billion euros ($69 billion) in trade in services. But both parties are eager to do more.

"India still accounts for only around 2.5 percent of total EU trade in goods, compared with close to 15 percent for China," an EU official said, adding the figure gave a sense of the "untapped potential" an agreement could unlock.

EU makers of cars, machinery and chemicals have much to gain from India lowering entry barriers, said Ignacio Garcia Bercero, an analyst at Brussels think tank Bruegel, who led EU trade talks with New Delhi over a decade ago.

"India is one of the most heavily protected economies in the world, with very, very high tariffs, including on many products where the European Union has a competitive advantage," he told AFP.

Its economy in the doldrums, the 27-member EU is also pushing to ease exports of spirits and wines and strengthen intellectual property rules. India -- the fastest-growing major economy in the world -- wants easier market access for products such as textiles and pharmaceuticals.

EU officials were tight-lipped about the deal's contents as negotiations are ongoing.

But agriculture, a sensitive topic in both India and Europe, is likely to play a limited role, with New Delhi eager to protect its dairy and grain sectors.

Talks are focusing on a few sticking points, including the impact of the EU's carbon border tax on steel exports and safety and quality standards in the pharmaceutical and automotive sectors, according to people familiar with the discussions.

Gold nears $5,000, silver shines

AFP, *New York*

Global stocks were subdued and precious metals hit new highs Friday as US President Donald Trump followed up conciliatory comments on Greenland with a fresh warning on Iran.

Trump, who on Wednesday backed away from threatened tariffs on Europe over Greenland, told reporters the United States was sending a "massive fleet" toward Iran "just in case."

Gold -- a safe-haven asset -- pushed closer to a record $5,000 an ounce, while fellow safe haven silver also kept rising, blasting through $102 an ounce amid worries over what Trump may say next, or actually do.

The dollar retreated, falling to a four-month low against the euro.

Sentiment had calmed over the past two days after the US president pulled back from his threat to hit several European nations with levies because of their opposition to Washington taking over the Danish autonomous territory of Greenland.

Trump has repeatedly left open the option of new military action against Iran after Washington backed and joined Israel's 12-day war in June aimed at degrading Iran's nuclear and ballistic missile programs.