

FICCI seeks reforms for policy clarity

STAR BUSINESS REPORT

The Foreign Investors' Chamber of Commerce and Industry (FICCI) has urged the government to prioritise foreign direct investment (FDI) friendly policies, backed by structural and regulatory reforms to strengthen investor confidence and ensure sustainable economic growth.

In a press release, the chamber said it stands ready to work closely with the government to improve the investment climate, attract quality foreign investment, support economic reforms, generate employment and reinforce the country's economic foundations.

The chamber also congratulated the newly formed government following the swearing in of the cabinet, including Prime Minister Tarique Rahman and other members of the parliament.

FICCI expressed hope that the new leadership's vision for national progress would translate into timely and effective actions to accelerate economic growth and foster a favourable investment environment.

FICCI President Rupali Chowdhury said the new leadership had assumed office at a defining moment in the country's history. "We wish the government every success in steering the country forward," she said.

She emphasised the need to restore investor confidence, improve the ease of doing business, reduce operational costs, ensure policy predictability and pursue business-friendly reforms.

Highlighting the role of foreign direct investment, she said FDI remains critical for driving sustainable growth, creating jobs and enhancing Bangladesh's global competitiveness.

MEP Group to invest Tk 200cr in Mirsharai EZ

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MEP Hi-Tech Industrial Park Limited, a concern of MEP Group, will invest Tk 200 crore to set up a modern electrical and electronic products manufacturing facility on nearly 10 acres of land at the National Special Economic Zone in Mirsharai upazila, Chattogram.

A land lease agreement was signed between the Bangladesh Economic Zones Authority (Beza) and MEP Hi-Tech Industrial Park Limited at Beza's office in Dhaka's Agargaon yesterday, according to a press release.

Established in 1974, MEP Group is a Bangladeshi business conglomerate with around 2,000 corporate clients and more than 1,000 distribution networks nationwide.

The factory will produce electrical wires, switches and sockets, fans, LED lights, circuit breakers and other related products, aiming to reduce the country's reliance on imports and expand local manufacturing capacity.

Construction of the project is scheduled to begin in April 2026 and is expected to be completed by December 2028, with commercial production targeted for January 2029. Once fully operational, the facility is expected to generate employment for around 2,000 people directly and indirectly.

Saleh Ahmed, executive member for investment development at Beza, said the Tk 200 crore investment by a domestic industrial group would support import substitution, export diversification, and technology-driven industrialisation.



With Ramadan beginning today, lorries and container trailers queue outside a gate at Chattogram port. After strike and election related backlogs, operations at the seaport are picking up as daily deliveries cross 5,000 TEUs and congestion at the yard eases. The photo was taken yesterday.

PHOTO: RAJIB RAIHAN

Backlog at Ctg port begins to ease after strikes, polls closure

Nearly 5,000 TEUs of imports delivered daily

DWAIPAYAN BARUA, Ctg

Chattogram port is gradually recovering from a severe backlog caused by a seven-day employee strike earlier this month and a 48-hour closure during the national election, thanks to increased daily container deliveries.

"As operations resumed at the port and ICDs after the election, daily deliveries have increased significantly," said Muntasir Rubayat, former director of the Bangladesh Shipping Agents Association.

According to port data, nearly 5,000 twenty-foot equivalent units (TEUs) of import containers have been delivered daily in recent days, with port yards handling high volumes of deliveries and transfers to inland container depots (ICDs).

Partial strikes over the lease of the New Mooring Container Terminal to UAE-based operator DP World, which began on January 31, had already caused congestion at the port and ICDs, delaying import and export shipments. Operations came to a complete halt on February 3 due to an indefinite strike.

Although the strike ended on the morning of February 9, relief was limited by the port's closure on February 11 and 12 for the national election.

The strike had led to an accumulation of over 9,000 TEUs inside the port, with storage rising from 31,000 TEUs on January 31 to

40,000 TEUs by February 10.

Export container stockpiles at the 19 private ICDs reached nearly 14,000 TEUs during the same period. At one point, 15 container vessels were waiting at the outer anchorage for berths, with many forced to wait for more than six days.

SIGNS OF RELIEF

Port users said that import and export deliveries picked up in the two days after the strike, before the election-related closure began. Even on election day, the port authority managed some shipments through special arrangements.

ICD operators said the backlog at the depots was cleared, with export container stock dropping to 6,800 TEUs yesterday, a normal level

Daily deliveries and transfers of import containers from the port stood at 3,888 TEUs between 8:00am on February 14 and 8:00am on February 15. The figure rose to 4,484 TEUs and 4,854 TEUs over the next two days, before reaching 5,263 TEUs in the 24 hours ending yesterday morning, according to port data.

Shipping officials expressed hope that the backlog would be cleared soon if this pace continues.

A senior official at a foreign shipping line said that the low volume of import

cargo pressure kept the situation manageable, with only two or three vessels arriving daily.

ICD operators said the backlog at the depots was cleared, with export container stock dropping to 6,800 TEUs yesterday, a normal level.

The number of container vessels waiting at the outer anchorage for berths fell to 12 yesterday, while waiting times declined to two to three days.

Ship-handling operators confirmed that congestion of bulk vessels at the outer anchorage fell to 80 from 110.

However, container congestion at the Chattogram Goods Port Yard, which stores imports bound for Kamalapur ICD, remains severe. Authorities are struggling to move enough containers because Bangladesh Railway has not provided the required locomotives.

As of yesterday morning, a total of 42,375 TEUs were still waiting in port yards.

Syed Refayet Hamim, secretary of Chittagong Port Authority, urged stakeholders, including the Bangladesh Garment Manufacturers and Exporters Association and the Bangladesh Knitwear Manufacturers and Exporters Association, to pick up imports promptly to help clear the backlog quickly.

He added that the authority has also sent a letter to Bangladesh Railway requesting an increase in the number of trains to help ease congestion at the Goods Port Yard.

Roadmap to economic revival

SALEKEEN IBRAHIM

The long-awaited election is over, followed by the formation of a new government carrying enormous hope from the people. However, it has taken charge of an economy that is deeply dented. Setting emotions aside, the past 18 months have been suffocating for many citizens and businesses. Inflation remained stubbornly high, investment dried up, factories closed, unemployment rose, revenue collection weakened, SME entrepreneurs struggled and felt ignored, and the banking sector appeared fragile with a large stock of non-performing loans. Public confidence collapsed while debt and external obligations mounted. Research from the World Bank and the International Monetary Fund (IMF) highlights slowing private investment, weak revenue mobilisation and declining investor confidence as major risks to growth.

History shows that moments of deep crisis often carry the seeds of restoration. The new government has a rare opportunity not merely to manage the economy but to reset it. Economic recovery begins with confidence. Before policies, circulars or targets, confidence must return.

The immediate priority of the new government should be restoring law and order and engaging business leaders, exporters, SMEs, bankers and foreign investors through structured dialogue. Listening is not a weakness. It is economic intelligence. A clear and honest national address acknowledging the pain, outlining constraints and presenting a credible recovery plan could itself rebuild confidence. Investors do not expect miracles. They expect clarity and consistency.

A sound strategy to stabilise inflation without choking growth is essential. High inflation is hurting households, while excessively tight policies are squeezing businesses. Elevated interest rates have significantly slowed credit growth. The government must work closely with the central bank to strike a better balance, gradually easing rates for productive sectors while maintaining discipline against speculative borrowing.

Targeted support for food supply chains, logistics and energy imports could reduce cost pressures more effectively than blanket tightening. Inflation is not only a monetary issue. It is also a supply-side challenge.

A fragile banking system with weak governance cannot support recovery. Official data show non-performing loans at alarming levels, while capital adequacy ratios in several banks are under strain. The new administration must act decisively. Without meaningful banking reform, other reforms will falter.

Over the past 18 months, businesses large and small felt neglected. Many businesses postponed investment, not because of a lack of funds but because of uncertainty. The government should announce a time-bound roadmap for tax rationalisation, ensure faster VAT refunds for exporters and simplify compliance for SMEs with smoother access to finance. Special working capital windows, similar to the pandemic stimulus packages, could support distressed yet viable enterprises. Factories do not reopen because of political speeches. They reopen when cash flow improves, and rules become predictable.

Growth without jobs will deepen social tensions. Public works programmes, SME financing, agricultural value chains and labour-intensive manufacturing must be prioritised. Every major policy should face a simple test: will it create or protect jobs? Ignoring employment is not an option.

The national treasury is under strain, yet imposing higher taxes on the same taxpayers will not solve the problem. The focus should instead be on widening the tax net, reducing leakage and digitising enforcement. A fair system raises more revenue with less resistance. When citizens perceive fairness, compliance improves.

Foreign investors and development partners will watch closely. Clear commitments to governance, transparency and reform can unlock concessional financing, budget support and investment flows that Bangladesh needs.

The new government has inherited a wounded economy, but also a remarkable opportunity. If it chooses courage over caution, reform over delay and partnership over isolation, Bangladesh can move from stagnation to recovery and from survival to sustainable growth. Economic revival is about building a stronger, fairer and more resilient tomorrow.

The writer is a senior banker

Google to build new subsea connections from India in AI push

AFP, New Delhi

Google will build new subsea cables from its planned AI hub in India and other locations, the US company announced on Wednesday, as New Delhi hosts a major artificial intelligence summit.

Global tech giants are racing to unveil deals and investments in the country this week, as world leaders and top industry figures gather to discuss the opportunities and challenges that AI poses.

Google's announcement follows its October commitment to spend \$15 billion over five years to construct its largest AI infrastructure hub outside the United States, in Visakhapatnam, an Indian port city in the southeastern state of Andhra Pradesh, also known as Vizag.

The US giant said it would build "three subsea paths connecting India to Singapore, South Africa, and Australia".

It will also create "four strategic fiber optic routes that bolster network resilience and capacity between the United States, India, and multiple locations across the Southern Hemisphere".

These would include a direct cable connecting Vizag to South Africa, and another to Singapore, Google said in a statement.

And India's financial capital Mumbai would be connected to Western Australia, it added.

Google said the initiative was part of a project launched in collaboration with regional partners called "America-India Connect" that will "establish a new international subsea gateway in Visakhapatnam".

Japan launches first investments under \$550b US trade deal

AFP, Washington

The United States announced Tuesday a first tranche of investments by Japan out of a colossal \$550 billion promised by Tokyo in its trade deal with President Donald Trump.

The commitments of \$36 billion for three infrastructure projects came as Japan comes under pressure to deliver on its pledges made in 2025 in return for lower US trade tariffs.

"Japan is now officially, and financially, moving forward with the FIRST set of Investments under its \$550 BILLION Dollar Commitment to invest in the United States of America," Trump wrote on his Truth Social platform.

"The scale of these projects are so large, and could not be done without one very special word, TARIFFS," he wrote.

The announcement came ahead of a scheduled trip by Prime Minister Sanae Takaichi to the White House next month following Trump's visit to Japan in October.

Takaichi said Wednesday the projects would "strengthen the Japan-US alliance by enabling Japan and the United States to jointly build resilient supply chains in strategically important areas for

economic security -- such as critical minerals, energy, and AI/data centers".

"We believe these initiatives truly embody the purpose of this Strategic Investment Initiative, namely the promotion of mutual benefit between

Japan and the United States, the enhancement of economic security, and the promotion of economic growth," Takaichi said on X.

"Going forward, we will continue to work closely together between Japan and

the United States to further refine the details of each project and ensure that they can be implemented promptly and smoothly," she added.

The projects are a natural gas facility in Ohio, a deep-water oil export facility in the Gulf of Mexico, and a synthetic diamond manufacturing facility.

US Trade Secretary Howard Lutnick called the announcements the "MASSIVE AMERICA FIRST TRADE WIN".

The natural gas generation facility will be the "largest in history", generating 9.2 gigawatts of power, Lutnick said on X.

Takaichi said that it would supply electricity to AI data centers and similar facilities.

At full capacity it would be the equivalent of nine nuclear reactors or the power consumed by about 7.4 million homes, Bloomberg News reported.

The oil project will generate \$20-30 billion annually in US crude exports and "reinforce America's position as the world's leading energy supplier," Lutnick said.

The facility making synthetic diamond grit -- where China dominates supplies -- will ensure that the United States is no longer reliant on foreign imports, Lutnick said.



A cargo ship docks at the quay of the international cargo terminal at the port of Tokyo. In July last year, Japan had agreed to invest \$550 billion through 2029 "to rebuild and expand core American industries," according to the White House.

PHOTO: AFP/FILE