Tea output edges up in 2025 despite export headwinds

SUKANTA HALDER

Bangladesh's tea production recorded a 2.01 percent increase in 2025 compared with the previous year, data from the Bangladesh Tea Board (BTB) show.

Although favourable weather and better cultivation practices supported output growth, the industry remains under pressure from rising production costs and a slowdown in exports, though 2023 remains a record year for the industry.

The country produced 94.91 million kilogrammes (kg) of tea in 2025, up by 1.87 million kg compared to 2024.

Mohammed Moazzam Hossain, a member of the BTB, attributed the rise to timely rainfall, better seedling survival, higher leaf output, and proper use of fertilisers.

Despite the year-on-year increase, production remains below the 2023 peak of over 102 million kg. Hossain said that outdated land management, reliance on unpredictable weather, limited modern technology, poor irrigation, and seasonal droughts continue to hold back output.

"If underground water could be used for timely irrigation, production could rise significantly, but there is limited support for such initiatives," he added.

Bangladesh's tea industry has a 184-year history. Most gardens are located in the north-eastern region, while other northern districts have also increasingly taken up tea cultivation in recent years.

Golam Mostafa, chief operating officer of Ispahani Group's tea estate operations, said production in 2025 was uneven due to regional weather differences. Areas such as Sylhet and Chattogram experienced irregular rainfall, reducing output in some gardens, while northern regions saw strong growth.

Despite these challenges, some northern gardens performed exceptionally well, leading in prices both by garden and by company, he added.

Luthful Kabir Shaheen, director of business development at City Group, which owns the Bengal Tea brand, said more seedlings survived in 2025, contributing to higher production. However, overall output remained below expectations due to insufficient rainfall during peak production months.

Shaheen stressed that timely and adequate rain is crucial for tea growth. While the eastern belt continues to produce premium-quality tea, northern regions are still developing and could see better yields over the next five to seven years.

Bangladesh has 169 tea gardens covering more than 280,000 acres. Of these, 90 are in Moulvibazar district, Sylhet, which accounts for about 55 percent of national output. Habiganj district, also in Sylhet region, contributes around 22 percent.

The peak tea season runs from June to November, and domestic demand now stands at 85-90 million kg annually, according to industry sources.

EXPORTS DECLINE AMID RISING COSTS

Tea exports fell in 2025, dropping to 1.64 million kg from 2.45 million kg in 2024.

Hossain said high production costs have made Bangladeshi tea less competitive internationally, especially against producers in Kenya and China. While premium varieties such as Orthodox and Green tea still find export markets, common teas struggle due to higher costs.

Shaheen said lower production and growing domestic consumption also contributed to the decline. Local tea consumption, including in stalls and restaurants, has risen by at least 1.5 times, reflecting stronger reliance on tea within the country.

Mostafa added that the fall in exports was partly due to the legally set floor price of Tk 210 to Tk 270 at auctions, which limited buyer participation.

An official from a leading tea company said that with less smuggled tea in the market, local demand rose, pushing average auction prices up by Tk 40 from 2024 to 2025, making local sales more attractive than exports.

Kamran Tanvirur Rahman, chairman of the Bangladesh Tea Association, said the country's tea industry faces many challenges despite modest gains in production and prices.

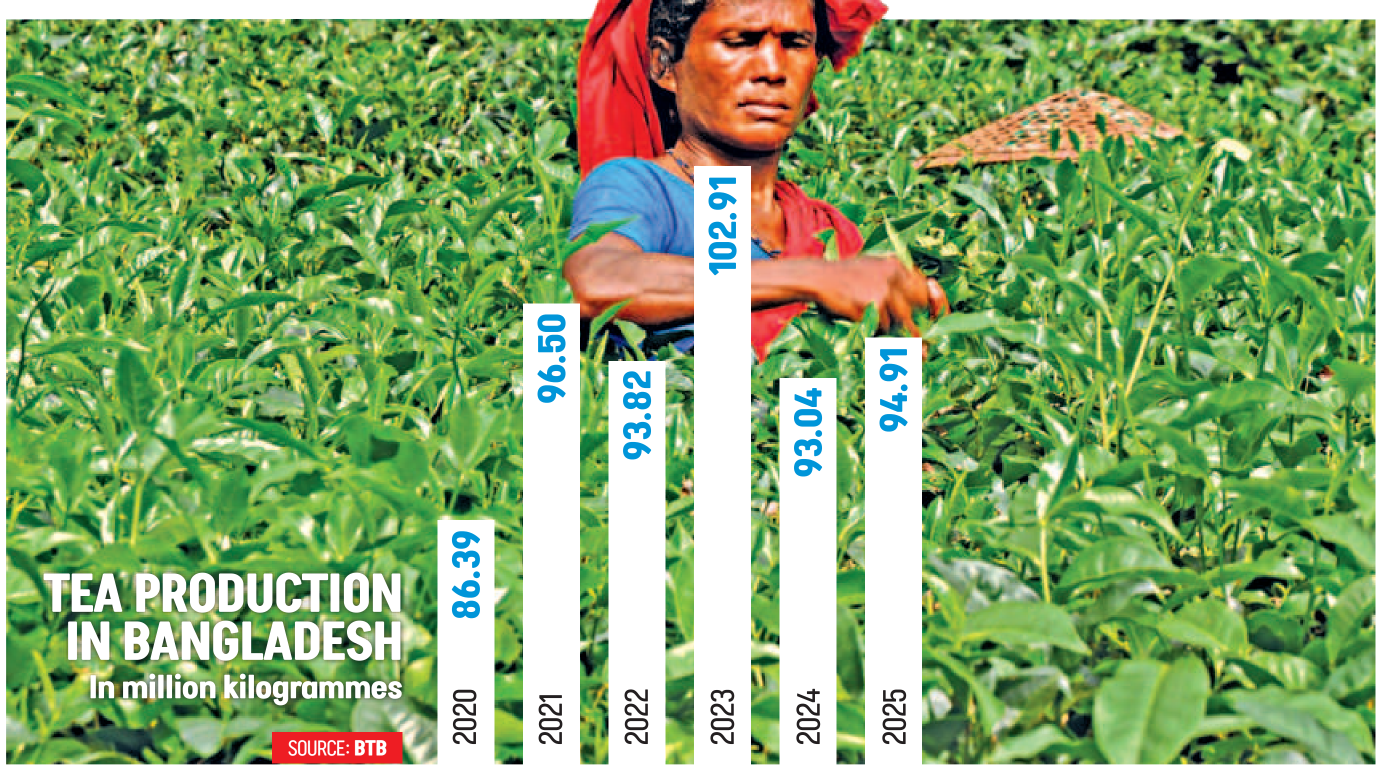
He said the small increase in output "is not enough to ease the financial pressure on tea gardens," adding that while a floor price has slightly improved prices, much tea remains unsold and is still sold at a loss.

Rahman highlighted rising costs, saying production expenses "continue to rise due to higher prices for fuel, electricity, gas, fertiliser, and labour," while wages and operational expenses have increased, but tea prices have not kept pace.

"If prices do not rise further, it will be difficult for tea gardens to survive," he warned, stressing the need for sustainable pricing to maintain profitability.

Discussing long-term trends, Rahman said the country's tea production grew from around 30 million kg in 1972 to 102 million kg by 2023. In earlier decades, more than half of the output was exported, but over the past 8-10 years, exports have declined as domestic consumption has grown. Today, most of the country's tea is consumed locally.

He added that while domestic demand has reduced reliance on exports, "the industry is now facing surplus production," and expanding export markets for this surplus could benefit the sector.



Corporate friendship

MAHTAB UDDIN AHMED

In every office, there's that "corporate friend" who calls you brother but forwards your email to the boss with "just for visibility." He borrows your charger, your ideas, and occasionally your lunch. At appraisal time, he suddenly develops selective amnesia about team efforts. Yet at office parties, he hugs you, saying, "We survived together!" "We are one team!" In corporate life, friendships are real, just performance-linked and ego-driven.

A foreign CEO once met Moshiur, a regulatory genius who handled delicate issues like a chess grandmaster. Impressed, he offered him a DCEO role at his company; although financial terms stalled the move, their friendship flourished. Later, when the global CEO of Moshiur's company hesitated to appoint someone of a particular nationality, he repeatedly consulted Moshiur, who convinced him to make an exception. The hire succeeded, careers progressed, and their bond deepened into a mentor-confidant relationship; strategic, productive, and seemingly unbreakable.

Then came a new politically backed leadership. The pressure of the conspiracy mounted on Moshiur, who confided in his trusted friend. "You're the best performer, and don't worry about all the politics", he was reassured. Soon, a conspiracy emerged to protect fragile egos, and it succeeded only because that same friend chose to lie upward. Moshiur became the scapegoat. His friend climbed higher, apparently untouched by guilt. The harsh reality: In corporate environments, personal benefit and convenience usually outweigh corporate friendship.

In Bangladesh, some leaders, both local and MNC, may act unethically because they recognise the delays in the legal system. When cases can stretch for a decade or more, consequences feel distant and manageable. Time becomes a shield. By retirement, accountability weakens, and victims such as Moshiur are often exhausted, isolated, or compelled to move on, accepting defeat.

Corporate selfishness often arises from structural factors rather than personality alone. Large organisations reward measurable outcomes, proximity to power, and personal survival. When promotions and bonuses depend on senior approval, people instinctively protect their own position. Psychology explains this through self-preservation bias and fear-driven conformity. In hierarchical cultures, speaking uncomfortable truths carries risks, as in Moshiur's case, whereas silence feels safer. During crises at companies such as Enron and Volkswagen, internal loyalty often flowed upward rather than outward because careers were at stake.

Research from institutions publishing in Journal of Vocational Behavior and Academy of Management Review shows that corporate friendships serve both emotional and strategic purposes. Employees build bonds for trust and support, but also to access information, influence decisions, and protect careers. In political or hierarchical environments, these relationships often become conditional. When interests align, friendships thrive; when incentives change, pragmatism frequently overrides personal loyalty.

Leading business thinkers highlight that workplace friendships must balance warmth with professionalism. Jack Welch reminds leaders that fairness matters more than popularity. Indra Nooyi emphasises humility in relationships. Satya Nadella links empathy with collaboration and innovation. Howard Schultz believes shared success strengthens bonds. Peter Drucker underlines the importance of trust and deep communication. Together, they suggest that corporate friendships thrive when grounded in fairness, empathy, humility, and shared purpose rather than personal advantage.

Steer corporate friendships with boundaries and awareness. Never rely on a single person for protection; build broad credibility and visibility. Document key discussions instead of relying only on verbal reassurance. Watch power shifts carefully and adapt early. Share concerns selectively and avoid emotional overexposure. Maintain integrity while building multiple alliances, not blind loyalty. Most importantly, create professional optionality so your confidence comes from capability and alternatives, not from one influential friend.

Treat corporate friendship like office tea: enjoy it while it's warm, but don't build your future on it. Celebrate together, collaborate professionally, and keep your blind spots covered. In a hierarchy, roles change faster than emotions. Awareness is not distrust; it is career hygiene.

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

TRADE PACTS AMID US TARIFF PRESSURE

Vietnam airlines sign contracts worth $37b

AFP, *Washington*

Three Vietnamese airlines announced nearly $37 billion in purchases Wednesday, in a series of contracts signed with US aerospace companies.

The agreements come as Hanoi and Washington continue trade negotiations on US tariffs on Vietnamese products, currently set at 20 percent.

The Southeast Asian nation posted eight percent growth last year despite the new US tariffs, defying expectations when many feared the collapse of its export-driven growth model.

Fledgling airline Sun PhuQuoc Airways said Wednesday it placed an order for 40 of Boeing's 787 Dreamliners, a long-haul aircraft, with an estimated total value of $22.5 billion.

Founded just a year ago, the airline said in a statement that the purchase "reflects Sun PhuQuoc Airways' strategic ambition to build a truly intercontinental network."

National carrier Vietnam Airlines placed an $8.1 billion order for around 50 Boeing 737-8 aircraft, and opened discussions for an additional order for around 30 wide-body aircraft in the future, the airline said in a statement.

The agreement creates "a solid foundation for our ambition to become a leading airline by 2030," the carrier's chairman, Dang Ngoc Hoa, said in the statement.

Low-cost carrier Vietjet Air also announced two contracts, totalling $6.3 billion.

Of that, about $5.4 billion will go toward supplies and maintenance of engines for 44 Airbus A320 series aircrafts by US manufacturer Pratt & Whitney.

Around $960 million remaining will go towards leasing six Boeing 737 series aircraft from Griffin Global Asset Management.

The signing took place on the sidelines of Vietnamese leader To Lam's visit to Washington, where he is expected to join the inaugural meeting of US President Donald Trump's "Board of Peace." The two countries held a sixth round of trade talks this month, but have not reached a final agreement.

Last year, Vietnam, a manufacturing hub in the region, saw a 28 percent surge in exports to the US -- its largest export market -- while its trade surplus swelled to $134 billion, according to official figures.

When Trump announced his "Liberation Day" tariffs in April, Vietnam had the third-largest trade surplus with the US of any country after China and Mexico, and was targeted with one of the highest rates in Trump's tariff blitz.

But by July, Hanoi secured a minimum 20 percent tariff with Washington, down from more than 40 percent, in return for opening its market to US products including cars.

Indonesia, US firms sign $38.4b in trade, investment deals

REUTERS

Indonesian and US companies on Wednesday signed deals worth $38.4 billion ahead of Indonesian President Prabowo Subianto's meeting with US President Donald Trump to sign a final trade pact, the Indonesian government said in a statement.

The 11 deals, signed at a dinner for Prabowo hosted by the US Chamber of Commerce, were for partnerships in mining, energy, agribusiness, textiles, furniture and technology sectors, according to the statement.

"We hope to find partners who are ready to join us in our ongoing efforts to modernize and industrialize," Prabowo said in his speech at the dinner.

Prabowo said the deals were among the implementing agreements to the US-Indonesian trade deal that he is due to sign on Thursday with Trump, adding it would help reduce Indonesia's trade surplus with the US.

"I'm very optimistic about the future of our relationship," he said.

The $38.4 billion valuation was higher than the figure presented earlier in a fact sheet by US-ASEAN Business Council (USABC) at over $7 billion, which included purchases by Indonesian firms of 1 million metric tons of US soybeans, 1.6 million tons of corn, and 93,000 tons of cotton over unspecified periods.

The council said Indonesia would also buy 1 million tons of wheat this year and up to 5 million tons by 2030.

The deals include a memorandum of understanding between US mining group Freeport-McMoRan and the Indonesian Ministry of Investment for critical minerals cooperation, and an agreement between state oil producer Pertamina and Halliburton Co to cooperate on oilfield recovery, USABC said.

Freeport and the investment ministry signed an initial deal to extend its mining permit beyond 2041, Freeport-McMoRan Chairman Richard Adkerson said at the dinner.

"It is a life of resource extension, and we cannot wait to undertake delineation drilling of what that ore body will be for many decades to come in the future," he said.

The deals also include two semiconductor joint venture agreements, one valued at $4.89 billion between Essence Global Group and an Indonesian partner, and another unvalued venture involving Tynergy Technology Group.

FARM GOODS

USABC valued Indonesia's purchases of soybeans at $685 million, wheat at $1.25 billion, cotton at $122 million and an additional purchase of US shredded worn clothing for recycling at $200 million.

In the decade from 2015 to 2024, Indonesia averaged annual imports of 2.3 million metric tons of US soybeans, nearly 800,000 tons of wheat, about 180,000 tons of cotton, and less than 100,000 tons of corn, according to US Census Bureau trade data.

The Southeast Asian country has imported around $3 billion worth of US agricultural products annually in recent years, making it the 11th-largest market for all US farm goods.

Not all of the deals were given price tags, such as Indonesian purchases of US lumber and furniture products. There were no details provided about a "transnational free trade zone" pact signed by Indonesian industrial park developer Galang Bumi Industri and Solanna Group LLC.

Indonesia announced in July a string of business deals with the US worth $34 billion as part of its tariff negotiations, including wheat and soybean import purchases similar to those signed on Wednesday.

The Indonesian leader arrived in Washington this week for Trump's Board of Peace meeting, with hopes Jakarta can secure a slight tariff reduction to 18 percent from 19 percent agreed last year. That would match the rate Trump granted to India earlier in February.

PHOTO: AFP/FILE

A worker is seen at Pertamina Refinery Unit III Plaju in Palembang, South Sumatra. Indonesia's deals with the US include an agreement between state oil producer Pertamina and Halliburton Co to cooperate on oilfield recovery.

Reliance announces $110b investment at AI summit

AFP, *New Delhi*

India's Reliance Group on Thursday announced a $110 billion investment over the next seven years during an artificial intelligence summit in New Delhi, with billionaire head Mukesh Ambani calling it "nation-building capital".

The firm and its telecoms unit Jio will invest the money "over the next seven years, starting this year", Ambani said, adding that India "cannot afford to rent intelligence".

He said Reliance was building a "multi-gigawatt, AI-ready data-centre park" in Jamnagar in Gujarat state, site of what the conglomerate says is world's largest crude oil refinery, as well as a vast zoo run by his son.

Ambani pointed to Reliance's push to produce 10 gigawatts of energy, including solar plants in Gujarat and Andhra Pradesh.

He did not give further details of the investment -- or if any of it had been pledged previously.

But he promised to "reduce the cost of intelligence as dramatically as we did the cost of data".

US and Indian companies have rushed to announce deals and investments as world leaders gather at this week's AI Impact Summit.

"This is not a speculative investment... This is patient, disciplined, nation-building capital designed to create durable economic value and strategic resilience," Ambani said.

The announcement came after India's Adani Group said Tuesday it planned to invest $100 billion by 2035 to develop "hyperscale AI-ready data centres" -- a boost to India's push to become a global AI hub.