



Birds fly near a boat in the Strait of Hormuz amid the US-Israeli conflict with Iran, as seen from Musandam, Oman on March 2.

PHOTO: REUTERS

Bangladeshi vessels suspend Gulf transit amid tensions

DWAIPAYAN BARUA, Ctg

The majority of Bangladeshi oceangoing vessels – both state-owned and private – have suspended navigation through the Gulf region as conflict has flared between the US, Israel and Iran.

Tension escalated in the Middle East following the US and Israel's joint attacks on Iran and the subsequent retaliation from Tehran. At the time, only one of the seven vessels owned by the national ship operator, Bangladesh Shipping Corporation (BSC), was present in the Gulf region.

The bulk carrier named Banglar Joyjatra arrived in the UAE's Jebel Ali port on February 27 from Mesaieed, Qatar, carrying 38,800 tonnes of steel coils. While the ship remains stranded, all 31 crewmen onboard are safe and in close contact with the BSC.

On Monday, Tehran restricted vessel transit through the Strait of Hormuz, so the vessel may not be able to leave the Gulf region unless the situation improves, officials of the state-owned operator said.

Shipping through the Strait of Hormuz between Iran and Oman, which carries around one-fifth of oil consumed globally as well as large quantities of liquefied natural gas, has ground to a near halt after vessels in the area were hit as Iran retaliated to US and Israeli strikes.

There are currently 109 Bangladesh-flagged oceangoing vessels – mostly bulk carriers and oil tankers. Apart from the eight container vessels that only ply between Bangladesh and four neighbouring transshipment ports of Colombo, Singapore, and two Malaysian ports, all the other oceangoing vessels are engaged in transporting cargo across the globe, including the Gulf region.

Operators of these vessels have been rerouting their vessels in or bound for the Gulf region amid turmoil in the region.

Immediately after the US and Israel launched a joint strike on Iran on February 28, Mercantile Shipping Lines Ltd, a concern of Meghna Group of Industries, which owns 26 oceangoing vessels, suspended transit towards the

Gulf region.

Mohammad Abu Taher, senior general manager of Mercantile Shipping Lines Ltd, told The Daily Star that the company restricted its vessels from advancing towards the entirety of the Gulf region regardless of the purpose – refuelling or trade.

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One of their vessels was en route to Dubai for refuelling on Saturday, Taher said. It was instructed to reroute.

SR Shipping, a concern of Chattogram-based KSRM Group, which owns 29 oceangoing vessels – the highest among private firms – is proceeding with deliberate caution.

Currently, two of SR Shipping's vessels are en route to Oman and Kuwait, Mohd Meherul Karim, CEO of SR Shipping, said.

"Both vessels are still quite far from the region, and it may take them 3-4 days to reach their previously scheduled destinations," he said, adding that the company has instructed both vessels to proceed at a slower speed.

SR Shipping has opted to monitor the developing situation for a couple more days. If the war situation does not improve, the next course of action will be decided upon, Karim said.

In the prevailing situation, it is a wise decision for ships to avoid the risky Gulf region, said Azam J Chowdhury, chairman of Bangladesh Ocean Going Ship Owners' Association.

Chowdhury is also the chairman of East Coast Group, which owns and operates several oil tankers and gas carriers that transport crude oil and gas from the Gulf region through the Strait of Hormuz.

He mentioned that one of their mega oil tankers – Omera Galaxy – with over one lakh tonnes of crude oil left Jebel Dhanna Port in Abu Dhabi, UAE, immediately before the war started. Currently, none of their tankers is in the region.

Govt asks factory owners to clear arrears in a week

STAR BUSINESS REPORT

The government has directed factory owners to clear all outstanding wages within seven working days to ensure industrial stability ahead of Eid-ul-Fitr.

The instruction came from the 94th meeting of the Tripartite Consultative Council (TCC) and the 23rd meeting of the RMG-focused TCC, held at the CIRDP International Conference Centre in the capital yesterday.

Labour and Employment, and Expatriates' Welfare and Overseas Employment Minister Ariful Haque Chowdhury, who chaired the meeting, said no worker should remain unpaid ahead of the festival. He also set March 12 as the deadline for payment of Eid bonuses.

The minister stressed that both employers and workers must work in coordination to prevent unrest and public suffering. He warned that no worker should be laid off or terminated without valid reasons.

The directive comes amid concerns over potential labour dissatisfaction in the readymade garment sector before Eid.

In line with the government's general holiday notification and the Bangladesh Labour Act, 2006, Eid holidays should be fixed through mutual discussion between employers and workers, the minister said.

Worker representatives at the meeting called for immediate clearance of dues before Eid and urged the government to extend maternity leave for female workers to six months.

NBR seeks FY27 budget proposals from businesses

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has sought budget proposals from business organisations across the country as it begins preparations for the 2026-27 fiscal year budget.

In a notification issued yesterday, the revenue board said that work on the upcoming budget has already commenced.

In line with its practice in recent years, the tax authority aims to formulate a participatory, people-oriented, and equitable budget by incorporating suggestions from taxpayers at different levels, chambers of commerce, trade associations, professional bodies, research institutions, and members of the intelligentsia.

Business chambers and associations have been requested to submit their written proposals to the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) by March 15.

A soft copy of the proposals should also be sent to the NBR via email at nrbudget2026@gmail.com.

The NBR said the initiative is intended to make revenue mobilisation more meaningful, analytical, and representative, adding that all interested stakeholders are encouraged to participate in the process.

Court denies Trump bid to delay tariff refund lawsuits

AFP, Washington

A US federal appeals court on Monday rejected President Donald Trump's push to delay legal proceedings linked to tariff refunds, allowing the battle to proceed in a lower court.

The Supreme Court last month delivered a stinging rebuke of Trump's signature economic policy by striking down his global tariffs – opening the door to a complicated legal fight as companies sue for their money back.

The tariffs ruled illegal had generated over \$130 billion for the US government as of late 2025.

The Trump administration argued Friday for a delay of up to four months before litigation on refunds is brought up again at the US Court of International Trade.

But the demand was denied Monday in an order by the US Court of Appeals for the Federal Circuit.

A group of small businesses whose case is before the court said in an earlier filing Monday that the Trump administration's call for a months-long delay was "plainly unreasonable."

"This Court should not accept the government's invitation to grant forms of relief the Supreme Court obviously found inappropriate," they argued.

The Supreme Court decision does not impact Trump's sector-specific duties. Trump's global tariffs have triggered a barrage of legal pushback.

The Liberty Justice Center, a group representing some of the small businesses challenging the tariffs, estimates that more than 900 claims seeking refunds have been filed in federal court.

These include claims by major firms like delivery and freight giant FedEx, which filed a suit last month, and warehouse retailer Costco, whose challenge came before the Supreme Court's ruling.

Iran war

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mother vessels. Most cargo then travels to Europe and the US via the Suez Canal or around the Cape of Good Hope.

Two years ago, shipping companies reduced Suez Canal use after Houthi attacks following Israel's Gaza offensive. Vessels taking the Cape of Good Hope must travel nearly 5,000 kilometres further and burn more fuel, prompting higher freight charges.

"This time too, shipping companies have begun raising rates. International buyers may pass these costs onto local suppliers through discounts or cost-sharing requests," said Ahmed.

He added that exports and imports are unlikely to face a full stoppage, though transportation costs will rise. A more serious concern is energy supply.

Iran's Revolutionary Guards have declared the Strait of Hormuz closed and vowed to fire on any ship attempting to pass, threatening a critical maritime artery through which about one-fifth of the world's oil flows.

Reports say around 150 vessels were stranded near the strait yesterday, and at least four tankers had been damaged, as insurers cancel war risk cover for Gulf transits.

About 90 percent of Bangladesh's imported oil passes through this strait.

The closure has already contributed to a double-digit rise in global oil prices, and government agencies are evaluating alternative energy sources amid concern about fuel supply and inflationary pressures.

Mahmud Hasan Khan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said Bangladesh's trade flow may manage to keep moving thanks to alternative channels and continued Suez Canal access.

"But freight costs will rise as shipping lines increase vessel fares. Rising liquefied natural gas prices will also push up production costs," he added.

Meanwhile, Masrur Reaz, chairman of Policy Exchange, said insurance premiums have already increased, and rerouted freight is likely to push up the cost of international trade.

Abdullah Al Mamun, spokesperson for the Bangladesh Textile Mills Association (BTMA), said supply chain disruptions during conflict inevitably raise business costs, though alternative sourcing from Asian markets such as China and India can reduce risks.

Taslim Shahriar, deputy general manager of Meghna Group of Industries, said freight rates and global edible oil prices have already been affected.

Shipping companies have begun raising rates. International apparel buyers may pass these costs onto local suppliers through discounts or cost-sharing requests

"Freight for palm oil imports from Malaysia and Indonesia has risen by \$8 to \$10 per tonne. Soybean oil prices have increased by \$30 to \$40 per tonne, while palm oil is up \$10 to \$20 per tonne since the escalation," he said.

Biswajit Saha, director of corporate and regulatory affairs at City Group, added that prolonged closure of the Hormuz Strait could cause problems, but short-term disruptions of a week or ten days are unlikely to create major difficulties.

Mohammed Monsur, general secretary of the Bangladesh Fruits, Vegetables and Allied Products Exporters Association, said regional instability is a concern ahead of the summer season, when Bangladesh's vegetable exports to the Middle East can quadruple.

Anup Kumar Saha, executive director of Akij Insaaf Group, said the country currently holds sufficient wheat stock to meet domestic demand for at least two months, providing some short-term relief.

BBS conducts labour demand survey

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Textiles and leather have strong backward linkages, while pharmaceuticals have emerged as a high-performing, export-oriented sector.

ICT and financial services reflect the expanding services economy and are boosting demand for higher-skilled, technology-driven jobs. Accommodation and food services highlight the growing impact of urbanisation, domestic consumption and tourism-related activities.

According to BBS officials, the survey will measure labour demand by sector, occupation and gender, and assess vacancies by industry, occupation and firm size to identify shortage areas. It will also identify high-growth and declining sectors to guide policy decisions and targeted investments.

The survey aims to map the qualifications, certifications and skills – including technical, digital and soft skills – that employers require, helping align workforce development with market needs. By highlighting

gaps between available and required skills, it will support training and upskilling initiatives to strengthen workforce competitiveness.

The exercise will analyse workforce composition and demographics, including age, gender, occupation and firm characteristics, to better understand labour market structures.

It will also examine recruitment practices, preferred hiring channels and barriers to hiring, and identify hard-to-fill positions along with the causes, such as skills mismatches, limited labour supply or unsuitable job conditions.

Using data from 2023 to 2025 and sectoral trends, the survey will produce labour demand forecasts for 2026 to support forward-looking workforce and policy planning.

EXPERT WELCOMES INITIATIVE

"This is a very timely initiative," said Sayema Haque Bidisha, a professor of economics at the University of Dhaka.

She said labour market analysis in Bangladesh has traditionally focused

on the supply side – how many people are entering the workforce, their education levels and demographic characteristics – but without strong demand side data, the picture remains incomplete.

She added that with youth unemployment rising and limited capacity in the economy to absorb workers, it is crucial to understand which sectors are creating jobs and what skills employers actually need.

"Our education-to-employment system must be guided by credible demand assessments; otherwise, we risk a growing mismatch between graduates and available jobs," she said.

Bidisha argued that a comprehensive demand-side survey, rather than studies of just a few sectors, would identify not only current vacancies but also emerging trends in automation, digitalisation, and sectoral shifts.

"This forward-looking information is essential for aligning human capital development with the country's long-term growth strategy," she said.

DSE posts worst single-day fall

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He noted that investors had initially expected the war to be short-lived following the killing of Iran's supreme leader, which helped the DSEX recover 72 points on Monday after shedding 139 points on the first trading day after the conflict began. Yesterday's sharp reversal suggests that sentiment has shifted.

"Investors now realise the war will have a lasting impact on the economy. Oil and gas prices are already rising, and fears intensified further with the threat of closing the Hormuz Strait," Islam said.

"This creates deep uncertainty among investors about the profitability of listed firms. The impact was clear on the stock market index," he added.

The selloff was exacerbated by a sharp fall in British American Tobacco Bangladesh (BATBC), which announced its lowest dividend in nearly a decade for 2025 after its profits fell 67 percent during the year.

Islam noted that as one of the market's largest-cap stocks, BATBC's decline alone dragged the DSEX down by 22 points. The multinational tobacco company's profit fell 67 percent in 2025, which contributed to a drop in its stock.

Robi Axiata, BRAC Bank, Square Pharmaceuticals, Islami Bank, Beximco Pharmaceuticals, and Walton Hi-Tech Industries together contributed a further 51-point decline.

Islam also pointed to profit-

booking as an additional pressure on the DSEX.

"Many investors had seen gains of 10 to 15 percent in their portfolios even though stocks remain undervalued. They are booking a profit even if they know the stocks are undervalued. This is common psychology, investors want to book profits," he said.

Market analysts said the country's economy is in a fragile state, making it especially vulnerable to the fallout from a prolonged conflict in the Middle East.

Bangladesh sourced over 50 percent of its LNG imports, approximately 3.6 million tonnes, from Qatar and the UAE in 2025, making its energy security acutely exposed to Middle Eastern geopolitics.