Dutch-Bangla Bank joins BB's Tk 3,000cr cluster financing scheme

STAR BUSINESS DESK

Dutch-Bangla Bank PLC has signed a participation agreement with Bangladesh Bank under the Tk 3,000 crore Cluster Financing Scheme for the development of cottage, micro, small and medium enterprises.

Md Ahteshamul Haque Khan, managing director and CEO of Dutch-Bangla Bank PLC, and Nawshad Mustafa, director of the SME and Special Programmes Department of Bangladesh Bank, signed the agreement at Bangladesh Bank headquarters in Motijheel, Dhaka recently, according to a press release.

Under the scheme, eligible entrepreneurs will be able to access financing at a concessional interest rate of 7 percent per annum, supporting business expansion, improving productivity and creating new employment opportunities.

Nurun Nahar, deputy governor of Bangladesh Bank, and Husne Ara Shikha, executive director of the central bank, attended the signing ceremony.

Anwar Faruq Talukder, senior executive vice-president and chief anti-money laundering compliance officer (CAMLCO), along with other senior officials from both organisations, were also present at the programme.

Nawshad Mustafa, director of the SME and Special Programmes Department of Bangladesh Bank, and Md Ahteshamul Haque Khan, managing director and CEO of Dutch-Bangla Bank PLC, pose for a photograph after signing the agreement at the BB headquarters in Motijheel, Dhaka recently.

PHOTO: DUTCH-BANGLA BANK

BB, Alliance Finance to support refinancing for small businesses

PHOTO: ALLIANCE FINANCE

Shahanur Rashid, head of business at Alliance Finance PLC, and Nawshad Mustafa, director of the SME and Special Programmes Department of the Bangladesh Bank, pose for a photograph after signing the agreements at the BB headquarters in Motijheel, Dhaka recently.

STAR BUSINESS DESK

Alliance Finance PLC, a joint venture finance company between Sri Lanka and Bangladesh, has signed two participatory agreements with Bangladesh Bank under the BB's Cluster Finance Refinance Scheme and the Financial Sector Fund for the development of cottage, micro, small and medium enterprises (CMSMEs), aimed at strengthening financing support for the sector across the country.

Nawshad Mustafa, director of the SME and Special Programmes Department of the Bangladesh Bank, and Shahanur Rashid, head of business at Alliance Finance PLC, signed the agreements at the BB headquarters in Motijheel, Dhaka recently, according to a press release.

Under the agreements, Alliance Finance will provide term loans and working capital support to entrepreneurs in various industrial clusters under the Bangladesh Bank's Tk 3,000 crore Cluster Finance Refinance Scheme and the Tk 1,500 crore Financial Sector Fund for the development of micro, small and medium enterprises (MSMEs).

NRBC Bank launches training programme for young entrepreneurs

STAR BUSINESS DESK

NRBC Bank PLC has organised a month-long entrepreneurship development training programme in Dhaka under the supervision of the SME and Special Programmes Department of Bangladesh Bank.

A total of 25 entrepreneurs are participating in the programme, according to a press release.

The initiative is being implemented under the Skills for Industry Competitiveness and Innovation Program (SICIP), funded by the Asian Development Bank (ADB) and implemented by the Finance Division of the Ministry of Finance.

Husne Ara Shikha, executive director of Bangladesh Bank, inaugurated the programme as the chief guest at the bank's Human Resource Training and Development Centre (HRTDC) in the capital yesterday.

Addressing the participants, she emphasised the importance of developing skilled and innovative entrepreneurs for the country's economic growth.

She said the government aims to create employment opportunities for 10 million people, and Bangladesh Bank is implementing entrepreneurship development training programmes to support this goal.

Husne Ara Shikha, executive director of Bangladesh Bank, poses for a group photograph with participants of the month-long entrepreneurship development training programme, organised by NRBC Bank PLC, at the latter's Human Resource Training and Development Centre in Dhaka yesterday.

PHOTO: NRBC BANK

Husne Ara also noted that trained entrepreneurs will be eligible to access financing facilities through commercial banks to help establish and expand their ventures.

Md Touhidul Alam Khan, managing director and CEO of NRBC Bank PLC, presided over the event and said the programme is designed to provide young entrepreneurs with access to knowledge, financial support and practical training.

Who pays the price for chronic budget underspending?

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"We see revenue targeting at absurd levels every year. When there is a shortfall in collection, development spending is cut because you cannot reduce operating expenditure," Khan said. "It is a planning problem and reflects a lack of institutional capacity to attain the goals."

He said delays in project implementation raise costs, compromise quality, postpone public services and often increase debt burdens, preventing the economy from receiving the intended benefits on schedule.

Razzaque said chronic under-implementation has become one of Bangladesh's most persistent fiscal weaknesses. "Under-implementation has become an annual ritual, making ad hocism almost the rule of the game," he said.

When only 80 percent to 85 percent of announced budgets are implemented year after year, expenditure projections are no longer anchored in realistic assessments of revenue mobilisation, project readiness, administrative capacity and procurement constraints, he argued.

Prof AK Enamul Haque, director general of the Bangladesh Institute of Development Studies (BIDS), agreed that planning weaknesses are part of the problem, but said practical bottlenecks also slow implementation.

Land acquisition remains difficult in a densely populated, land-scarce country, while public procurement procedures are often lengthy because governments must ensure transparency and accountability.

Haque also pointed to weak coordination among agencies. In sectors such as health and education, infrastructure may be built before the systems needed to deliver services are in place, leaving facilities underused.

Rather than focusing solely on how much money is spent, policymakers should shift from expenditure-based monitoring to service-based monitoring, he argued. "Ability to spend does not mean efficient service delivery. Expenditure-based indicators alone cannot ensure efficient service delivery to citizens."

BSEC sees

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He said the aim is to restore investor confidence, attract quality companies to the stock market and transform Bangladesh from a retail-driven frontier market into a transparent, institution-led emerging market.

He added that the commission seeks to build a credible and transparent capital market capable of mobilising long-term domestic and international capital.

Khan acknowledged that Bangladesh's capital market has not kept pace with economic growth, saying investor confidence has weakened due to governance failures, limited participation of quality companies and declining foreign investor interest.

He also said digitalisation will be central to reforms, with regulatory reporting, licensing, disclosures, approvals, IPO applications and other filings to be shifted to fully digital platforms in phases.

The BSEC, Dhaka Stock Exchange, Chittagong Stock Exchange and Central Depository Bangladesh Ltd will be brought under an integrated real-time monitoring system.

Special attention will initially be given to Z-category securities, where governance and disclosure risks are relatively high.

Khan further said insider trading, circular trading, wash trades, pump-and-dump schemes, front-running and other forms of market manipulation will be detected more quickly, investigated more thoroughly and penalised more effectively.

The regulator may also empower stock exchanges to take immediate action, including temporary trading suspensions, in cases involving suspected insider trading, information leakage or serious disclosure failures.