Gold gains

REUTERS

Gold rose on Friday as the dollar weakened and expectations of US interest rate hikes eased slightly following inflation data, though prices were still on track for a fourth consecutive weekly decline.

Spot gold was up 1.3 percent at $4,077.64 per ounce by 1:35 p.m. EDT (1735 GMT).

US gold futures for August delivery settled 1.2 percent higher at $4,096.30 per ounce. The US dollar eased from recent highs after the release of the Fed's preferred inflation gauge on Thursday.

The US Personal Consumption Expenditures Price Index surged 4.1 percent in the 12 months through May, matching economists' forecasts in a Reuters poll. Traders are pricing in about a 59 percent chance of a US rate hike in September, lower than an earlier expectation of 64 percent, according to CME Group's FedWatch Tool.

Gold is seeing a modest rebound after coming under selling pressure earlier this week, said Jim Wyckoff, a market analyst at American Gold Exchange.

An agricultural worker dries freshly harvested jute on Naldanga Bridge in Natore after early flooding in wetlands forced farmers to harvest ahead of schedule. Yields fell from 10-12 maunds per bigha to 5-6 maunds, though prices remain strong at Tk 4,200-Tk 4,250 per maund. The photos were taken yesterday. PHOTO: AZAHAR UDDIN

Labour rights body calls for scrapping TIN rule

The rule places undue burden on informal sector workers, BILS leaders say

STAR BUSINESS REPORT

The Bangladesh Institute of Labour Studies (BILS) has urged the government to withdraw the proposed mandatory Taxpayer Identification Number (TIN) requirement for opening bank accounts, saying it would pose an unnecessary barrier for millions of low-income workers.

The labour rights organisation made the recommendation at a press briefing on workers' fair share in the national budget for FY27, held at the National Press Club in Dhaka on Friday, according to a press release.

BILS Vice-Chairman Anwar Hossain chaired the briefing, Executive Director Syed Sultan Uddin Ahmmed delivered the opening remarks, and Deputy Director of Research Monirul Islam presented the budget review and recommendations.

The organisation said the proposed budget includes higher allocations for social protection, healthcare and employment but falls short of addressing several key concerns affecting the country's labour force.

According to BILS, the proposal in the Finance Bill 2026 to make a Taxpayer Identification Number (TIN) mandatory for opening bank accounts places an unnecessary burden on workers in the informal sector, many of whom have little or no taxable income but need access to formal banking services to receive wages, save money and access financial products.

The organisation also criticised the budget preparation process, saying representatives of the country's roughly 7.5 crore workers were not adequately consulted despite being among the largest stakeholders in the economy.

To make the budget more inclusive, BILS placed a 15-point proposal before the government.

Besides withdrawing the TIN requirement for workers opening bank accounts, it called for establishing an institutional framework for democratic practices in budget formulation and ensuring the inclusion of workers' representatives in the process.

Strengthening the Ministry of Labour and Employment through increased budgetary allocations was another key proposal.

BILS says proposed budget falls short of addressing several key concerns affecting the labour force

The organisation also urged the creation of a comprehensive digital database of workers linked to the National Identity Card system and the introduction of a "Workers' Card" for unemployed and vulnerable workers.

Also among the recommendations were implementing long-term employment generation plans, aligning skills development programmes with labour market demand, bringing all workers under the universal pension scheme and expanding social protection coverage for low-income workers.

BILS further urged the government to establish fair-price ration shops, specialised healthcare centres and dormitories for female workers in industrial areas, while adopting a concrete plan to modernise and reopen closed state-owned and private industrial enterprises.

Leaders of the labour rights body said the national budget would not be truly inclusive unless it helped improve the living standards of millions of working people. They called on lawmakers and relevant ministries to consider their proposals before the budget is finalised.

Leaders of BILS, national trade union bodies, as well as representatives of labour rights organisations, researchers and media representatives were present at the event.

BSTI label mandatory for seven new products

STAR BUSINESS REPORT

The Bangladesh Standards and Testing Institution (BSTI) on June 23 issued a gazette notification making the use of the BSTI label or logo mandatory for seven new products to be marketed.

The products are fortified maize (corn) oil, saris, woven dress fabrics for women and girls made of man-made fibres and their blends, LED luminaires, plastic feeding bottles, toys, and autoclaved aerated concrete blocks.

Under the notification, manufacturers and importers of these products must comply with the relevant Bangladesh Standards (BDS) and, where applicable, obtain the BSTI Standard Mark before the products can be marketed.

BSTI periodically brings products under mandatory certification to ensure quality, consumer safety, and compliance with national standards.

The move is expected to strengthen quality control and consumer protection by ensuring that manufacturers and importers comply with the prescribed Bangladesh Standards before marketing these products.

iFarmer wins $250,000 OPEC Fund award

STAR BUSINESS REPORT

Bangladeshi agritech startup iFarmer has won a US$250,000 award from the OPEC Fund for International Development for helping smallholder farmers gain access to finance, agricultural inputs, advisory services, weather information and markets.

The company received the "Innovation for Development Award" at the OPEC Fund Development Forum held at Vienna's historic Hofburg Palace on June 23 as part of the organisation's 50th anniversary celebrations, according to a press release issued yesterday. With the award, iFarmer became the first private-sector organisation and startup from Bangladesh to receive the honour.

Since its inception, the company has supported more than 300,000 farmers across Bangladesh through its integrated digital platform, improving access to essential agricultural services.

The OPEC Fund for International Development is a development finance institution that provides financial assistance to developing non-OPEC countries. Its annual award for development recognises organisations making significant contributions to development.

"This recognition reflects the immense potential of Bangladeshi innovation to solve global development challenges," said Tahmid Hasan, vice president of Revenue at iFarmer.

"We are honoured to represent Bangladesh on this global platform and remain committed to building resilient food systems by empowering smallholder farmers through technology," he added.

iFarmer was the only Bangladeshi organisation among this year's award recipients. The recognition is expected to enhance the company's global visibility and create new opportunities for international partnerships and to scale its impact in sustainable agriculture.

Beximco Pharma

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The move cleared the company's reporting backlog, allowing the LSE to lift the suspension and resume trading in the GDRs from June 26.

The DBA thanked Finance and Planning Minister Amir Khosru Mahmud Chowdhury, Prime Minister's Special Assistant for Investment and Capital Markets Tanvir Hani, BSEC Chairman Masud Khan, BSEC commissioners and officials, and the board and management of Beximco Pharma for their roles in resolving the issue.

Meanwhile, Beximco Pharma reported a net profit of Tk 699 crore for FY25, its highest annual earnings since listing on the stock market, driven by strong sales growth. Following the record performance, the board declared a 47.5 percent cash dividend for FY25, the largest cash payout in the company's history.

Tax-free income limit may rise

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Capital gains from securities would also be taxed at 15 percent, including treasury bills, bonds, savings instruments, debentures, sukuk and other shariah-based securities, as well as shares and stocks issued by companies and other entities.

The proposal to tax gains from gold and jewellery comes at a time when gold prices have risen sharply in recent years.

In another planned change, the corporate tax rate for private universities is likely to be cut to 5 percent from 10 percent.

The 10 percent rate currently applies to private universities, medical colleges, dental colleges, engineering colleges and institutions dedicated solely to ICT education.

No changes are being considered for real estate developers, the official added.

Trump threatens 100% tariff on EU countries

AFP, *Washington*

US President Donald Trump on Friday threatened to slap a 100 percent tariff on European countries that impose a digital services tax, adding that existing trade deals would be scrapped.

"Any Country that imposes such a Tax will immediately be met with a 100% TARIFF on any and all Goods sent to the United States of America," Trump said in a post on his Truth Social platform.

He added that "this TARIFF will supersede Trade Deals made with the Country, whether implemented, signed, or not."

The move comes just a day after EU countries gave the green light to a trade agreement negotiated last year with the United States, which caps taxes on European imports at 15 percent.

Insurance regulator

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The insurance sector is currently facing a deep trust deficit, as claim settlements are being delayed by several companies. In some cases, funds were allegedly embezzled, worsening the crisis.

According to an audit report, Fareast Islami Life Insurance allowed its former chairman and directors to commit repeated financial crimes and siphon off more than Tk 2,100 crore of policyholders' money between 2010 and 2020.

Similar incidents have been reported in other insurers, leaving the sector broadly affected by financial mismanagement and embezzlement.

Bangladesh's insurance penetration remains below 0.5 percent, reflecting the sector's limited reach and weak public trust.

Nadia also identified three key priorities for sustainable reform -- restoring public confidence, strengthening the regulatory framework and long-term investment, and improving human resource capacity.

Speaking as the chief guest, Rashed Al Mahmud Titumir, adviser to the Ministry of Finance and Planning, said there is no alternative to rapid digital transformation, good governance, and a strong regulatory framework if the insurance sector is to become efficient, sustainable, and trusted.

He said the industry must become modern, transparent, accountable, and technology-driven to overcome its current challenges.

He added that the sector has yet to achieve meaningful digitalisation, creating gaps in customer service, claims settlement, information management, and governance.

"Effective use of technology will not only improve customer satisfaction but also significantly enhance transparency, accountability, and operational efficiency," he said.

Titumir also said Bangladesh is highly vulnerable to climate change, making a strong insurance sector essential for managing disaster-related losses and ensuring economic security.

He said traditional supervision alone is not enough. Sector-specific audit systems should be introduced, along with stronger capacity and independence for regulators.

"Public confidence in the insurance sector can only be restored through long-term reforms, good governance, transparency, and accountability," he added.

The seminar was chaired by IRF President Golam Mowla. Speakers included Sayeed Ahmed, president of the Bangladesh Insurance Association, BM Yusuf Ali, president of the Bangladesh Insurance Forum, and Prof Md Shahidul Islam Zahid of the Department of Banking and Insurance at the University of Dhaka.

NEIR stalled

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"The market depends on multiple factors, including imports, grey market activity, local manufacturing, and assembly. So the discontinuation of the tax reduction may not immediately affect retail prices," he said.

The NEIR project has been delayed for years. BTRC signed an agreement with Synesis-Radisson-Computer World for the system in November 2020 at a cost of Tk 29 crore, with a trial run beginning in July 2021.

During the trial, authorities found millions of phones in use were unauthorised and that hundreds of feature phones shared identical IMEI numbers -- complications that repeatedly pushed back full enforcement.

Mohammed Mesbah Uddin, chief marketing officer of Fair Group, which is preparing to resume Samsung handset production this year, said NEIR is now critical for local manufacturing. "To protect investors, support local manufacturing, and curb illegal imports, NEIR implementation is no longer optional -- it is necessary," he said.

Startup sandbox

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review and amendment of the startup definition in the Finance Bill. This reflects a genuine desire to support startups and sends a positive signal to promising young entrepreneurs and prospective foreign investors in Bangladesh," said Fahim Ahmed, CEO of Pathao.

"The startup definition in the original bill, if left uncorrected, would have prevented companies that are more than 10 years old or generate over Tk 100 crore in annual turnover from availing themselves of the sandbox benefits, placing them at a disadvantage compared with competitors in their respective industries.

"We have found government stakeholders to be responsive to our concern that this could have resulted in the unintended consequence of penalising startups that have successfully scaled up, created jobs and attracted foreign investment in Bangladesh," he added.

Govt moves to trim

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are still useful and effective. Based on that review, they may restructure projects, revise their scope or discontinue them altogether.

The ministry has also instructed ministries to accelerate the approval and implementation of new projects included in the "Green Book" of the Annual Development Programme.

The new ADP of the BNP government will take effect from next month, the beginning of fiscal year 2026-27.

The government has approved a record Tk 3 lakh crore ADP for the coming fiscal year, a 50 percent increase from the revised programme for the current fiscal year.

The programme includes about 1,300 projects with specific allocations and another 1,200 new projects with a block allocation of more than Tk 1 lakh crore.

The planning ministry directives also require ministries to identify the causes of delays, cost overruns and irregularities in projects that missed their original completion deadlines.

According to the ministry's letter, ministries must take action against individuals and organisations responsible for those delays.

To ensure better oversight, every ministry has been instructed to introduce a dashboard-based monitoring system to track project progress regularly.

The government has also said project directors must be appointed solely on the basis of professional qualifications, practical experience and proven skills.

Zahid Hussain, former lead economist of the World Bank's Dhaka office, said the initiative is a positive step, but decisions on underperforming projects must be based on rigorous assessment.

"I am assuming the decisions will be made through a cost-benefit analysis," he said.

"For instance, if a project costs Tk 100 and Tk 30 has already been spent, the government must verify whether the ultimate benefits will outweigh the remaining Tk 70 expenditure before releasing further funds," said the economist.

He explained that if the projected benefits exceed the remaining Tk 70, retaining the project in the ADP is justified; otherwise, it should be scrapped. From that perspective, he said, trimming the ADP was "long overdue".

However, Zahid questioned whether the reforms would be carried out effectively.

"The real question is whether this decision will be implemented, and if so, whether it will be done properly. Line ministries have their own interests here. As long as a project exists, these vested interest groups reap benefits in various ways."

He also said that rapidly adding new projects to the ADP could repeat past mistakes. According to him, one of the main reasons for poor ADP implementation and persistent waste is the lack of "implementation readiness" when projects receive Ecnec approval.

"Feasibility studies are often done haphazardly. During the implementation phase, flaws are discovered in the design, and the work and procurement plans are found to be poorly formulated. Consequently, it takes three to four years just to kick-start physical work even after securing approval," said the economist.

He said Ecnec should approve new projects only after confirming they are fully prepared for implementation.

At a programme in Dhaka yesterday, Zonayed Abdur Rahim Saki, state minister for finance and planning, said that ADP implementation rates have been disappointing and the government is working to overcome this.

He said the government has no interest in undertaking mega projects simply to impress people or create an illusion of development.

"While abruptly halting all the mega projects approved during the previous fascist regime could lead to significant waste and other complications, those projects are now being assessed and rationalised," he told an event organised by the Debate for Democracy.