Bank Asia cardholders to get privileges at Crowne Plaza Dhaka Airport

STAR BUSINESS DESK

Bank Asia PLC has signed a strategic partnership agreement with Crowne Plaza Dhaka Airport, a topnotch hotel of the global hospitality company, IHG Hotels & Resorts, to provide lifestyle and hospitality benefits to its cardholders.

Zishan Ahammad, executive vice-president and head of cards, alternative delivery channel (ADC) and Internet Banking of the bank, and Ashwani Nayar, area general manager for IHG Southwest Asia and cluster general manager of Crowne Plaza Dhaka Airport, signed the agreement at a ceremony in Dhaka recently, according to a press release.

Under the agreement, Bank Asia credit cardholders will enjoy a Buy One Get One Free buffet offer at the hotel.

In addition, all debit and credit cardholders will receive a 10 percent discount on à la carte dining, health club facilities, swimming pool access and venue bookings.

The collaboration reflects Bank Asia's continued focus on offering rewarding lifestyle benefits to its cardholders while providing access to world-class hospitality services at Crowne Plaza Dhaka Airport, the release added.

Ashwani Nayar, area general manager for IHG Southwest Asia and cluster general manager of Crowne Plaza Dhaka Airport, and Zishan Ahammad, executive vice-president and head of cards, alternative delivery channel (ADC) and internet banking of Bank Asia PLC, pose for a photograph after signing an agreement in Dhaka recently. PHOTO: BANK ASIA

Southeast Bank opens relocated Gulshan branch

MA Kashem, founder chairman of Southeast Bank PLC, attends the inauguration of the bank's relocated Gulshan branch at Hena Suvastu Skyline Avenue in Gulshan Model Town, Dhaka yesterday. PHOTO: SOUTHEAST BANK

STAR BUSINESS DESK

Southeast Bank PLC yesterday opened its relocated Gulshan branch at Hena Suvastu Skyline Avenue in Gulshan Model Town, Dhaka.

Equipped with modern infrastructure and advanced digital banking facilities, the branch will provide customers with a full range of banking services.

Through this initiative, Southeast Bank aims to further strengthen its commitment to expanding customer-centric and technology-driven banking services.

With this inauguration, customers will have access to modern banking services along with the highest standards of customer service.

MA Kashem, founder chairman of Southeast Bank PLC, inaugurated the branch as the chief guest, according to a press release.

Speaking at the event, Kashem said, "Our primary goal is to provide customers with a fast and secure banking experience. As part of this commitment, the Gulshan Branch has been relocated to new, modern premises."

"Through this spacious new branch, our valued customers will enjoy more modern banking services along with the highest standards of customer service. We aspire to remain a symbol of trust for our customers and a partner in the country's economic development," he added.

Rehana Rahman, Jusna Ara Kashem, Duluma Ahmed, Nasir Uddin Ahmed, Khandker Badrul Hassan and Md Rafiqul Islam, directors of the bank, and Sultana Kashem, sponsor shareholder, attended the event.

Ishtiaq U Ahmed, executive vice-president and head of Gulshan branch, presided over the ceremony.

Md Khalid Mahmood Khan, managing director and CEO of the bank, was also present, along with additional managing directors, deputy managing directors, senior executives, businesspersons, customers and local dignitaries.

NRBC Bank posted 17% rise in deposits in 2025

STAR BUSINESS DESK

NRBC Bank PLC has announced that its deposits increased by Tk 2,869 crore, or 17 percent, from the previous year to Tk 19,842 crore.

The announcement was made at the bank's 13th annual general meeting (AGM), which was held recently, according to a press release.

Md Ali Hossain Prodhania, chairman of the bank, presided over the meeting.

At the AGM, Prodhania said, "Our main goal is to protect the interests of the sponsors, shareholders, and depositors by establishing good governance and ensuring transparency and accountability. As a result, in 2025, operating profit increased by Tk 237 crore, or 108 percent, compared to 2024, reaching Tk 456 crore."

"Despite achieving the highest operating profit in recent years, dividends could not be declared for shareholders this year due to an increase in classified loans and higher provisioning to ensure sustainable growth. With your cooperation, we are striving to establish the bank on a strong financial foundation in the future." "We expect to make NRBC a sustainable bank for everyone in the days ahead," he added.

The bank's loans and advances increased by 10 percent from Tk 14,757 crore to Tk 16,973 crore, while its total assets stood at Tk 26,190 crore.

Md Nurul Haque, chairman of the bank's risk management committee; Muhammad Emdad Ullah, chairman of the audit committee; Md Abul Bashar, Md Anwar Hossain, and Barrister Md Shafiqur Rahman, directors; and Md Touhidul Alam Khan, managing director and CEO, joined the meeting.

Md Ali Hossain Prodhania, chairman of NRBC Bank PLC, presides over the bank's 13th annual general meeting, held virtually recently. PHOTO: NRBC BANK

Tareq made DMD of Mutual Trust Bank

STAR BUSINESS DESK

AKM Tareq

Mutual Trust Bank PLC (MTB) has appointed AKM Tareq as deputy managing director (DMD) and head of the branch banking division.

Prior to joining MTB, he served at BRAC Bank PLC as senior executive vice-president and senior zonal head, where he played a key role in driving business growth, branch banking transformation, and operational excellence, according to a press release.

He brings more than 29 years of banking experience across branch banking, corporate banking, and credit risk management.

He previously held various leadership positions at BRAC Bank PLC, Eastern Bank PLC, Bank Asia PLC, and IFIC Bank PLC.

Tareq earned his bachelor's and master's degrees in marketing from the University of Dhaka and an MBA in Digital Technology Management from Royal Roads University, Canada.

He is also an Omega Certified Credit Professional.

Oil prices dive

REUTERS, *Houston*

Crude prices fell by more than 3 percent on Friday, on course for steep weekly losses, as oil tankers kept exiting the Strait of Hormuz, easing supply concerns the day after a cargo vessel was hit near Oman.

Brent crude futures settled at $71.99 a barrel, down $3.27, or 4.34 percent. US West Texas Intermediate finished at $69.23 a barrel, down $2.69 or 3.74 percent.

Since the market closed last Thursday, the Brent benchmark fell 10.86 percent, while WTI fell 9.62 percent for the week. The market closed for a public holiday last Friday.

"There is a growing sense that oil is going to keep moving through the Strait of Hormuz," said Phil Flynn, senior analyst with Price Futures Group. Prior to the agreement on 60-day ceasefire, markets worried supplies would fall short of demand, but those fears seem to be passing.

"The predominant view, it appears, remains one of imminent oversupply," said PVM analyst Tamas Varga. "We're going to get a flood of oil," Flynn said. "I think we're going to see a huge flood of products."

Oil giant Saudi Aramco resumed oil loading on Friday at its Ras Tanura terminal in the Gulf after a nearly four-month halt, shipping data from LSEG showed.

Two very large crude carriers (VLCCs), which can load cargoes of 2 million barrels, took on crude at the terminal while another waited nearby, the data showed.

"There is a general selloff as the market reacts to the increased flows exiting the Strait of Hormuz and China not yet picking up crude demand," said June Goh, senior oil market analyst at Sparta Commodities.

EU's jet fuel supply situation may worsen

AFP, *Brussels*

Commercial supplies of jet fuel may worsen this summer despite the improving situation in the Strait of Hormuz, EU Energy Commissioner Dan Jorgensen said Friday.

Since June 15, traffic has been steadily increasing through the strait, which normally sees around a fifth of the world's oil and gas exports.

It has also increased since Iran and the US signed a preliminary deal last week to end the conflict, the UN's International Maritime Organization launching a plan to help ships and their sailors stranded by the conflict exit the Gulf. Jorgensen said that even with the pick up in maritime traffic through the strait it would take time for energy markets to recover.

"It will still take some months to get back to normal for oil and some years to get back to normal on gas because of the destruction of infrastructure in the region," he said.

Weak institutions

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The SITA project, financed by a $250 million WB credit, will seek to modernise five institutions: the National Board of Revenue (NBR), the Bangladesh Bureau of Statistics (BBS), the Bangladesh Public Procurement Authority (BPPA), the Office of the Comptroller and Auditor General, and the Planning Division.

Successful implementation of the project is expected to result in higher revenue collection, more efficient public spending, greater procurement transparency and stronger public auditing.

The WB urged authorities to accelerate the rollout of digital tax systems at the NBR, improve data accessibility and timeliness at the BBS, strengthen project selection and monitoring in the Planning Division and the IMED, expand the electronic Government Procurement (e-GP) system and fast-track audit reforms.

"The next 18 months are critical. Only early results will ensure credibility, public trust and reform momentum," Jean said.

State Minister for Planning Jonayed Abdur Rahim Saki, who inaugurated the project, said the government is committed to strengthening public institutions through technology to improve transparency and accountability.

He said digitising core government agencies would improve revenue mobilisation, public financial management, auditing, procurement and development planning while helping curb corruption, misuse of public funds and money laundering.

The political economy of industrial slowdown

FROM PAGE B1

importance of reliable infrastructure, export diversification, better logistics, and a more attractive investment climate. Technical knowledge is readily available, international experience is abundant, and development partners have invested heavily in building administrative capacity.

The more important question, therefore, is not why good policies are difficult to implement, but why the obstacles themselves prove so resilient. That requires looking beyond administrative shortcomings to the incentives embedded in Bangladesh's political economy. Many of these constraints persist not simply because the state lacks capacity, but because they are embedded in an institutional equilibrium in which economic power, policy influence, and market privileges reinforce one another.

AN ECONOMY ORGANISED AROUND PROTECTED RENTS

One consequence of this institutional equilibrium is an economy increasingly organised around protected rents. Bangladesh's large business groups played a critical role in the country's economic transformation, investing when capital was scarce, creating jobs, and helping build a domestic entrepreneurial class. The problem is not the existence of powerful firms. Every successful industrialiser had them -- from South Korea's chaebol to China's state-owned and private conglomerates.

The challenge is that Bangladesh has not developed institutions capable of disciplining economic power in the service of industrial transformation.

Over time, much of the formal economy has become organised around protected incumbent firms. Large business groups have expanded across manufacturing, finance, logistics, telecommunications, media, and services, while economic power and policy influence have become increasingly intertwined.

In this environment, protection, subsidised credit, regulatory discretion, and market access can become entitlements rather than instruments for building competitiveness. Firms often face stronger incentives to preserve existing advantages than to pursue innovation, export expansion, or technological upgrading.

Viewed through this lens, many familiar bottlenecks become easier to explain. Regulatory complexity raises barriers to entry. Finance flows toward established relationships rather than productive newcomers. Persistent shortcomings in logistics, trade facilitation, and export competitiveness become easier to tolerate when firms can remain profitable without competing aggressively in global markets. Underlying these patterns is an institutional environment that rewards rents more consistently than productivity.

THE NARRATIVE THAT SUSTAINS THE SYSTEM

Economic structures endure not only because they generate profits for powerful groups. They also endure because they generate ideas that justify them.

In Bangladesh, industrial policy has long been shaped by a powerful narrative: Bangladesh is different. It must follow its own development path by nurturing domestic entrepreneurial capabilities and guiding industrial transformation through active state intervention. Over time, however, this developmental narrative has increasingly come to justify preserving established firms and exercising administrative discretion over market competition.

These arguments resonate because they contain important truths. No country has industrialised without building domestic entrepreneurial capabilities, and national development cannot be outsourced to foreign investors. The problem begins when nurturing domestic capability becomes synonymous with shielding incumbent firms from competition.

The result is that industrial policy becomes more concerned with preserving existing capabilities than creating new ones. The relevant question is no longer what firms contribute to structural transformation, but whether they reinforce that order.

The problem deepens when the success of incumbent firms becomes equated with the success of the economy itself. Industrial transformation is a process of continuous renewal in which firms enter, compete, grow, and, when they cease to be productive, exit. Yet policy increasingly focuses on preserving established firms rather than renewing the industrial ecosystem.

This bias is reflected in how policy responds to success and failure. Large firms in financial distress are treated as systemic concerns because of their size and employment, while the financing, market access, and technological constraints facing thousands of small and medium enterprises receive far less attention, even though their collective contribution is indispensable to employment, innovation, and industrial diversification.

WHAT EAST ASIA ACTUALLY DID

The weakness of Bangladesh's approach becomes clearer when contrasted with the East Asian experience.

East Asian success was not built on free markets alone. Nor was it built on suppressing large firms or rejecting foreign capital. Its defining feature was not simply disciplined rents but continuous industrial renewal. Governments used policy support not to preserve existing firms but to create conditions in which new firms could emerge, successful firms could grow, and resources could gradually shift away from less productive activities.

Governments provided protection, subsidised credit, tax incentives, and other forms of policy support. But these privileges were conditional rather than permanent. They were tied to export success, technological upgrading, productivity growth, and integration into global markets. Firms that failed to deliver lost state support.

South Korea disciplined the chaebol through export targets and directed credit while allowing weaker firms to exit. Taiwan fostered dense networks of small and medium enterprises that continuously generated new suppliers and exporters. China combined foreign investment, local experimentation, and competition among firms and regions to accelerate technological learning and industrial upgrading.

The common thread was not a particular industrial policy but a particular relationship between the state and business. Governments remained closely connected to firms while retaining sufficient autonomy to discipline them when national development objectives required it. This has been described as "embedded autonomy" -- a state embedded in business networks yet sufficiently autonomous to discipline them.

Bangladesh has achieved embeddedness. What it has struggled to develop is autonomy. Without that autonomy, support becomes difficult to withdraw, even when performance falls short.

That is the critical distinction. The issue is not whether governments create rents—every successful industrial policy does. The issue is whether those rents are conditional on performance or become permanent privileges. East Asia used state support not only to build globally competitive firms but also to continually renew its industrial base. Bangladesh has too often used it to preserve existing market positions.

GROWTH REQUIRES DISCIPLINE

If Bangladesh genuinely wants industrial growth to accelerate, it needs more than another package of incentives. Industrial policy must shift from discretionary privileges to transparent, performance-based support that rewards firms for exporting, innovating, upgrading technology, and raising productivity. That requires predictable rules, open competition, and a state capable of disciplining powerful economic actors in pursuit of broader developmental goals.

The government's industrial growth projections implicitly assume that the existing system will generate East Asian-style dynamism. Yet East Asia's success rested on institutions that linked privilege to performance, competition, and continuous industrial renewal. Bangladesh's challenge is to build institutions that do the same. Without that discipline, industrial policy will remain focused on preserving today's capabilities rather than creating tomorrow's. Only then can the country build globally competitive industries.

The writer is the former lead economist of the World Bank's Dhaka office.