# First short-term sukuk: A simple guide for investors

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Looking for a safe investment that complies with Islamic finance principles? The government's sukuk bond could be worth considering.

After raising Tk 48,000 crore through sukuk of various tenures, the government on June 28 auctioned Bangladesh's first short-term sukuk -- a 273-day Bangladesh Government Investment Sukuk (BGIS).

The short-term, shariah-compliant instrument attracted overwhelming interest from institutional and individual investors. Investors submitted bids worth Tk 56,607 crore -- more than 10 times the target amount of Tk 5,500 crore -- underscoring strong demand for shariah-compliant investment products.

Amid strong investor interest, the government is expected to raise more funds through sukuk in fiscal year 2026-27. A senior Bangladesh Bank official said around Tk 30,000 crore would be raised through auctions of sukuk with various tenures.

Here is what you need to know before investing.

**WHAT IS A SUKUK?**

A sukuk is a shariah-compliant investment certificate that serves as an alternative to a conventional bond. Unlike traditional bonds, which pay interest, sukuk generate returns from income earned by underlying assets or projects. The government's latest issue is structured as an Ijara sukuk, meaning investors will receive returns from lease income rather than interest.

**WHO CAN INVEST?**

The sukuk is open to individual investors, expatriate Bangladeshis, and institutional investors.

**WHAT IS THE MINIMUM INVESTMENT?**


The minimum investment is Tk 10,000. There is no maximum investment limit for individual investors.

**HOW CAN YOU INVEST?**

You can apply through any scheduled bank or financial institution where you maintain an account. First-time investors must obtain a Sukuk Investor (SI) ID through their bank before submitting an application. Investors who already have an SI ID from previous sukuk investments do not need to register again.

**IS THE PROFIT TAXABLE?**

Yes. A 10 percent tax deducted at source (TDS) will be applied to the profit before it is credited to the investor.

**CAN YOU REDEEM OR SELL THE SUKUK BEFORE MATURITY?**

Yes. Investors can redeem or sell their sukuk before maturity, subject to prevailing market conditions and applicable regulations.

**HOW DOES THE RETURN COMPARE WITH OTHER SAVINGS TOOLS?**

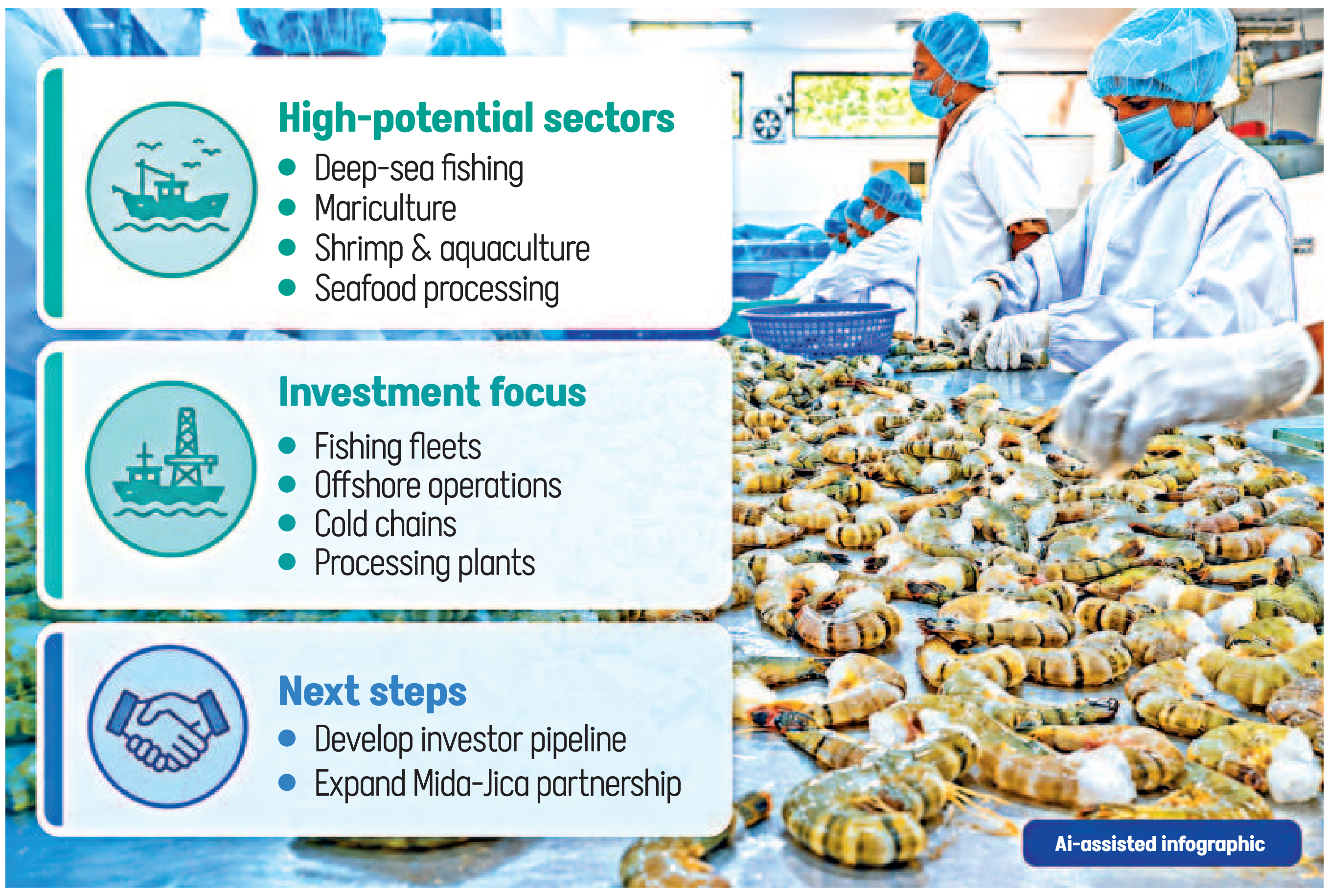
The expected return is broadly comparable to those offered by government savings instruments and bank deposits. The key difference is that sukuk generate returns from income earned by underlying assets rather than interest, making them compliant with Islamic finance principles.

**HOW WILL INVESTORS RECEIVE THEIR MONEY AT MATURITY?**

Both the principal and the accumulated profit will be paid together in a lump sum at maturity.

The money will be credited directly to the investor's designated bank account.

# Mida targets fisheries, marine economy for fresh investment




STAR BUSINESS REPORT

The Maheshkhali Integrated Development Authority (Mida) has stepped up efforts to attract investment in Bangladesh's fisheries and marine economy by identifying four priority sectors and planning follow-up engagement with investors and relevant government agencies.

These matters were discussed at a seminar on "Investment Potential in Fisheries and Marine Economy in Bangladesh", jointly organised by Mida, under the Prime Minister's Office, and the Japan International Cooperation Agency (Jica) Bangladesh at Pan Pacific Sonargaon in Dhaka yesterday.

The seminar identified deep-sea fishing, mariculture, aquaculture and shrimp, and seafood processing as four high-potential sectors in which Bangladesh has significant resource potential but limited commercial-scale operations.

Discussions highlighted investment opportunities in industrial fishing fleets, offshore operations, landing and logistics systems, commercial mariculture, certified shrimp value chains, cold-chain infrastructure, and modern seafood processing facilities.

Mida Executive Chairman Ashik Chowdhury said Bangladesh's marine economy has significant potential, but investors need a clearer pathway from opportunity to implementation.

"We discussed the regulatory, infrastructural and institutional constraints that still need to be addressed, as well as the policy support and government commitment required to unlock investment. Important steps have already been taken, but Mida's role now is to work with relevant agencies, investors and partners to turn the sector's potential into bankable projects," he said.

Ashik said that over the past few months, Mida had held several consultations and worked to help steer Bangladesh towards becoming "a genuine fishing exporting nation".

"What I can guarantee you is that there is definitely a genuine intent on the part of the new leadership to make a much more coordinated effort across ministries to address investors' challenges," he said.

According to BSS, Ashik Chowdhury described Matarbari and Maheshkhali as strategic hubs for future marine industrial development, adding that Mida is working to align policies across the ministries concerned to create an integrated investment package tailored to private sector needs.

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As a follow-up to the seminar, Mida will develop a pipeline of investor interest based on expressions of intent from private-sector actors and development finance institutions seeking to pursue specific investment concepts.

It will also consolidate the policy and regulatory bottlenecks identified through the presentations and panel discussions and take them forward through structured engagement with the relevant ministries.

The seminar also laid the foundation for continued collaboration between Mida and Jica on technical assistance and investment facilitation in the fisheries sector, with Mida set to follow up with interested investors through its investment desk.

Maritime expert and former secretary (Maritime Affairs Unit) at the Ministry of Foreign Affairs, Rear Admiral (Retd) Md Khurshed Alam, delivered the keynote address on investment opportunities in Bangladesh's blue economy.

He said Bangladesh currently generates around $6 billion from its marine resources but has the potential to double or even triple that figure through sustainable exploitation of ocean resources, according to BSS.

Takahashi Naoki, deputy chief of mission and minister at the Embassy of Japan in Bangladesh, said the Japan-Bangladesh Economic Partnership Agreement, signed in February, had created an important foundation for expanding trade, investment and broader economic cooperation between the two countries.

He said both countries had reaffirmed the importance of promoting trade, investment and public-private cooperation in the food sector, including fisheries, while making full use of the opportunities created by the agreement.

Bangladesh's fisheries and marine economy are not only traditional strengths but also promising frontiers for future investment, export diversification and regional development, he added.

The seminar brought together policymakers, senior government officials, development partners, fisheries experts, industry leaders, entrepreneurs and prospective investors to explore ways to unlock higher-value investment in Bangladesh's fisheries and marine economy.

# The hidden tax on Bangladesh's diaspora

ANEEK INTESAR AHMED

Bangladesh receives around $24-$27 billion in remittances each year, placing the country firmly among the global top ten, ahead of Nigeria, Vietnam and Indonesia. It is the headline figure every government in Dhaka has, with reason, celebrated over the past two decades. It is also, on closer inspection, a figure that quietly indicts us.

The comparison that makes the case most clearly is the Philippines. It receives roughly $36-$38 billion in remittances a year, ranking fourth globally, with a diaspora of around 10 million people. Bangladesh, by most estimates, has about 13 million people living and working abroad.

We have around a third more people overseas than the Philippines, yet they send home nearly 40 percent less. The average Filipino migrant remits almost twice as much as the average Bangladeshi worker.

Several factors explain this gap, but one sits squarely within our reach: reducing the cost of leaving Bangladesh, still among the highest in the region.

For an unskilled or semi-skilled worker heading to the Gulf, the total cost often runs into several thousand dollars. Most borrow the money at usurious rates, using land, livestock or whatever assets the family can pledge.

The first six to 12 months of employment are therefore spent repaying debt rather than sending money home. That is the hidden tax. Across roughly 1 million Bangladeshis leaving for work each year, the lost remittances amount to billions of dollars.

This burden falls hardest on those least able to bear it. Bangladesh pays twice: first through the worker and then through remittance flows that never reach home.

The international context is changing. In April 2026, the French Presidency of the G7 convened the 2nd Employment Working Group of the G7 Social in Paris, where one flagship outcome was a toolkit on the responsible recruitment of migrant workers.

When published, it will define standards that destination governments and ESG-conscious employers are increasingly expected to enforce. Countries able to demonstrate compliant recruitment corridors at scale will become preferred partners. Those that cannot risk being confined to less attractive jobs and lower wages.

Bangladesh already has an overlooked advantage. Between 2017 and 2021, during preparations for the FIFA World Cup, at least one Bangladeshi recruitment agency sent a substantial cohort of workers to Qatar under arrangements where the destination employer covered every recruitment cost. The International Labour Organization and the International Organization for Migration documented the programme, making it one of the best-recorded examples of zero-cost recruitment from South Asia.

The feasibility question has therefore been answered. Zero-cost recruitment from Bangladesh can work. The remaining question is whether destination employers make it the norm.

Here, the private sector is better placed than the government to lead this transition. Government policy remains important, but building recruitment corridors and maintaining relationships with overseas employers are private-sector functions. The Qatar model was developed without formal government facilitation. It can be replicated, provided policy supports responsible operators and penalises those who do not comply.

The economics are now catching up with the ethics. Employers will increasingly recruit through corridors where workers pay nothing. Bangladesh can become one of those corridors or watch opportunities gradually shift elsewhere.

As Bangladesh enters the next decade with one of the largest working-age populations in its history, we will need every available lever to create productive employment. Protecting migrant workers from this hidden tax is one of them.

*The writer was an invited panellist on responsible recruitment at the G7 Social Employment Working Group, Paris, in April 2026*

# Shoeniverse Footwear eyes Tk 100cr IPO

STAR BUSINESS REPORT

Shoeniverse Footwear Limited, an export-oriented footwear manufacturer, plans to raise Tk 100 crore through an initial public offering (IPO) by offloading shares in the capital market.

The company entered into an issue management agreement with LankaBangla Investments PLC last week, according to a press release. Riad Mahmud, managing director of Shoeniverse Footwear Limited, and Iftekhar Alam, chief executive officer of LankaBangla Investments PLC, signed the agreement.

The company will raise the funds through the book-building method. It plans to use the IPO proceeds to expand its business and repay bank loans.

Founded in 2017 and based in Mymensingh, Shoeniverse Footwear Limited is a green, export-oriented manufacturer of synthetic footwear, with a modern production facility spanning approximately 231,718 square feet and a workforce of more than 2,700 employees.

The company produces a diverse range of synthetic footwear for international markets, with a strong emphasis on innovation and sustainable manufacturing.

Shoeniverse is currently pursuing a major capacity expansion programme aimed at increasing production and strengthening its export competitiveness in response to growing global demand.

Subject to regulatory approval from the Bangladesh Securities and Exchange Commission (BSEC), the proposed IPO is expected to support Shoeniverse Footwear's future growth ambitions, accelerate its ongoing expansion programme, and further strengthen its position in Bangladesh's fast-growing footwear export sector.

# South Korea to invest $1.2tn in chips, AI data centres

AFP, *Seoul*

South Korea will invest nearly $1.2 trillion -- equivalent to more than two-thirds of its GDP -- in a new chip-building hub and AI data centres over several years, as it seeks to profit from soaring demand while developing previously neglected regions.

The enormous cash injection comes as Asia's fourth-largest economy rides high on a global AI boom -- with South Korean memory chipmakers emerging as a crucial cog in the fast-moving industry.

"Speed is the only path to survival. We must secure the core elements of artificial intelligence faster than any other nation," President Lee Jae Myung said in Seoul at an event to unveil the public-private collaboration.

Samsung Electronics and SK Hynix will make a record investment of 800 trillion won (around $520 billion) in a new semiconductor fabrication hub in the country's southwest, the government said.

Both companies have seen profits and share prices skyrocket in recent months, as frenzied demand for AI infrastructure squeezes the global supply of memory chips.

The government also announced a separate investment of a quadrillion won (around $650 billion) in AI data centres over the next 10 years.

The plans are in line with Lee's agenda for industrial development in regions outside the capital, and Industry Minister Kim Jung-kwan said the Samsung-SK Hynix project will comprise four fabrication plants.

"We will develop the southwestern region into a second semiconductor production hub," he said. Samsung Electronics and SK Hynix will each build two plants under the 800 trillion won project, according to Kim's presentation slide.

"Permit approvals and construction timelines will be dramatically shortened to rapidly expand production capacity," Kim said.

"Through this, we will maintain an overwhelming market leadership and a decisive technological gap in the memory semiconductor sector."


SK Hynix and Samsung will invest around $520 billion in a new semiconductor fabrication hub in the country's southwest. PHOTO: REUTERS

# British American Tobacco cost-cutting hits 9,000 roles

REUTERS, *London*

British American Tobacco said on Monday it plans to reduce its workforce by about 20 percent, as it pushes ahead with an AI-driven transformation program to cut costs and bolster profits amid regulatory challenges and delayed launches. The tobacco giant said it would cut 5,500 jobs and move a further 3,500 roles to third-party firms, including Accenture, impacting a total of 9,000 employees. The restructuring does not include the US, its biggest market.

The cost-saving programme is expected to add £600 million ($793 million) worth of annualised incremental savings by 2028, with £500 million already targeted by 2027.

"These changes affect many of our colleagues and we are focused on supporting them through this transition with care and respect," CEO Tadeu Marroco said in a statement. He added that the move would make the company more agile, cost-disciplined and technology-enabled.

The Lucky Strike and Dunhill cigarette maker's sales and profit growth have been sluggish in recent years, falling short of or just reaching its own targets, disappointing some investors. The company's main profit driver - traditional tobacco - is in terminal decline, with BAT predicting a global, industry-wide decline of 2.5 percent this year. BAT is shifting its focus to smoking alternatives like its Vuse vapes and Velo nicotine pouches to drive growth, but it has faced problems and fallen behind key rival Philip Morris International.

Sales in the critical US market have been constrained by regulatory requirements that have delayed launches and helped rivals from China - often selling without the required permission from US regulators - to take its market share.