

Tourists swarm Bholaganj Sada Pathor, a popular tourist spot in Sylhet. Tourism currently contributes approximately 3 percent to Bangladesh's GDP, industry insiders said at a recent event.

PHOTO: SHEIKH NASIR

Travel advisories holding back tourism industry

Collaboration among government and private sector key to improving prospects, industry insiders say

STAR BUSINESS REPORT

Travel advisories issued by Western countries urging their citizens to exercise caution when travelling to Bangladesh remain a major challenge for the country's tourism industry, stakeholders say.

They welcomed recent improvements to travel advisories issued by the US and Japan but emphasised improving the country's overall image and maintaining that progress.

Speaking at the launch of the Travel and Tourism Development Centre (TTDC) in Dhaka, industry representatives discussed ways to realise Bangladesh's potential in this sector.

Travel advisories remain a major challenge because they actively discourage international visitors, said Sadia Haque, an executive committee member of the TTDC and chief executive of online travel platform ShareTrip.

"Bangladesh has a strong story to tell, but we are not communicating that story effectively on the global stage," she added, pointing to institutional bottlenecks, policy gaps, and limited investment as primary obstacles facing the aviation and hospitality sectors.

The warnings come despite recent diplomatic progress. In July 2026, the US Department of State lowered its travel advisory for Bangladesh from Level 3 to Level 2, while Japan eased its warning to Level 1, signalling improving security assessments.

These changes send a positive signal internationally, she mentioned.

Government action alone cannot address all the challenges facing the sector. The government needs to strengthen coordination, implement a national branding strategy, and improve e-visa and visa-on-arrival services, she said.

"Our ultimate goal is to build an integrated travel ecosystem where airports are efficient, airlines are competitive, and visitors enjoy a seamless experience," said Kazi Wahidul Alam, president of the TTDC.

"Achieving this vision requires collaboration among the government, private sector, and investors. By working together, we can unlock Bangladesh's potential, create opportunities for young people, and strengthen the country's global image," Wahidul added.

According to TTDC executive committee member Shahid Hamid, tourism currently contributes approximately 3 percent to Bangladesh's national gross domestic product-- valued at around $10 billion -- and supports over 20 lakh jobs across more than 30 districts.

"These figures demonstrate that tourism is already a significant industry, but much of its potential remains untapped," Shahid said, stressing that private enterprise must drive future expansion.

However, policy experts point to persistent funding imbalances within state budgets. Khondaker Golam Moazzem, research director at the Centre for Policy Dialogue, noted that while the Ministry of Civil Aviation received around Tk 1,800 crore this year, the vast majority was earmarked for local airport infrastructure rather than broader tourism development.

Without stronger private-sector involvement, the sector will not be able to move forward effectively, he stressed. Addressing the country's lack of global promotion, Ashik Chowdhury, executive chairman of the Bangladesh Investment Development Authority, said that Bangladesh has never properly tried to brand itself even though the resources required to do so are available.

"We are talking about an investment of around $8 million to $15 million annually, while the country's Annual Development Programme is around $25 billion and the total annual government budget is around $78 billion. Therefore, the resources can be found to develop and promote a strong national brand."

"This issue is now receiving attention at the highest level. Last Saturday, we held a meeting with the Prime Minister, several ministers, and representatives from the private sector to discuss 'Brand Bangladesh'. We worked through the issues and now have a strategy in place," he said.

In response, Afroza Khanam, Minister for Civil Aviation and Tourism, affirmed the government's commitment to doubling the sector's economic footprint.

"The formation of the National Tourism Council under the leadership of the prime minister -- with the goal of increasing tourism's contribution to GDP from around 3 percent to 6 or 7 percent -- reflects the government's commitment," Afroza said, welcoming the TTDC as a permanent platform for public-private collaboration.

Algeria seeks Bangladeshi investment in manufacturing sector: envoy

STAR BUSINESS DESK

Algeria has sought greater Bangladeshi investment in its manufacturing sector, offering government support to businesses as the two countries look to expand trade and investment ties, Algerian Ambassador to Bangladesh Abdelouahab Saidani said on Friday.

He made the remarks during a visit to the industrial facilities of Max Group, one of Bangladesh's leading conglomerates.

"I see immense potential for expanding business and investment between Bangladesh and Algeria," Abdelouahab said.

The visit focused on strengthening bilateral trade, investment and industrial cooperation.

Accompanied by senior officials from the Algerian Embassy, Abdelouahab held discussions with Max Group Chairman Ghulam Mohammed Alomgir.

Abdelouahab highlighted Algeria's abundant reserves of key industrial raw materials, including steel, natural gas and petroleum, which could be imported competitively by Bangladeshi industries. He also said there are significant opportunities for Bangladeshi manufacturers to export high-quality finished goods to the Algerian market.

Abdelouahab said 22 draft agreements have been formulated between Bangladesh and Algeria, with most in the final stages of signing

The ambassador invited Alomgir to visit Algeria and proposed that Max Group establish a company and manufacturing plant there, assuring full government facilitation.

The support would include assistance with land, utilities and raw materials, as well as a favourable tax regime, he said.

On bilateral cooperation, Abdelouahab said 22 draft agreements have been formulated between Bangladesh and Algeria, with most in the final stages of signing.

He also emphasised the role of the Algeria-Bangladesh Business Forum, comprising business leaders from both countries, in promoting greater trade and investment cooperation.

During the visit, Abdelouahab toured AFA Steel Industries Ltd, which produces springs for various vehicles, and later visited Max Group's stainless steel pipe manufacturing unit, crockery production line and construction materials division.

He showed particular interest in Maxcrete Limited's eco-friendly AAC block manufacturing facility.

Alomgir briefed the ambassador on Max Group's evolution, saying its initial focus four decades ago was import substitution to save foreign currency.

He said the group now plans to shift decisively towards exports, with future investments planned in semiconductors and solar energy, particularly rooftop solar solutions.

Gold hits 7-week high

REUTERS

Gold surged on Friday, hitting its highest in seven weeks, after an unexpected drop in US nonfarm payrolls for July dashed rate-hike hopes and set bullion on course for its best week in seven months.

Spot gold jumped 2.3 percent to $4,336.02 per ounce by 2:42 p.m. EDT (1842 GMT), having risen more than 3 percent to its highest since June 17.

Bullion is set to post its largest weekly rise since January 19, with prices gaining more than 7 percent so far this week.

US gold futures climbed 2.3 percent to settle at $4,399.70.

Nonfarm payrolls in the United States decreased by 23,000 jobs last month after a downwardly revised 20,000 increase in June, the US labor department's Bureau of Labor Statistics said.

Economists polled by Reuters had forecast an increase of 80,000 jobs.

"The weaker-than-expected jobs data presents a scenario where the Fed is going to be less likely to raise interest rates at its next meeting," said David Meger, director of metals trading at High Ridge Futures.

Declining energy prices and a potentially reduced likelihood of US interest rate increase portend to a weaker dollar and stronger gold prices, Meger said.

The rate futures market has now priced in a 43.9 percent chance of Fed tightening in September, compared with 57 percent before the jobs report, according to LSEG data.

The probability that the Fed will hold rates next month rose to 56.1 percent versus 43.2 percent just before the data release.

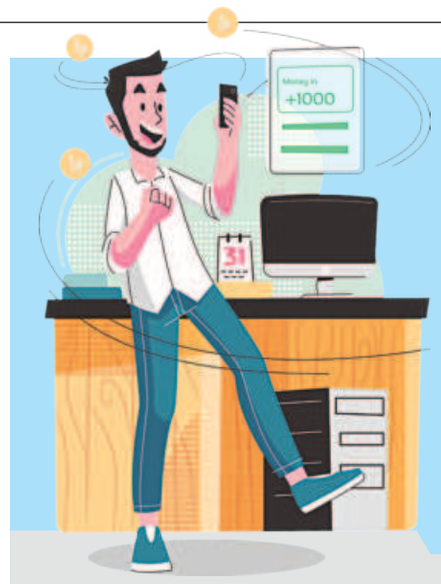
Lower interest rates make gold more attractive relative to yield-bearing assets as bullion does not generate interest.

UBS expects gold prices to climb to $5,000 per ounce in the first half of 2027, it said in a note on Friday.

On the geopolitical front, US President Donald Trump told reporters that he believed the war with Iran would be over soon.

Among other metals, spot silver gained 3 percent to $63.29 per ounce, platinum firmed 1.1 percent to $1,747.60, and palladium rose 0.8 percent to $1,381.61.

All three metals were headed for weekly gains.



AT A GLANCE

Loan amount:
From **Tk 50-Tk 5,000**

Maximum repayment period: 30 days

Interest: **0%**

FEATURES

To be used for
- Utility bills
- Mobile recharge

100% digital process

Now, banks will do

6-month pilot → Evaluation → Board approval → Commercial rollout

Digital loans

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with the BB's cloud computing and cybersecurity guidelines.

For such small loans, real-time checks through the Credit Information Bureau (CIB) have been temporarily relaxed until the BB's API-based 24/7 CIB system becomes fully operational. However, banks must put safeguards in place to prevent loans from being disbursed to defaulters.

Banks will also not be allowed to charge customers a CIB inquiry fee for this product.

Before disbursing a loan, banks must collect information about a borrower's existing loans from other banks, finance companies and mobile financial service providers, where applicable, to comply with the Bank Company Act.

Banks will have to clearly explain the loan amount, repayment period, fees and repayment methods before obtaining customers' consent, as per the draft. Besides, banks will have to take steps to improve customers' financial literacy.

Before launching it commercially, scheduled banks will have to pilot the product for at least six months.

After a successful evaluation, commercial lenders will be allowed to roll out the product after obtaining approval from their respective boards of directors.

Seeking anonymity, a senior central bank official told The Daily Star that City Bank has applied to the BB to introduce the loan product. The application prompted the central bank to prepare a policy that can be used by all banks.

Muhit Rahman, managing director of One Bank, said, "This will be a good move. Our neighbouring countries already have such loan products."

He said the central bank's draft policy is still at a preliminary stage and needs further clarification on issues such as borrower identification, borrower assessment and other operational aspects.

BB gives administrators

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For institutions under immediate corrective measures, administrators must appoint an independent auditor to assess their actual financial condition.

The audited financial statements and report must be submitted within three months of appointment, unless the department sets another deadline.

Within one month of submitting the report, the administrator must also submit a plan to preserve or restore the institution's financial health.

For institutions undergoing resolution, administrators must prepare a list of assets and liabilities and submit it within two months of appointment. Within one month of that submission, they must recommend the most effective resolution option.

The regulations also require administrators to investigate suspected financial crimes through forensic audits. If directors or officials are found to have been involved in offences under the Bank Resolution Act, administrators must take legal action against them, without prejudice to other proceedings.

Administrators must maintain records of all decisions and actions, preserve confidentiality and submit quarterly progress reports to the Bank Resolution Department. At the end of the process, assets and liabilities may be transferred to a new board and management, a bridge bank, a transferee or a liquidator.

A final report on the temporary administration must be submitted within three months of its completion.

Bangladesh Bank will determine administrators' remuneration, while the institution under administration will bear all related expenses, subject to conditions set by the central bank.

The regulations also require Bangladesh Bank to publish notice of an administrator's appointment on its website and that of the institution concerned, as well as in one widely circulated Bengali and one English national daily, by the next working day.

The new rules repeal the temporary-administration provisions under the Regulations for Bank Resolution, 2025, but actions already taken under those provisions will be deemed to have been taken under the new regulations.

Factories reopen

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Western markets. Delays could force them to use costly air freight or offer discounts to compensate foreign buyers.

"The company will have to face the expensive air shipment or big discounts from the foreign buyers," said the senior official of the Gazipur-based textile and apparel group.

BGMEA Vice President Shehab Udduza Chowdhury said gas supplies have improved since Thursday but remain inadequate.

"Still, we have to run the factories with diesel generators for at least four hours, for which the cost of production is increasing," he told The Daily Star over the phone.

Nazma Akter, president of the Sommilito Garments Sramik Federation, said some garment factories remained closed for as long as five days, but the situation has started to improve.

She urged the government to give priority to supplying gas to mills and factories, saying millions of workers and shipments of goods depended on the industry.

Md Towhidur Rahman, president of the Bangladesh Apparels Workers Federation, also urged the government to monitor gas supplies at the factory level so that it could take appropriate measures.

Govt plans

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The proposed industrial park will offer more than industrial plots and basic infrastructure, Muktadir said. It will also provide technical training, skills development and other support for entrepreneurs to establish and operate factories.

Entrepreneurs setting up factories in the park will also be eligible for relatively low-cost loans under the government's credit wholesaling scheme, he added.

Earlier, Muktadir visited the proposed site of the industrial park in Fapore union of Bogura Sadar upazila.

Sheikh Robiul Alam, minister for road transport and bridges, inaugurated the chamber's programme, while Mir Shah Alam, state minister for local government, rural development and cooperatives, attended as a special guest.

MSM Atikur Rahman Badal, president of the Bogura Chamber of Commerce and Industry, delivered the welcome address.

The newly elected directors were introduced at the event, followed by discussions on their responsibilities, future plans and the expansion of services for the local business community.