Prior approval suspended for boiler imports

STAR BUSINESS REPORT

The government has suspended the requirement for prior approval from the chief boiler inspector before importing boilers and boiler components, a move industry leaders say will ease imports by reducing bureaucratic delays.

In a circular issued yesterday, Bangladesh Bank informed authorised dealer (AD) banks involved in foreign exchange transactions of the suspension.

The central bank's Foreign Exchange Policy Department-1 instructed the head offices and principal offices of all AD banks to take necessary action in line with the decision.

The move follows a Ministry of Industries letter dated October 7, informing Bangladesh Bank that the Boiler Board had decided to suspend the prior approval requirement as part of efforts to simplify boiler imports. A separate letter from the ministry's Boiler Wing, dated October 14, also requested the suspension, referring to the board's decision.

In a circular issued on July 14, Bangladesh Bank had made prior approval from the chief boiler inspector mandatory for importing boilers and boiler components, following an earlier directive from the Ministry of Industries. Under the procedure, importers had to secure approval before proceeding with imports.

The latest circular communicates the suspension to banks handling foreign exchange transactions. However, the documents do not clarify whether the requirement has been permanently scrapped or whether an alternative procedure will be introduced.

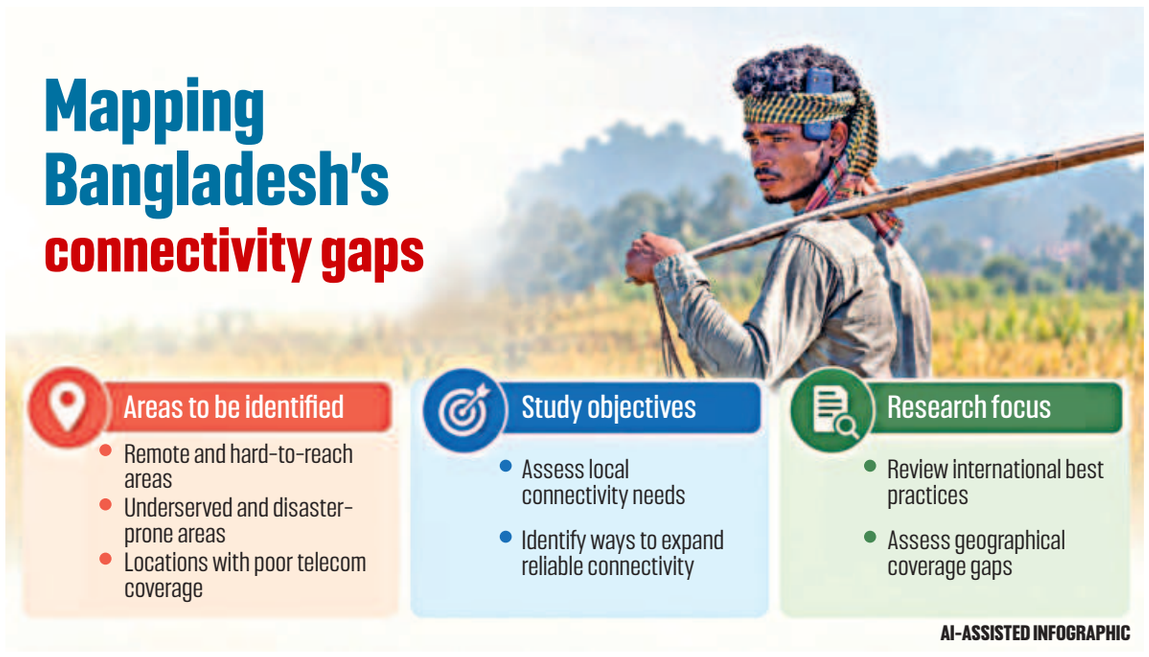
Boilers are widely used in industries that require steam for production, including textiles and garments, food processing, pharmaceuticals and chemicals.

According to industry insiders, around 60 percent of industrial boilers are used in the ready-made garment sector, while food processing accounts for 19 percent, pharmaceuticals 8 percent and chemicals another 8 percent.

Md Eleash Mridha, managing director of PRAN Group, said the decision would make it easier for food-processing companies to import boilers by removing a cumbersome approval process.

"We get duty benefits on capital machinery, so duty was not an issue for us. The main problem was obtaining permission from the boiler inspector, including submitting drawings, providing documents and responding to queries. Even after submitting papers three times, objections would be raised on different grounds," he said.

BTRC to study telecom gaps in remote areas



MAHMUDUL HASAN

The Bangladesh Telecommunication Regulatory Commission (BTRC) has decided to conduct a study to identify remote, hard-to-reach, underserved and disaster-prone areas where telecom services are inadequate or of poor quality and explore ways to ensure reliable, high-quality connectivity.

At a recent commission meeting, the telecom regulator gave in-principle approval to the proposed research and decided to form a committee to prepare a detailed research proposal within one month for submission to the BTRC chairman.

According to the documents, the study will identify areas with inadequate telecom coverage and assess local connectivity needs, while exploring possible approaches to ensure quality services in places where expanding mobile networks may not be commercially viable.

The initiative comes as the government seeks to ensure reliable and high-speed internet access for citizens across the country, including both urban and rural areas, under its election manifesto.

The government is also working on a connectivity master plan, while the Telecommunications Network and Licensing Policy, 2025, provides for spectrum-based incentives to expand networks in remote and underserved areas.

During the meeting, Brig Gen Mohammad Moniruzzaman Jewel, director general of the BTRC's spectrum management division, presented a detailed proposal, highlighting the importance of quality telecom services in the daily lives of people across all sections of society.

He noted that reliable telecommunications are essential for the development of people living outside major urban centres. However, expanding quality mobile networks in remote and disadvantaged areas is often not commercially sustainable for operators.

As a result, he said, even where some network coverage exists, the quality and availability of services may not meet the government's goal of ensuring high-speed, quality connectivity nationwide.

The proposed research will review international best practices to identify suitable approaches for addressing the problem, according to the meeting minutes.

The study is expected to examine the geographical extent of underserved areas, assess their telecommunications requirements and identify potential methods for delivering quality services.

The regulator said a systematic assessment is necessary to determine where network expansion is most needed and what measures could make service delivery viable in areas that operators may otherwise find commercially unattractive.

The proposed research will also take into account the government's election manifesto, its plans for expanding telecommunications services, and existing laws and regulations.

Under the decision, the committee will be headed by a director general nominated by the BTRC chairman.

Representatives from the spectrum management, spectrum services, finance, accounts and revenue divisions, along with the legal wing, will serve as members.

An officer nominated by the chairman will act as the member secretary.

The commission's decision marks an initial step towards developing a more targeted approach to expanding telecommunications services in areas where geographical challenges, disaster risks and limited commercial returns can discourage network investment.

When AI hallucinations reach the boardroom

FAISAL IMTIAZ KHAN

In the last week of June this year, the Bangladesh Bank issued a quiet but unprecedented internal directive. The central bank banned its own officials from inputting sensitive financial data, policy drafts or office notes into generative AI platforms such as ChatGPT, Gemini and DeepSeek. The regulator discovered that employees, eager to use cutting-edge technology, were running unverified financial metrics and confidential files through external algorithms, risking severe cross-border data leaks.

This is not a localised tech glitch. It is a striking symptom of a global boardroom epidemic.

From the commercial towers of Gulshan, Dhaka, to the financial hubs of Wall Street, pressure on corporate leaders to project a hyper-digitised image has reached a fever pitch. In boardrooms across the globe, artificial intelligence is no longer treated merely as a tool; it is flaunted as a badge of corporate modernisation. However, when the rush to adopt technology outpaces the development of human capability, the results can be catastrophic. As HR professionals, we must ask a critical question: are we building resilient institutions, or simply ornamenting our corporate look to appease investors?

The financial and corporate sectors are facing the fallout of uncritical AI adoption. Recent global data highlights a deeply troubling disconnect in executive governance: 84 percent of senior corporate executives trust unreviewed AI output, despite only 11 percent of their organisations having the data quality required to back it up.



When automated fabrications reach the highest levels of governance, it is not a technology failure but a human, cultural and talent failure

This blind trust has created an immense liability. Approximately 26 percent of business leaders admit that critical AI errors and "hallucinations" have bypassed internal audits, reaching the board or public financial disclosures before being caught. AI-related securities lawsuits have spiked internationally, accounting for 73 percent of all disclosed investor losses. When automated fabrications reach the highest levels of governance, it is not a technology failure but a human, cultural and talent failure.

This risk is amplified by the rise of "Agentic Finance", where autonomous AI agents can instantly shift capital to maximise interest rates. Forbes recently warned that these unchecked systems could trigger high-velocity "AI bank runs", threatening to drain up to $1.3 trillion from traditional banking institutions in minutes. If the people operating these systems lack the critical thinking to intervene, the institution's stability collapses.

Paradoxically, while AI risks are slipping through the cracks, the return on investment is dreadful. Some 95 percent of enterprise AI pilots fail to scale or deliver a measurable impact on the P&L. Billions are poured into technology that stalls because leadership treats AI as a plug-and-play marketing asset, ignoring the legacy infrastructure and human capability gaps that kill modernisation. Every HR professional must reflect on these realities and refuse to fall into the "innovation trap". Embracing modern technology must be driven by caution and organisational purpose, not FOMO (fear of missing out). True digitisation requires a strategic pause.

First, HR must redefine capability frameworks. We must stop hiring for tech buzzwords and start assessing rigorous cognitive scepticism and systemic risk management. Second, we must mandate human-in-the-loop governance. No AI-generated financial model, strategic forecast or compliance report should reach an executive's desk without verifiable human review and cross-examination. Finally, we must realign corporate culture. Leaders should be rewarded for data accuracy and operational resilience, not for launching flashy, unvalidated pilots.

The illusion of digital sophistication is a dangerous boardroom narcotic. Technology can augment efficiency, but it can never replace human judgment, ethical oversight and strategic accountability. It is time for HR to step up, strip away the corporate window dressing and re-anchor human oversight at the centre of leadership.

The writer is a senior HR executive

What is holding up the US-India trade deal?

AFP, *Mumbai*

US Secretary of State Marco Rubio is set to visit India for the second time this year, as Washington seeks to bolster ties with a strategic partner despite months of friction over a trade deal.

Rubio will meet senior Indian officials, but will bypass the Indian capital during the trip in the coming week.

Instead he will focus on investment and energy during visits to financial hub Mumbai and India's oil hub of Jamnagar, which is home to billionaire Mukesh Ambani's refining complex, the world's largest.

The elephant in the room will be the inability by both countries to seal their long-awaited trade deal, experts say.

Several factors, including US President Donald Trump's tariff blitz, friction over energy imports and Washington's warmer ties with India's arch-rival Pakistan have made it harder for negotiators to clinch an agreement.

Rubio will start his six-day overseas trip on Saturday with a visit first to Uzbekistan before arriving in India, according to the US State Department.

Here are some of the challenges the trade pact has faced and the road ahead.

WHY HAS THE DEAL BEEN DELAYED?

India and the United States agreed in February on the framework for an interim deal under which Washington would lower reciprocal tariffs from 25 percent to 18 percent and India would reduce duties on a range of industrial and agricultural goods.

Despite months of negotiations, the agreement has not yet been finalised and signed.

One reason is the legal uncertainty surrounding Trump's tariff plans after court challenges undermined the reciprocal tariffs that formed their basis.

"The February framework had offered to reduce India's reciprocal tariff... in return for substantial Indian concessions. Once that tariff regime was struck down, the value of the US offer became unclear," trade expert Ajay Srivastava said in a note.

India is also wary of new trade measures by Washington that could impact it, including an investigation into alleged unfair practices in several countries and a new law that allows for up to 100 percent tariffs on nations that purchase Russian oil.

Trump on Friday signed an executive order that waived those threatened sanctions.

WHERE DO NEGOTIATIONS STAND?

Progress appears to have hit several hurdles.

For the better part of this year, both governments spoke optimistically about the possibility of finalising the interim deal.

US ambassador to India Sergio Gor in June said negotiators were working on the "last one percent" of the pact.

More recently, the tone has turned markedly cautious.

India's Finance Minister Nirmala Sitharaman said last week that talks had hit a "plateau", with little room for further concessions.

Her remarks came days after US Trade Representative Jamieson Greer said an announcement was not "imminent".

WHAT HAVE BEEN THE MAIN STICKING POINTS?

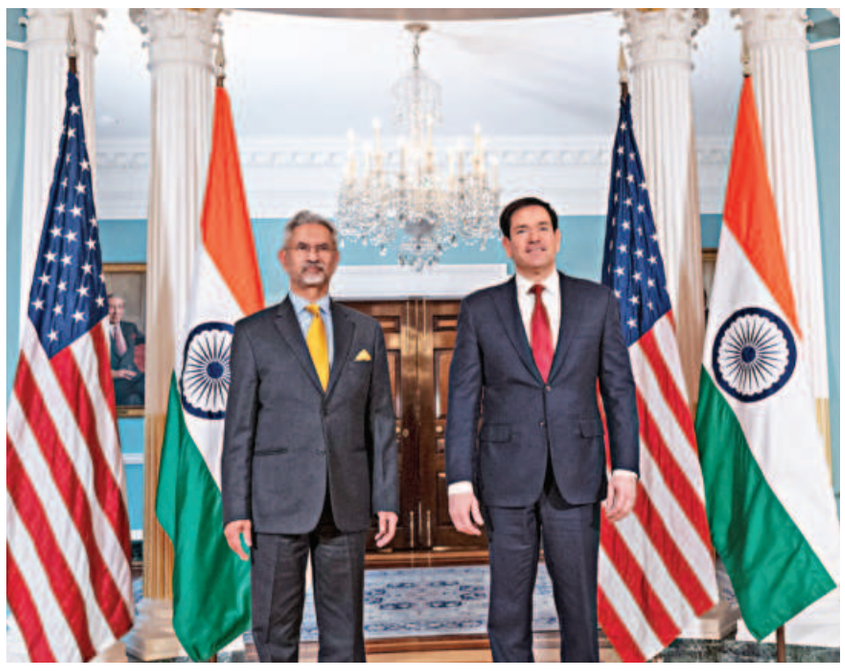
Agriculture remains a sensitive area for India, which is reluctant to expose farmers to greater foreign competition.

Washington, meanwhile, wants India to buy more US energy supplies.

New Delhi has also insisted that its final tariff rate should be competitive with those received by other regional manufacturing rivals such as Vietnam.

Indian trade minister Piyush Goyal said this week that the first tranche of the deal was in its final stages, but added that it would not be operational until India secured an edge over its competitors.

"It's going through the final contours, the legal drafting, and we hope to be able to finalise that soon and operationalise that once we get competitive advantage over our peer countries," he said.



In this file photo, Secretary of State Marco Rubio meets with Indian External Affairs Minister Subrahmanyam Jaishankar at The State Department in Washington, DC on February 3, 2026. PHOTO: AFP/FILE

HOW HAS TRADE BEEN HOLDING UP?

Goods exports to the US jumped 21 percent in August to $8.3 billion compared to the same month a year earlier, when India faced 50 percent tariffs.

The surge in exports has been a bright spot for the Indian economy, which has been roiled by high energy prices due to war in the Middle East.

If higher tariffs were to return, economists say it would cast a shadow on India's growth outlook, hurt market sentiment and heap pressure on an already-weak rupee.

US budget deficit grows to nearly $2tn

AFP, *Washington*

The US budget deficit grew to almost $2 trillion over the past year, government data showed Friday, reaching its highest level since 2021 despite President Donald Trump's promises to cut public spending.

The expansion comes amid growing worries over the massive $40.3 trillion US debt load and rising inflation, as the cost of borrowing climbs.

Refunds of Trump's tariffs after they were overturned have further fueled the budget gap.

The federal deficit, which occurs when government spending exceeds its revenues, rose to $1.99 trillion in fiscal year 2026, the Treasury Department said. This marked a 12-percent increase from the prior year, when the shortfall came in at $1.78 trillion.

A key driver of expenditures was the rising interest paid on public debt, which jumped $144 billion to a record $1.36 trillion.

Interest costs on around $32 trillion in publicly held US debt have been ballooning in recent years, and climbing bond yields have sparked further concerns.

Treasury bond yields, which influence interest rates for mortgages and auto loans, have jumped this year, with steeper borrowing costs adding to pressures that US voters face ahead of November's midterm elections.

Meanwhile, an expected influx of revenue from Trump's sweeping tariffs have failed to fully materialize during his second term.

The Supreme Court struck down his global duties in February, triggering a wave of refunds. Treasury data released Friday reflected $145 billion in customs refunds over the year -- primarily due to tariffs -- erasing significant gains from Trump's duties.

Vietnam signs free trade deal with four EU nations

AFP, *Hanoi*

Vietnam and four European nations outside the EU signed a free trade agreement in Hanoi on Sunday, seeking to diversify their markets as US tariffs disrupt global commerce.

The deal, between Southeast Asia's fastest-growing economy and the European Free Trade Association (EFTA), which includes Iceland, Liechtenstein, Norway and Switzerland, eliminates or reduces customs duties, including on imports of industrial, fish and agricultural products.

The deal was signed in the capital in the presence of Vietnam's top leader To Lam and representatives of EFTA governments.

Vietnam said the agreement showed the parties' resolve to "reinforce the rules-based trading system amid continued volatility in the global economy", according to a government statement.

It was also expected to help Vietnam "diversify its import and export markets" and "integrate more deeply into global value chains", the government said. Vietnam and EFTA concluded negotiations in July, more than a decade after the free trade talks officially began in 2012.

The parties relaunched negotiations in September last year, after they had stalled since 2018.

The agreement followed a global trade-disrupting tariff blitz by the United States under President Donald Trump which has left Vietnam with a hefty tax on its US exports amid ongoing negotiations with Washington.

Experts say the new deal reflected a shared initiative to diversify commercial ties and reduce reliance on major trading partners.

"As the US increasingly exerts trade pressure on European countries, the agreement is a joint effort to turn economic integration into greater strategic autonomy and to develop alternative commercial relationships rather than relying exclusively on their largest partners," history and politics scholar Do Dinh Lam Khang told AFP.

For Vietnam, closer ties with EFTA economies could support its ambition to move into higher-value-added activities, Khang added.

The agreement covers trade in goods and services, intellectual property rights, trade remedies and sustainable development, among other areas, both parties say.

Bilateral trade between the EFTA and Vietnam last year was valued at 4.8 billion euros ($5.4 billion), according to the association.

Electrical and mechanical machinery, fish and pharmaceutical products were the EFTA nations' top exports to Vietnam last year.