Bangladesh, Japan seek to diversify financing ties

STAR BUSINESS REPORT

Bangladesh and Japan are exploring alternative financing mechanisms beyond foreign direct investment (FDI) to strengthen bilateral economic ties and expand investment cooperation.

The issue came up at a meeting in Tokyo on Friday between Bangladesh's Finance and Planning Minister Amir Khosru Mahmud Chowdhury, Japanese Finance Minister Satsuki Katayama and Vice Minister of Finance for International Affairs Atsushi Mimura.

The meeting was held at the Japanese finance minister's office, according to a press release issued by Bangladesh's finance ministry.

Both sides recalled the longstanding economic ties between the two countries and discussed ways to deepen bilateral cooperation, with particular emphasis on alternative financing, infrastructure development and trade expansion in Bangladesh.

They also agreed to take steps to strengthen existing economic relations and explore opportunities for cooperation in new sectors, the press release said.

Tanvir Shahriar Ghani, special assistant to the prime minister for investment and capital market affairs, and senior officials from both countries attended the meeting.

Japan is one of Bangladesh's major development partners and has financed numerous infrastructure and social development projects. Several Japanese-funded projects are currently under implementation.



Finance Minister Amir Khosru Mahmud Chowdhury shakes hands with his Japanese counterpart Satsuki Katayama after a meeting at her ministry office in Tokyo on Friday. PHOTO: MINISTRY OF FINANCE

Policy push could raise electrical equipment exports to $4b: experts

STAR BUSINESS DESK

Bangladesh could reduce its dependence on imported electrical equipment to 25 percent and earn nearly $4 billion annually from exports over the next decade, provided the government extends policy support to local manufacturers, experts said at a seminar last week.

Currently, imports meet around 75 percent of the country's $4.75 billion domestic demand for electrical equipment, despite more than 100 local companies manufacturing these products. Of them, 33 are members of the Bangladesh Manufacturers' Association of Transformers and Switchgears (BMATS).

The seminar, titled "Power-up Bangladesh: Through Import Substitution and Growing Exports with Electrical Equipment -- Made in Bangladesh", was held at Radisson Blu Dhaka Water Garden on the occasion of BMATS's first annual general meeting.

Local manufacturers have already shown their export potential. Some BMATS member companies collectively export more than $23 million worth of electrical equipment to eight countries, including India, Nepal, Tanzania and several European markets.

Over 2cr LPG

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Private companies account for around 99 percent of the LPG market. Bangladesh imported 17.43 lakh tonnes of LPG in fiscal year 2025-26, with more than 70 percent of the supply coming through just seven companies.

BERC provided licences to 35 companies to import LPG, but the number of active importers has been 10-12 for years.

Industry insiders estimate that three to four physical cylinders are needed for every regular refill to keep the distribution chain running smoothly, as cylinders remain with consumers, retailers, distributors and filling plants.

This means the market needs an estimated 3.75 crore to 5 crore cylinders to maintain the supply chain at current consumption levels.

The seven major importing companies have around 2.5 crore cylinders in the market, according to industry estimates.

While these cylinders are being used to distribute most of the country's LPG supply, more than 2 crore cylinders belonging to operators with little or no imports remain idle, insiders said.

Abu Taher Qureshi, an LPG distributor in Dhaka, said he has around 3,000 cylinders belonging to different companies lying idle in his warehouse. He said the companies are supposed to take the cylinders back, but none has done so.

"I am paying the rent of that godown and staff salary for at least nine months for those but not getting gas," he told The Daily Star.

The issue was raised by distributors and consumers at Thursday's BERC public hearing on proposed increases in charges and commissions for LPG importers, distributors and retailers.

A consumer representative said he had been forced to buy another cylinder after failing to find LPG from the brand he previously used.

While presenting their demand for higher distribution and retail charges to BERC, Selim Khan, president of the LP Gas Traders Cooperative Society Ltd, identified the idle-cylinder problem as one of the main reasons for rising business costs and called for higher charges.

BERC Chairman Jalal Ahmed assured businesses that the commission would hold a separate meeting with them to discuss the issue and sort out what would be the fate of the empty cylinders.

IMPORTERS CITE BANKING, SUPPLY ISSUES

Anup Kumar Sen, chief operating officer of Orion Gas Ltd, said the company's LPG imports declined sharply because of banking constraints, particularly the exhaustion of its credit limit and a change in the cash-margin requirement for LCs.

He said the company previously imported LPG by depositing a 10 percent cash margin under an arrangement with its bank. But after its credit limit was exhausted, the bank began requiring a 100 percent cash margin to open new LCs, which the company could not afford.

"We do not have that much cash available to import LPG by depositing a 100 percent margin," he said, adding that the company is still importing limited quantities.

Mohammed Nurul Alam, chief executive officer of JMI LPG, blamed international supply disruptions following the Middle East war for the decline in imports.

He said the number of international suppliers to Bangladesh fell from several in 2024 to just two major suppliers, Siam and Equinor, in 2025. As JMI has no term contracts or established supply agreements with them, it found it difficult to secure shipments when the market tightened.

The Middle East previously accounted for around 30 percent of Bangladesh LPG supplies, but shipments from the region have since stopped, forcing importers to rely more heavily on larger consignments from the United States and other sources.

Nurul said JMI imported only around 8,000 tonnes in FY2025-26. To maintain supplies, it had to pay premiums of around $300-350 per tonne above the Saudi Contract Price (CP), while competitors with established supply arrangements secured LPG at lower prices.

"We were selling the product at a loss to maintain supplies," he said.

Although JMI had increased its bank credit limit, banking constraints and the international shortage continued to affect its imports, Nurul said.

On the idle cylinders, he said the company has no plans to take them back from consumers or distributors, arguing that they are company assets supplied to customers at nominal prices. JMI remains responsible for maintaining and refilling them and is trying to buy LPG from other importers, even at higher prices, to maintain supplies.

Md Redhwanur Rahman, chief operating officer (sales and marketing) of Bashundhara LP Gas Ltd, said banking restrictions and complications involving LCs were the main reasons behind the company's import difficulties in 2025.

He explained that LPG importers generally need to sign supply contracts with international suppliers around a year in advance, specifying purchase volumes and monthly delivery schedules.

"Due to the restrictions, we could not enter into the necessary supply contracts for that year," he said.

Even after the restrictions were lifted, the company faced difficulties opening LCs for its planned 2026 supply contracts, he said.

The company eventually resolved the complications and opened some LCs this year to buy LPG from the spot market, importing around 10,000 tonnes, said Redhwanur.

However, the Iran war further disrupted international supplies. The shortage of suitable vessels and difficulties securing insurance coverage have made it harder to transport LPG, he said. Even importers with existing term contracts are not receiving their full contracted volumes because of shipping constraints.

On the idle cylinders, he said Bashundhara is willing to take them back from distributors and consumers who no longer want to use its products.

Distributors can return the cylinders to the company for refunds, while consumers can return them through distributors or directly to the company's factory, he said.

BB autonomy remains elusive

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However, central bank autonomy remains elusive. Economists and banking experts have criticised the dual-control system under which BB and the finance ministry's Financial Institutions Division share oversight of the banking sector.

Before taking office, Finance Minister Amir Khosru Mahmud Chowdhury pledged, "When we come to power, there will be no dual control in the banking sector."

Arief Hossain Khan, executive director and spokespersonof BB, told The Daily Star that the draft amendment was sent to the finance ministry during the interim administration, but he did not know what happened to it afterwards.

Fahmida Khatun, distinguished fellow at the Centre for Policy Dialogue, said central bank independence was essential to restore good governance in banking, ensure sound policymaking and improve transparency.

"Politically influential people sit on the boards of various banks, so they try to interfere in policymaking," she said. The BNP had pledged to ensure central bank independence before taking office. Given the time that has passed, the government should fulfil that promise and start work immediately, she added.

INDEPENDENCE NEEDS ACCOUNTABILITY

Zahid Hussain, a former lead economist at the World Bank's Dhaka office, said the need for a merit-based, independent central bank had long been established. The key question now was how to ensure accountability.

Independence means freedom from fiscal dominance, or control by the finance ministry, he said. In the past, finance secretary Abdur Rouf Talukder, who later became BB governor, effectively controlled the central bank.

A truly independent central bank would make policy decisions on technical and merit-based grounds, but it would also need effective accountability mechanisms, Zahid said.

He said amendments to the Bangladesh Bank Order drafted in 2025 were intended to strengthen autonomy. The changes were also required under the IMF programme and linked to the release of the next loan tranche.

According to Zahid, Salehuddin held up the draft for about four months before clearing it in October 2025. However, he returned it without directing anyone to send it to the president for promulgation as an ordinance. Salehuddin later argued that an elected government should take the step, by which time the February election was approaching, Zahid said.

Zahid pointed to the United States, where the Federal Reserve chair can stand firm despite public criticism from the president because the institution faces scrutiny through other channels. These include questions from financial journalists, press conferences, and regular Senate and congressional hearings.

In Bangladesh, the central bank governor is supposed to answer to a parliamentary committee, but the committee rarely meets, perhaps once every three to four months. Lawmakers are often occupied with constituency issues and development allocations, Zahid said. The response to this weakness, he added, was to "cut off the head to cure the headache".

He acknowledged that Salehuddin had a valid concern about weak parliamentary oversight, as the new parliament was not yet fully functional. But accountability should also come from the media, civil society and think tanks.

For instance, the governor could hold quarterly press briefings to explain the Monetary Policy Statement. The IMF programme proposes strengthening existing accountability mechanisms, Zahid said, although it remains unclear how this will be done.

REFORMS CAN BEGIN NOW

Zahid said several steps could be taken immediately, including forming a search committee, preparing a shortlist, holding interviews and requiring the selected candidate to appear before a parliamentary committee, as in the United States.

Bangladesh recently replaced its central bank governor and named a successor within two hours, he noted. Appointments and removals should instead follow a transparent process free from political interference. Legal safeguards are also needed to prevent the government from abruptly dismissing a governor simply because it disagrees with their decisions.

Clear rules on the composition of the search committee and criteria for assessing candidates would prevent arbitrary appointments, Zahid said. He added that these reforms would not conflict with Salehuddin's concerns.

He cited regional examples to show that central bank autonomy can take different forms. India's Reserve Bank does not enjoy the same level of independence as central banks in developed countries, but remains a centre of excellence.

Raghuram Rajan, appointed before Narendra Modi became prime minister, had pledged to act independently of the government but was later pushed to resign, Zahid recalled. The current governor also works independently, backed by strong legal protections, he said.

The central banks of Thailand, South Korea and Vietnam also enjoy considerable autonomy, while Nepal's central bank maintains a reasonable degree of distance from political influence, Zahid added.

Toyota Tsusho

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net sales of Tk 7.5 crore for the fiscal year ended March 31, 2026, while its loss attributable to owners of the parent stood at Tk 1.4 crore.

Its total assets stood at around Tk 90 crore, while consolidated equity was Tk 65 crore during the period, according to the disclosure.

Toyota Tsusho said the additional investment would have a negligible impact on its business performance and financial position for the fiscal year ending March 2027.

An official of Toyota Bangladesh said the company had selected Continental Works Limited in Dhaka and Carboy Private Limited in Chattogram to provide genuine spare parts, engine oil and after-sales services to Toyota customers here.

"Our company is investing in Bangladesh because of the market's strong growth potential," the official said, expressing confidence that demand for Toyota vehicles and related services would increase in the coming years.

The official added that services would not be limited to buyers of brand-new Toyota vehicles. Existing Toyota owners would also be able to access genuine spare parts, engine oil and servicing facilities through the selected partners.

Economic slowdown

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Reconditioned-car imports generated Tk 3,864 crore in revenue in FY25, down more than 6 percent from the previous fiscal year.

Against this backdrop, BARVIDA is organising a three-day car expo at the International Convention City Bashundhara (ICCB) in Dhaka from November 5 to 7, aiming to bring dealers and prospective buyers together and revive interest in Japanese reconditioned vehicles.

The expo will showcase popular Japanese models, including the Toyota Prius, Corolla Cross, Harrier, Noah, Voxy and Alphard, allowing visitors to compare models, features, technology and prices under one roof.

The association also aims to facilitate direct communication between buyers and dealers and promote awareness of the quality, reliability and modern technology of Japanese vehicles.

A special exhibition marking 50 years of Japanese cars in Bangladesh will trace their evolution, from earlier generations known for reliability to today's hybrid and technology-driven models.

Reaz said Japanese cars had contributed not only to the country's transport sector but also to employment, entrepreneurship, investment, technological development, international trade and government revenue.

The expo will remain open from 11am to 8pm daily, with no entry fee.

Government of the People's Republic of Bangladesh
Office of the Superintendent
250 Bed District Sadar Hospital, Sunamganj

Memo No- 1684 Date: 29/10/2026

e-Tender Notice

e-Tender Notice is invited in the National e-GP System portal (https://www.eprocure.gov.bd) for the procurement of following.

Sl No	Tender ID	Procurement Nature, Title	Last Selling Date & Time	Opening and Closing Date & Time
1.	1362469	Goods, Procurement of Furniture for Sunamganj 250 bed District Sadar Hospital.	12-Nov-2026 12:00	12-Nov-2026 14:30
2.	1362307	Procurement of Various stationery products for Sunamganj 250 bed District Sadar Hospital.	12-Nov-2026 12:00	12-Nov-2026 14:30
3.	1362242	Procurement of Cleaning Items for Sunamganj 250 bed District Sadar Hospital.	12-Nov-2026 12:00	12-Nov-2026 14:30
4.	1361629	Procurement of Non-EDCL Medicine for Sunamganj 250 bed District Sadar Hospital	12-Nov-2026 12:00	12-Nov-2026 14:30
5.	1359942	Diet supply for Sunamganj 250 bed District Sadar Hospital	12-Nov-2026 12:00	12-Nov-2026 14:30
6.	1321116	Procurement of Linen Item for Sunamganj 250 bed District Sadar Hospital, Sunamganj	12-Nov-2026 12:00	12-Nov-2026 14:30
7.	1319379	Procurement of gauge bandage, bandage and cotton for Sunamganj 250 bed District Sadar Hospital, Sunamganj.	12-Nov-2026 12:00	12-Nov-2026 14:30
8.	1315635	Procurement of Surgical Instrument for Sunamganj 250 bed District Sadar Hospital, Sunamganj.	12-Nov-2026 12:00	12-Nov-2026 14:30
9.	1362466	Procurement of Surgical consumable items for Sunamganj 250 bed District Sadar Hospital	12-Nov-2026 12:00	12-Nov-2026 14:30

This is an online tender, where only e-Tender will be accepted in the National e-GP portal and no office/hard copies will be accepted. To submit e-Tender, registration in the National e-GP system portal (https://www.eprocure.gov.bd) is required. The fees for downloading the e-Tender Documents from the National e-GP System portal have to be deposited online through any registered banks, branches.
Further information and guidelines are available in the National e-GP system portal and also from e-GP help desk (helpdesk@eprocure.gov.bd).

DR. MOHAMMAD ALI ASRAF SUHAG
Superintendent
Sunamganj 250 bed District Sadar Hospital, Sunamganj
Mobile- 01701248248
E-mail: sunamganj@hospi.dghs.gov.bd

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