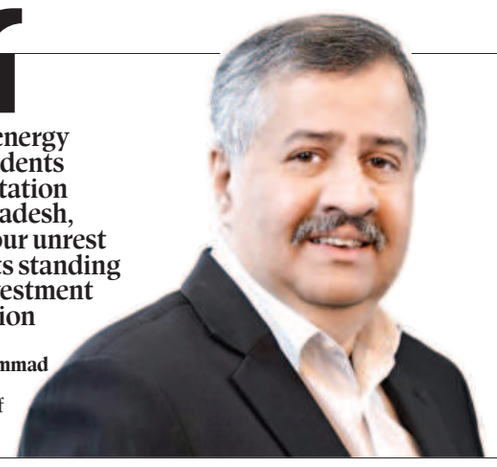
Investor confidence remains fragile: AmCham

Lack of energy security dents the reputation of Bangladesh, and labour unrest affects its standing as an investment destination

Syed Mohammad Kamal
President of AmCham



The chamber targets $5b in US investment over five years, seeks energy and policy reforms

TASNEEM TAYEB

Energy shortages, labour unrest, conflicting policy messages and doubts over government procurement are hurting Bangladesh's reputation among foreign investors, according to the American Chamber of Commerce in Bangladesh (AmCham).

In an interview with The Daily Star recently, AmCham President Syed Mohammad Kamal said American companies remained interested in Bangladesh, but these concerns had made them cautious about new investment.

"The (lack of) energy security is denting the reputation of the country," he said. Labour unrest was also affecting Bangladesh's standing as an investment destination.

Some American investment had come in over the past two years, but nothing significant, he said, adding that companies were weighing Bangladesh against other markets.

ENERGY SHORTAGES, POLICY UNCERTAINTY

Kamal said the government needed to set out clear time bound milestones for improving energy supplies, arguing that investors could not plan new projects without knowing when adequate gas and electricity would become available.

Investors understood that shortages could not be resolved overnight, he said, but could not plan without a timetable. For instance, a company could plan a factory on the understanding that supply would be adequate in two years, since construction could take as long.

He questioned Bangladesh's dependence on expensive spot-market LNG purchases and slow progress in domestic gas exploration.

The AmCham chief also criticised conflicting statements from officials, saying they confused businesses, and urged the government to focus on implementation rather than repeated announcements.

He welcomed the prime minister's meetings with foreign companies but said they needed to produce results.

Investment had remained largely stagnant during the interim government, while businesses were still assessing conditions under the elected government, he noted.

Kamal said Bangladesh needed to cut business costs and improve conditions for investors, citing Vietnam as a country that had attracted substantial foreign investment through a more stable business environment.

He welcomed government steps to ease dividend repatriation, previously a major concern for foreign companies.

However, he noted that many economic zones remained non-operational, while export processing zones had performed relatively well.

CONCERNS OVER LNG TERMINAL DEAL

Kamal questioned the government's handling of the third floating LNG terminal project, citing its cost, the procurement process and the Chinese contractor's experience.

On November 12, the government approved China National Energy Engineering & Construction Co Ltd's (CNEE) proposal despite questions over its higher cost and its lack of experience in developing such facilities.

The Daily Star earlier found that large portions of the proposal closely resembled one submitted by US-based NS Energy Navigation 38 days earlier. A map in CNEE's submission still carried the label "Proposed NS Energy FSRU".

"How could information reach a competitor like this?" Kamal asked.

"If there are verbatim similarities between the two proposals, it is a risky proposition," he said, warning that mishandling of commercial information could discourage foreign companies from submitting proposals.

He also questioned whether the government had properly compared competing proposals on cost, technical experience and delivery schedules.

"If I give the work to an inexperienced company and after 18 months it says it cannot deliver, what happens to the energy security roadmap? What happens to the country? What happens to investors' money?" he asked.

According to Kamal, developing a floating storage and regasification unit (FSRU) in the Bay of Bengal involved technical and environmental challenges.

As per his estimates, environmental assessments could take eight to 12 months and construction another 18 months to two years. Even with some work in parallel, the project would take about two and a half years.

The AmCham chief said CNEE's proposed build-own-operate arrangement would not transfer ownership of the terminal to the government at the end of the contract.

That could be justified if it cost less, he said, but he questioned why the government would proceed with what he considered a more expensive proposal.

The Daily Star earlier reported that CNEE's proposed daily fee was $342,000, against $254,000 for Excelerate Energy's existing terminal and $249,000 for Summit LNG's. The terminals differ in capacity and contractual terms.

"We are not saying American companies must receive these contracts," Kamal said, calling for a proper comparison of competing proposals.

$5B INVESTMENT PLAN

Earlier in August, AmCham, after a meeting with the prime minister, announced that it was working to attract $5 billion in fresh US investment to Bangladesh over the next five years. The chamber reiterated its commitment earlier this month as well.

Speaking on the issue, the chamber's chief said its member companies had invested approximately $5 billion in Bangladesh over the past 15 to 17 years.

Before meeting the prime minister in August, the chamber assessed the possibility of attracting a similar amount during the government's term.

It identified renewable energy, life sciences, cybersecurity, artificial intelligence, IT, advanced manufacturing, logistics and consumer goods as priority sectors.

Some companies had concrete investment plans, while AmCham was aware of potential investments worth more than half the target, Kamal said. The chamber was working to identify opportunities for the remainder.

Existing American companies were also considering further investment, he said and a proposed factory in Ishwardi that would manufacture products used in wigs and other hair-related applications.

He also identified LNG infrastructure, and offshore oil and gas exploration as areas with investment potential.

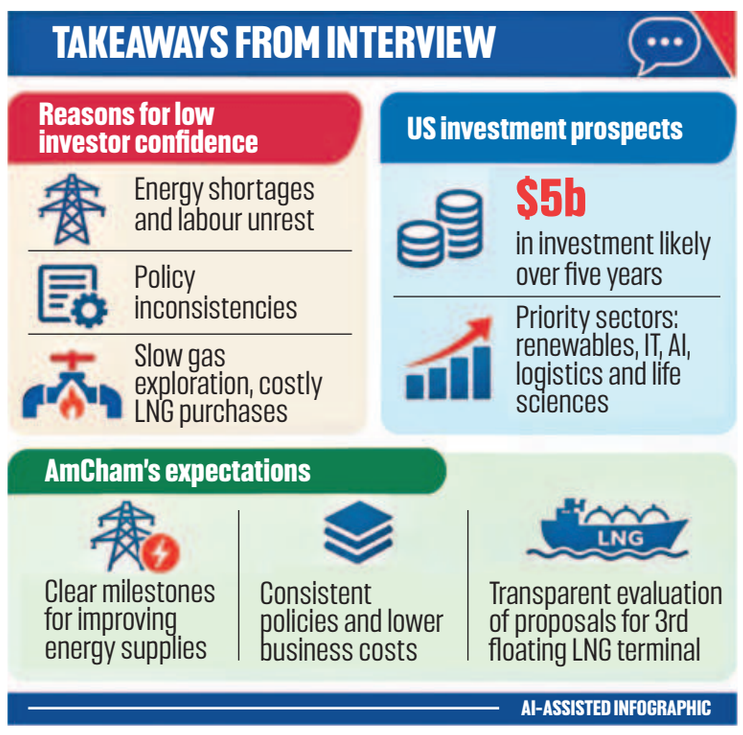
Life sciences offered further opportunities, with American companies already supplying medical products such as cardiac stents and lenses used in eye treatment, he said.

Recent engagement involving the US Food and Drug Administration could also open opportunities for Bangladeshi pharmaceutical exports to the US, he added.

Speaking on the trade deficit between Bangladesh and the US, Kamal welcomed the purchases of Boeing aircraft and American wheat but said narrowing the trade gap would take time because readymade garments made up a large share of exports.

He also said AmCham was also working to bring a delegation of American companies operating in other countries but not yet investing in Bangladesh.

Reliable energy supplies, fewer industrial disruptions, lower business costs and transparent procurement remain essential to attracting new American investors, he added.



What rooftop solar needs to succeed

TARIQ ALAM

The Special Solar Power Installation Ordinance, 2026, alongside incentives, concessional financing and reduced solar equipment import taxes, moves Bangladesh towards its 4,000 MW rooftop ambition. It provides for privately financed OPEX and institution-funded CAPEX models, prioritising OPEX. Yet legislation and incentives alone will not deliver 4,000 MW. That requires around Tk 25,000 crore in investment, commercially viable projects, bankable agreements and coordinated execution. Four priorities follow.

First, establish implementation frameworks for different market segments. The Ordinance is oriented mainly towards public-sector installations, though its definitions also cover residential buildings and commercial and industrial (C&I) rooftops. Public institutions should follow prescribed competitive procurement procedures and standardised tripartite agreements. Private C&I customers should select developers and service providers through competitive commercial processes, while retaining flexibility in procurement and contracts. Residential installations require a simpler framework, supported by targeted subsidies, affordable loans, streamlined approvals and reliable installation and maintenance. The 5 MW limit should apply to individual installations, without restricting investors from financing portfolios. For example, 50 rooftop installations of 2 MW each could form a 100 MW portfolio.

Second, establish bankable agreements and mobilise financing. The Ordinance requires a tripartite agreement among the customer, service provider and competent authority, based on a standard contract format to be prescribed by the government. The government should publish it promptly, after testing its bankability with lenders and investors, to mobilise financing. For public-sector OPEX installations, the agreement should establish electricity tariffs and adjustment mechanisms, payment obligations and security, termination compensation and lender step-in rights, and clarify whether the competent authority provides a payment guarantee.



Turning Bangladesh's 4,000 MW rooftop solar ambition into reality will require bankable agreements, viable projects, accessible financing and coordinated execution

For private C&I installations, model bilateral power purchase agreements could complement this framework. The Tk 1,500 crore concessional financing initiative covers only a fraction of the investment required. Mobilising capital will require banks, development finance institutions and institutional investors, supported by longer-tenor financing, portfolio-level credit guarantees and payment-security mechanisms. The Tk 10.50 per unit incentive for eligible surplus electricity offers investors extra revenue. For C&I installations, however, the main benefit is consuming solar electricity on site and avoiding utility purchases. The February 2027 commissioning deadline should be reviewed to allow time for project development, financing and construction.

Third, align distribution utility incentives with rooftop deployment. Distribution utilities are central to deployment through approvals, grid connection, metering and settlement. Yet rooftop generation can reduce their sales while adding operational duties, creating disincentives. The regulatory framework should align utility incentives with national targets, including performance-linked rewards for timely approvals and commissioned capacity, and recovery of legitimate costs. Clear approval deadlines and published monthly commissioning targets should underpin accountability.

Fourth, establish a national execution programme. An operational Programme Management Unit (PMU) could help the National Policy Council and local coordination committees translate policy objectives into commissioned capacity. The PMU should have clear authority to coordinate ministries, utilities and financing agencies, and to resolve bottlenecks. Its first task should be to verify a pipeline of investment-ready rooftops. Building on the monitoring role of SREDA under the Ordinance, a national digital platform should track projects from site verification to commissioning. With these four priorities in place, Bangladesh can turn its rooftop solar ambition into an opportunity for private investment, energy security, export competitiveness and sustainable growth.

The writer is a strategic consultant across technology, media and infrastructure industries

Musk joins call for Huang's return to Nvidia

AFP, *San Francisco*

Tech tycoon Elon Musk and an Uber co-founder are, as of Sunday, among more than 158,000 signatories of an open letter calling for Jensen Huang's reinstatement as Nvidia chief.

The letter demands that the company's board members "bring Jensen back while an independent investigation establishes the facts."

Huang resigned Thursday, ending a 33-year run at the helm of the AI giant he co-founded after revelations he had two extramarital affairs, with a woman accused of spying for China and another with a subordinate.

Alongside the SpaceX chief, the tech heavyweight signatories include Tim Sweeney, founder and CEO of video game publisher Epic Games, and Garry Tan, president of Y Combinator, San Francisco's most renowned business incubator.

Another signatory, Uber co-founder Travis Kalanick, wrote that Huang had "erred, yes -- to err is to be human -- but I do not believe anything he has done rises to the bar of separating him from his company."

More than 7,500 signatories identify themselves as Nvidia employees, equivalent to 18 percent of the company's workforce.

The support illustrates the unique standing of the leather-jacketed executive, who is seen as a godfather of AI within the industry.

Under his leadership, Nvidia became a pivotal Silicon Valley investor, financing data centers and startups, earning it the nickname "the central bank of AI."

War clouds Saudi Arabia's post-oil future

REUTERS, *London*

Saudi Arabia's energy industry has demonstrated remarkable resilience amid this year's Middle East hostilities, yet beneath this tactical success lies lasting structural damage. Riyadh may now have to shelve its most ambitious plans to move beyond hydrocarbons.

The world's second-largest oil producer's operational comeback has been remarkable. The kingdom's crude output climbed to 10.6 million barrels per day (bpd) in October, the highest level since before the US and Israel launched the war against Iran in February, according to Opec data.

This recovery brings vital relief to a Saudi economy battered over the past eight months by Iranian strikes on critical energy infrastructure in the region and severely disrupted traffic through the Strait of Hormuz.

The rebound is particularly noteworthy because the kingdom's security environment deteriorated further in July with the resumption of the conflict in Yemen. Saudi Arabia is now subject to near-daily strikes from Iran-backed Houthi forces alongside cross-border attacks from Iranian-aligned militias in Iraq.

Ultimately, the conflict's greatest damage may be to the perception that the Gulf is a stable investment environment. Restoring confidence may prove far more challenging than restoring crude flows.

That production has rebounded so decisively is a testament to the engineering and logistical agility of state oil giant Saudi Aramco, which has moved swiftly to repair damaged oilfields, refineries and processing plants.

Perhaps most impressively, in September, Aramco redirected the bulk of its shipments back to its Ras Tanura terminal on the eastern coast following a strike on the East-West Pipeline that links the country's main oilfields to the Red Sea, the kingdom's key oil export hub since the start of the war.

Aramco then took only a few days to restore the pipeline, setting the stage for a significant surge in export volumes despite ongoing Iranian attacks.

The gambit lifted Saudi crude exports to 6.7 million bpd across September and October, according to Kpler data. Not only was this the highest level since the war began, but it was also well above the kingdom's 2025 pre-war baseline of 6.2 million bpd.



A general view of Ras Tanura's oil production plant near Dammam in Saudi Arabia's eastern province. PHOTO: AFP/FILE

While refined-product exports are still operating at roughly 70 percent of pre-war capacity, that's significantly higher than levels earlier in the conflict.

The higher output is also helping the kingdom replenish its war-depleted domestic stockpiles. Riyadh is currently rebuilding inventories at a rate of 1.2 million bpd, according to ROI calculations, after accounting for exports, domestic refining runs and direct crude burn for power generation.

Saudi Arabia also holds significant spare capacity. Aramco CEO Amin Nasser said last month that the company could scale up to its maximum sustainable capacity of 12 million bpd in days if directed.

For Riyadh, the production rebound is an economic imperative.

Official preliminary figures show the Saudi economy contracted by 3.8 percent year-on-year in the third quarter, dragged down by a 20.4 percent plunge in oil sector activity.

While increased export volumes should boost state revenue in the fourth quarter, recent slides in global crude prices threaten to dampen the fiscal upside.

The International Monetary Fund projects the kingdom's GDP will contract by 3.3 percent in 2026 before staging a 7.9 percent rebound the following year, an outlook predicated almost entirely on the sustained recovery of hydrocarbon flows.