

Canada eyes greater trade ties with BD

Says Canadian Chief Trade Commissioner

Canadian Senior Assistant Deputy Minister for International Trade and Chief Trade Commissioner Sara Wilshaw paid a courtesy visit to Dhaka Chamber of Commerce & Industry (DCCI) at DCCI Gulshan Centre on Sunday.

She had an interactive meeting with DCCI acting President Razeev H Chowdhury. High Commissioner of Canada to Bangladesh Ajit Singh was also present during the meeting, says a press release.

Razeev H Chowdhury said that the bilateral trade between Bangladesh and Canada reached USD 2.22 billion in FY 2024 while the export from Bangladesh to Canada was USD 1.32 billion and import from Canada to Bangladesh was USD 901.09 million.

The acting president noted that there is an ample opportunity for Canadian businesses to invest in Bangladesh, particularly in sectors like renewable energy, green technology, waste management, automotive components,



High Commissioner of Canada to Bangladesh Ajit Singh and Canadian Senior Assistant Deputy Minister for International Trade and Chief Trade Commissioner Sara Wilshaw meet Dhaka Chamber of Commerce & Industry (DCCI) acting President Razeev H Chowdhury at DCCI Gulshan Centre in the city on Sunday.

education, healthcare, medical equipment, financial services, IT & digital infrastructure, smart logistics, warehousing and cold chain systems. He also mentioned that Canada can source leather and leather products, jute & jute products, handicrafts, bi-cycle, high-end RMG, ceramics, furniture, pharmaceuticals, processed & frozen food, software, BPO services from Bangladesh.

Canadian Senior Assistant Deputy Minister (International Trade) Sara Wilshaw said companies in Canada are mostly of SMEs. She said almost 75 per cent of Canadian exports and most of the FDI from Canada go to the USA. On the other hand Canada receives most of the FDI from the USA. But at the same time, it is also important to diversify exports, export market,

products to compete in the international market. Canada is good at educational sector and a lot of students from Bangladesh study in Canada. She also added that in the education and skill development sector both countries have equal opportunities to work together. She also said that Canada has a commendable strength in automotive industry as well as in the

food processing industry. She also said that Canada wants to help Bangladesh to be more competitive globally in terms of enhancing supply chain ecosystem. The Canadian automotive sector is now looking for new market diversification, in that case Bangladesh could be a great market, she added. Canadian High Commissioner Ajit Singh said that to strengthen the contact between the businesses, chamber to chamber relation is more important. He said the private sector of Bangladesh is engine of growth of this country. "We would like to work in the skills training, technical assistance, vocational training, nursing, agro-tech industry, ease of doing business development side in Bangladesh" he said. DCCI Vice President Md. Salim Sulaiman, Members of the Board of Directors and Counsellor & Senior Trade Commissioner, High Commission of Canada Debra Boyce, among others, were also present during the meeting.



Bangladesh pushes ahead with LDC graduation despite rising calls for delay

ECONOMY - BANGLADESH

ABUL KASHEM

Despite mounting pressure from businesses, economists, and political parties to seek a deferral for Least Developed Country (LDC) exit, the interim government is moving ahead with the graduation next November, even though the latest country report cautions that Bangladesh's development journey remains exposed to significant vulnerabilities.

In its Bangladesh Annual Country Report 2025, submitted to the UN Committee for Development Policy (UN-CDP) in November, the government reaffirmed that the country continues to meet all three criteria for LDC graduation.

"Despite various challenges, Bangladesh maintains satisfactory scores in September 2025 in all three LDC graduation criteria," says the government.

The report paints a picture of an economy striving to move up the development ladder while battling a perfect storm of domestic upheavals and global disruptions – from the Ukraine war and Red Sea shipping crisis to last year's student uprising and the shock of reciprocal tariffs imposed by the United States.

Faced with these pressures, the government has shifted focus towards restoring macroeconomic stability and keeping the Sustainable Development Goals (SDGs) on track. But the report suggests that the scale of vulnerabilities is widening, not shrinking.

"Despite multiple shocks over the past four years, Bangladesh continues to meet all the graduation criteria, as reaffirmed by the 2025 UN-CDP Report. The country, therefore,

BANGLADESH'S JOURNEY TOWARDS LDC GRADUATION

Satisfactory scores in all 3 criteria

Indicators	2024	2025 (As of Sept)	UN threshold
GNI per capita (USD)	2,684	2,765	>1306
Human assets index	77.5	78.1	>66
Economic and environmental vulnerability index	21.9	21.7	<32

Challenges

- ◆ Tax-to-GDP ratio below 8%, among lowest in world
- ◆ Lack of export diversification
- ◆ US reciprocal tariffs squeezing exports
- ◆ Energy shortages
- ◆ Fragile banking sector
- ◆ High inflation
- ◆ Unemployment and poverty
- ◆ Political uncertainty

remains on track to officially leave the LDC category on 24 November 2026, upon completion of the five-year preparatory period that began in 2021," reads the report.

Earlier, in response to the demands of businessmen, local experts, including UN-CDP member and eminent economist Debapriya Bhattacharya, advised the govern-

ment by highlighting information about the postponement of LDC graduation by several countries, saying that if the chief adviser were to write a letter to the United Nations requesting the postponement of LDC graduation, it could be effective.

Apart from writing straight to UN-CDP or UN General Assembly for a deferment of graduation timeline, Bangladesh could also avail of a new window offered under the Enhanced I SEE PAGE 4 COL 1

TBS Insights by IPDC FINANCE

WHAT BANGLADESH MUST DO NOW

FOR GOVERNMENT

- Strengthen smooth transition strategy
- Stabilise macroeconomy
- Control inflation and exchange rate volatility

FOR PRIVATE SECTOR

- Push renewable energy and improve energy efficiency
- Pursue FTAs and deepen economic diplomacy
- Accelerate reforms to draw FDI
- Diversify into ICT, pharmaceuticals, agro-processing
- Upgrade supply chains and technology
- Boost skills development and sustainability compliance

Source: Bangladesh Annual Country Report 2025 submitted to UN-CDP



Monitoring Mechanism (EMM) to explain its position if it really seeks to delay its LDC exit, Debapriya, distinguished fellow of the Centre for Policy Dialogue (CPD), had said in September amid growing demands from the business community for seeking a delay in LDC graduation so that they can prepare better.

He had suggested that if the country is really serious and feels there are "unanticipated" and "unmanageable" development which demands more time for preparation, that should be reflected in the country report.

However, the government seems not requesting a deferment.

The latest country report reaffirmed that Bangladesh met all the criteria – GNI per capita, human assets index and economic and environmental vulnerability index, though it also listed the major challenges and fragilities of the economy to move forward.

The government believes that, even if Bangladesh applies for the postponement of LDC graduation, since the country has already met the three criteria, it will not secure the consent of member states in the United Nations General Assembly to delay the process. Consequently, by applying for a postponement, Bangladesh does not wish to suffer unnecessary "humiliation."

Anisuzzaman Chowdhury, special assistant to the chief adviser responsible for overseeing LDC graduation matters, told TBS: "The businessmen are talking about postponement, and some political parties are also supporting it without understanding the issue. But when much weaker countries than us are having their LDC graduation, why would we apply for a postponement?"

Stating that "LDC graduation is a political decision of the government," he added, "Why would the govern-

ment apply to the United Nations for postponing the LDC exit? Is there any need to apply and face humiliation at the United Nations? Because, to postpone the graduation, it must be passed in the United Nations General Assembly, which will not be possible to secure."

The country report gives an account of a period of prolonged macroeconomic stress as the economy was captured by oligarchs, giving rise to a kleptocratic regime during the past 15 years of autocratic rule.

The interim government, formed after the 2024 July uprising, took a raft of measures – pegged exchange rate, market-based interest rate and rationalising public expenditures – to restore macroeconomic stability and public confidence.

Concurring reforms in the revenue and banking sectors started giving dividends – by mid-2025, the economy showed early signs of recovery with GDP growth picking up, inflation easing and foreign exchange reserves improving, says the report submitted by the finance ministry's Economic Relations Division.

"Looking ahead, the government emphasizes economic diversification, institutional reforms, and sustainable growth, positioning Bangladesh to manage its LDC graduation and progress toward the Sustainable Development Goals (SDGs)," it says.

The report finds Bangladesh's position firmer compared to countries including Indonesia and Sri Lanka, which saw regime change through mass uprising. As a sign of growing investor confidence, the report referred to a significant 12.5% surge in the Dhaka Stock Exchange (DSE) index in July, ranking third after Vietnam's and Thailand's stock markets.

However, the DSE index declined

since then, ranking among the worst performers in September and October among peers, before showing signs of a rebound in November.

Rising debt, US tariff: Tough path ahead

The quarterly GDP growth data for the first three quarters of FY25 indicate that Bangladesh's economy is gradually recovering from the mid-year slowdown caused primarily by political instability and reduced economic activity, it says.

Inflation, though remained persistently elevated, was relatively stable in recent months, while rising unemployment among the educated labour force remains a particular area of concern, it says, highlighting the lack of job security and the persistent mismatch between labour market needs and the skills produced by the education system.

It cites the persisting revenue shortfall reflecting challenges such as slow growth and a sluggish investment situation, and states measures to raise additional revenue equivalent to 0.5% of GDP in the upcoming fiscal year. The report mentions about the interim government's initiative to re-evaluate large infrastructure projects which proliferated in the previous years.

Though categorized as "low-risk" country still, IMF's recent staff mission indicated that Bangladesh's risk category might be elevated from 'low' to 'medium' owing to evolving domestic scenario, the report warns.

"It is safe to assume that with approximately 3 months of remittance inflow, the country will be able to repay all its external liabilities for the whole year, even during the peak (in FY27)," the country report says, with a cautious note that Bangladesh is entering a new level of debt management with access

to long-term concession loans is gradually shrinking.

With a huge non-performing loan build-up during the previous regime, the banking sector is in a fragile state despite the interim government's reform measures such as reconstruction of bank boards, enactment of bank resolution ordinance and steps to merge five Shariah-based banks. "NPLs continue to pose a major concern, reflecting weaknesses in credit risk management and governance across several banks," the report says.

Energy shortage, coupled with reliance on imported fuel and inadequate investment in renewable sources, remains a concern, affecting domestic industry, it says.

Additionally, it fears, US reciprocal tariffs are likely to have a direct impact on world trade and Bangladesh's export performance and competitiveness in the US market. Although Bangladesh has been able to negotiate lower reciprocal tariffs with the US, "reciprocal tariff will bring additional impediment to smooth graduation," the country report says, citing decline in Bangladesh's exports to both US and EU in August and September.

Stating that the government has taken various initiatives, including port and NBR reforms, and easing the business environment ahead of the LDC graduation, Anisuzzaman said: "If we apply for a postponement of the graduation, then these reforms will not be possible to implement due to the bureaucrats."

Regarding the submission of Bangladesh's country report to the UN-CDP, he said: "This is a regular report. If the CDP has any questions based on this report, it will let us know, and we will provide clarification. Based on that, in the third week of next February, during the CDP meeting, the agency will

announce its decision – whether they are satisfied or dissatisfied with our preparations – after an impartial verification."

Regarding the separate assessment being conducted through the UN in response to the demands of the businessmen, Anisuzzaman said, "The CDP will also analyse the UN report. However, the businessmen have made different, individual demands to the UN; they did not present a coordinated demand. Some have asked for a postponement of three years, while others have requested five years."

To ensure a sustainable LDC graduation, the government has formulated and is implementing a Smooth Transition Strategy (STS). The interim government has formed a high-level expert committee to monitor the implementation of this strategy. The preparation activities for the graduation are being kept under close observation at the highest level of government.

Professor Mustafizur Rahman, distinguished fellow at CPD, told this newspaper, "The report that the government has sent, mentioning the information that Bangladesh has fulfilled the three conditions for LDC graduation, is very reasonable. This is because, even if there are questions regarding the objectivity of our statistics, the government cannot hide the current state of the economy and provide false information."

He said that even though Bangladesh has fulfilled the three criteria for LDC graduation, there are challenges for sustainable graduation and in implementing the Smooth Transition Strategy (STS). "Due to the Mass Uprising in July-August of last year and the upcoming election, there are weaknesses in the preparation for implementing the 157 deliverables existing in the STS. Therefore, securing an addi-



(EMM) to ex-
really seeks to
apripya, distin-
entre for Policy
d in September
s from the busi-
aking a delay in
t they can pre-

nat if the coun-
l feels there are
inmanageable"
demands more
at should be re-
port.
ernment seems
ent.

report reaffirmed
all the criteria -
an assets index
vironmental vul-
gh it also listed
and fragilities of
orward.

believes that, even
s for the post-
aduation, since
ly met the three
ure the consent
e United Nations
elay the process.
lying for a post-
h does not wish
'humiliation.'

wdhury, special
adviser responsi-
graduation mat-
businessmen are
ement, and some
lso supporting it
ig the issue. But
ountries than us
graduation, why
postponement?"

graduation is a
he government,"
ould the govern-

ment apply to the United Nations for postponing the LDC exit? Is there any need to apply and face humiliation at the United Nations? Because, to postpone the graduation, it must be passed in the United Nations General Assembly, which will not be possible to secure."

The country report gives an account of a period of prolonged macroeconomic stress as the economy was captured by oligarchs, giving rise to a kleptocratic regime during the past 15 years of autocratic rule.

The interim government, formed after the 2024 July uprising, took a raft of measures - pegged exchange rate, market-based interest rate and rationalising public expenditures - to restore macroeconomic stability and public confidence.

Concurring reforms in the revenue and banking sectors started giving dividends - by mid-2025, the economy showed early signs of recovery with GDP growth picking up, inflation easing and foreign exchange reserves improving, says the report submitted by the finance ministry's Economic Relations Division.

"Looking ahead, the government emphasizes economic diversification, institutional reforms, and sustainable growth, positioning Bangladesh to manage its LDC graduation and progress toward the Sustainable Development Goals (SDGs)," it says.

The report finds Bangladesh's position firmer compared to countries including Indonesia and Sri Lanka, which saw regime change through mass uprising. As a sign of growing investor confidence, the report referred to a significant 12.5% surge in the Dhaka Stock Exchange (DSE) index in July, ranking third after Vietnam's and Thailand's stock markets.

However, the DSE index declined

since then, ranking among the worst performers in September and October among peers, before showing signs of a rebound in November.

Rising debt, US tariff: Tough path ahead

The quarterly GDP growth data for the first three quarters of FY25 indicate that Bangladesh's economy is gradually recovering from the mid-year slowdown caused primarily by political instability and reduced economic activity, it says.

Inflation, though remained persistently elevated, was relatively stable in recent months, while rising unemployment among the educated labour force remains a particular area of concern, it says, highlighting the lack of job security and the persistent mismatch between labour market needs and the skills produced by the education system.

It cites the persisting revenue shortfall reflecting challenges such as slow growth and a sluggish investment situation, and states measures to raise additional revenue equivalent to 0.5% of GDP in the upcoming fiscal year. The report mentions about the interim government's initiative to re-evaluate large infrastructure projects which proliferated in the previous years.

Though categorized as "low-risk" country still, IMF's recent staff mission indicated that Bangladesh's risk category might be elevated from 'low' to 'medium' owing to evolving domestic scenario, the report warns.

"It is safe to assume that with approximately 3 months of remittance inflow, the country will be able to repay all its external liabilities for the whole year, even during the peak (in FY27)," the country report says, with a cautious note that Bangladesh is entering a new level of debt management with access

to long-term concession loans is gradually shrinking.

With a huge non-performing loan build-up during the previous regime, the banking sector is in a fragile state despite the interim government's reform measures such as reconstruction of bank boards, enactment of bank resolution ordinance and steps to merge five Shariah-based banks. "NPLs continue to pose a major concern, reflecting weaknesses in credit risk management and governance across several banks," the report says.

Energy shortage, coupled with reliance on imported fuel and inadequate investment in renewable sources, remains a concern, affecting domestic industry, it says.

Additionally, it fears, US reciprocal tariffs are likely to have a direct impact on world trade and Bangladesh's export performance and competitiveness in the US market. Although Bangladesh has been able to negotiate lower reciprocal tariffs with the US, "reciprocal tariff will bring additional impediment to smooth graduation," the country report says, citing decline in Bangladesh's exports to both US and EU in August and September.

Stating that the government has taken various initiatives, including port and NBR reforms, and easing the business environment ahead of the LDC graduation, Anisuzzaman said: "If we apply for a postponement of the graduation, then these reforms will not be possible to implement due to the bureaucrats."

Regarding the submission of Bangladesh's country report to the UN-CDP, he said: "This is a regular report. If the CDP has any questions based on this report, it will let us know, and we will provide clarification. Based on that, in the third week of next February, during the CDP meeting, the agency will

announce its decision - whether they are satisfied or dissatisfied with our preparations - after an impartial verification."

Regarding the separate assessment being conducted through the UN in response to the demands of the businessmen, Anisuzzaman said, "The CDP will also analyse the UN report. However, the businessmen have made different, individual demands to the UN; they did not present a coordinated demand. Some have asked for a postponement of three years, while others have requested five years."

To ensure a sustainable LDC graduation, the government has formulated and is implementing a Smooth Transition Strategy (STS). The interim government has formed a high-level expert committee to monitor the implementation of this strategy. The preparation activities for the graduation are being kept under close observation at the highest level of government.

Professor Mustafizur Rahman, distinguished fellow at CPD, told this newspaper, "The report that the government has sent, mentioning the information that Bangladesh has fulfilled the three conditions for LDC graduation, is very reasonable. This is because, even if there are questions regarding the objectivity of our statistics, the government cannot hide the current state of the economy and provide false information."

He said that even though Bangladesh has fulfilled the three criteria for LDC graduation, there are challenges for sustainable graduation and in implementing the Smooth Transition Strategy (STS). "Due to the Mass Uprising in July-August of last year and the upcoming election, there are weaknesses in the preparation for implementing the 157 deliverables existing in the STS. Therefore, securing an addi-

tional three years for graduation would be positive for Bangladesh. Countries including Samoa and Angola have postponed their LDC graduation."

Prof Mustafiz said that investment in Bangladesh has decreased, and there is high inflation. There is also political uncertainty centred on the election. "Although some partner countries will provide preferential market access even after graduation, a commitment from the WTO regarding the waiver of TRIPS conditions following LDC graduation has not yet been received. However, even if we apply for the postponement of LDC graduation, we must certainly continue to prepare."

Regarding whether the UN would approve an application from Bangladesh to postpone its LDC graduation, he stated, "That decision will be made at the General Assembly. Before that, the CDP will give its opinion on the matter. The CDP's formal meeting will be held in the third week of next February. At that time, our attention will turn towards the election and the elected government."

Prof Mustafiz also mentioned that if Bangladesh is interested, the government can apply to postpone the LDC graduation at any time before the United Nations General Assembly.

When asked if the government's high-level committee for STS implementation had recommended that the government postpone the LDC graduation, he replied, "This committee has no mandate to make recommendations to the government on this matter. The committee's mandate is to monitor the implementation of the STS. Even so, if the government had sought the committee's opinion on this matter, I would have informed them. But the government is making the decision itself."



ঢাকা চেম্বার ও কানাডার বাণিজ্য দপ্তরের বৈঠকে বক্তারা কানাডার অটোমোটিভ শিল্পের বাজার হতে পারে বাংলাদেশ

নিজস্ব প্রতিবেদক ■

অটোমোটিভ অর্থাৎ গাড়ি ও গাড়ির যন্ত্রাংশ শিল্পে উল্লেখযোগ্য অগ্রগতি অর্জন করেছে কানাডা। এজন্য নতুন বাজার অনুসন্ধান করেছে দেশটির উদ্যোক্তারা। এ ক্ষেত্রে বাংলাদেশ হতে পারে একটি সম্ভাবনাময় বাজার।

ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রির (ডিসিসিআই) সঙ্গে কানাডার আন্তর্জাতিক বাণিজ্যবিষয়ক সিনিয়র অ্যাসিস্ট্যান্ট ডেপুটি মিনিস্টার ও টিফ ট্রেড কমিশনার সারা উইলশো মध्ये এক দ্বিপক্ষীয় বৈঠকে এ বিষয়টি উঠে এসেছে। রাজধানীর গুলশানে ডিসিসিআই ভবনে আয়োজিত এ বৈঠকে বাংলাদেশে নিযুক্ত কানাডার হাইকমিশনার অজিত সিংও উপস্থিত ছিলেন।

বৈঠকে ডিসিসিআইয়ের ভারপ্রাপ্ত সভাপতি রাজিব এইচ চৌধুরী বলেন, '২০২৪ অর্থবছরে বাংলাদেশ-কানাডা দ্বিপক্ষীয় বাণিজ্য ২ দশমিক ২২ বিলিয়ন ডলারে পৌঁছেছে। এর মধ্যে এ দেশ কানাডা থেকে আমদানি করেছে ৯০১ দশমিক শূন্য ৯ মিলিয়ন ডলারের পণ্য ও রফতানি করেছে ১ দশমিক ৩২ বিলিয়ন ডলারের পণ্য।

তিনি জানান, কানাডা এরই মধ্যে বাংলাদেশের ২০তম বৃহত্তম বৈদেশিক বিনিয়োগকারী দেশে পরিণত হয়েছে, যেখানে বিনিয়োগের পরিমাণ দাঁড়িয়েছে ১৩২ দশমিক ৮৩ মিলিয়ন ডলার। এ সময় ডিসিসিআইয়ের ভারপ্রাপ্ত সভাপতি নবায়নযোগ্য জ্বালানি, সবুজ প্রযুক্তি, বর্জ্য

ব্যবস্থাপনা, স্বাস্থ্যসেবা, শিক্ষা, আইসিটি ও ডিজিটাল অবকাঠামোসহ স্মার্ট লজিস্টিকস এবং কোল্ডচেইন ব্যবস্থাপনায় কানাডীয় বিনিয়োগের সম্ভাবনা তুলে ধরেন। বৈঠকে কানাডার সিনিয়র অ্যাসিস্ট্যান্ট ডেপুটি মিনিস্টার সারা উইলশো বলেন, 'কানাডার বেশির ভাগ প্রতিষ্ঠানই এসএমইভিভিক ও দেশটির মোট রফতানির ৭৫ শতাংশই যুক্তরাষ্ট্রমুখী। তবে আন্তর্জাতিক বাজারে প্রতিযোগিতা ধরে রাখতে রফতানির বাজার ও পণ্যের বৈচিত্র্য বাড়ানো জরুরি।'

তিনি জানান, কানাডার শিক্ষা খাত বিশ্বে শক্তিশালী অবস্থানে রয়েছে, সেখানে বাংলাদেশী শিক্ষার্থীদের উপস্থিতিও উল্লেখযোগ্য। শিক্ষা ও দক্ষতা উন্নয়ন খাতে দুই দেশের মধ্যে যৌথ উদ্যোগের সুযোগ রয়েছে।

সারা উইলশো আরো বলেন, 'কানাডার অটোমোটিভ শিল্প ও খাদ্য প্রক্রিয়াজাত খাতে উল্লেখযোগ্য অগ্রগতি রয়েছে। নতুন বাজার অনুসন্ধানে তারা আগ্রহী। এ ক্ষেত্রে বাংলাদেশ হতে পারে একটি সম্ভাবনাময় বাজার।'

বৈঠকে হাইকমিশনার অজিত সিং বলেন, 'দুই দেশের ব্যবসায়ীদের মধ্যে যোগাযোগ জোরদার হলে দ্বিপক্ষীয় বাণিজ্য আরো এগিয়ে যাবে।'

বৈঠকে ডিসিসিআই সহসভাপতি মো. সালাম সোলায়মান, পরিচালনা পর্ষদের সদস্য এবং কানাডার হাইকমিশনের কাউন্সিলর ও সিনিয়র ট্রেড কমিশনার ডেবরা বয়েসসহ সংশ্লিষ্ট কর্মকর্তারা উপস্থিত ছিলেন।

