

# Food exports to the Gulf feel war shock

Orders from Middle East markets drop 40% as freight charges quadruple for Bangladeshi exporters

**KEY GOODS:** Biscuits, snacks, beverages, spices, lentils, rice products

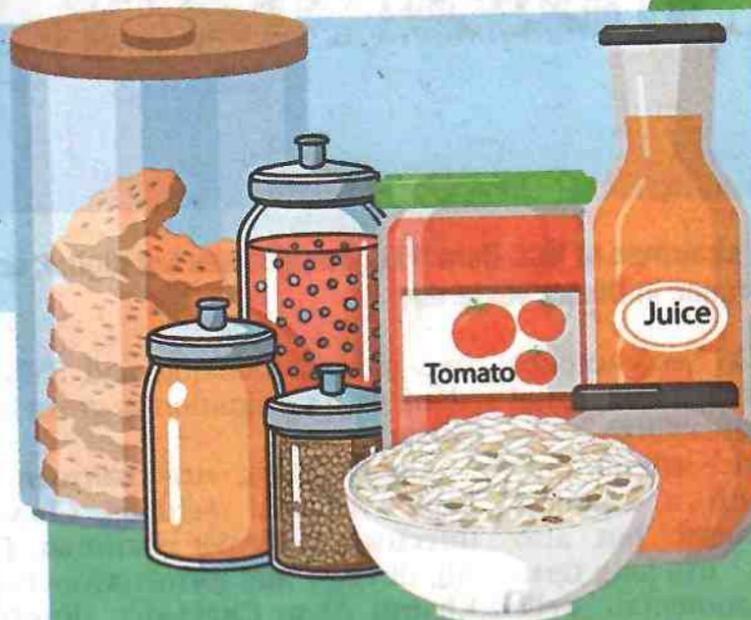
**MAJOR MARKETS:** Saudi Arabia, UAE, Oman, Qatar, Kuwait, Bahrain

## EFFECT ON LOGISTICS

Freight costs surge \$1,500 to \$8,500 per container

Transit times rise by 10 days

Shipping lines halt bookings; schedules unpredictable



BEFORE WAR:	NOW:
5-6 ports available for Middle East shipments	Only Jeddah port operational

## IMPACT ON TRADE

Orders from Middle East drop around 40%

Overall export costs rise 15%

Importers increasingly reluctant to accept shipments

SUKANTA HALDER and JAGARAN CHAKMA

The country's merchandised shipments of processed foods and agricultural products to Gulf nations are facing a serious shock from the war in the Middle East, with freight charges soaring fourfold and new orders plunging.

Before the US and Israel launched the war on Iran on February 28, sending a container of processed foods cost around \$1,500. Manufacturers say rerouting has now pushed the price to roughly \$6,500.

"Besides, the volume of orders from Middle Eastern markets has declined by around 40 percent compared to pre-war levels," said Ahsan Khan Chowdhury, chairman and chief executive officer of PRAN-RFL Group.

Bangladesh exports a wide range of products to the Gulf, including spices, biscuits, puffed rice, chanachur, noodles,

mustard oil, beverages and other snacks. The main customers are Bangladeshi migrant workers in the region and members of the diaspora.

Official data puts the size of the market at more than \$100 million. Major destinations include Saudi Arabia, the United Arab Emirates, Oman, Qatar, Kuwait and Bahrain.

Chowdhury, the CEO of PRAN-RFL Group, one of the largest food and beverage brands in Bangladesh, said shipments to Middle Eastern countries were previously routed through five to six ports.

"But after the Strait of Hormuz was closed and other ports came under retaliatory attacks, exporters were left with only Jeddah port operational," he said. "This pressure on the Saudi Arabian port on the Red Sea has largely contributed to the rise in freight charges."

Apart from these issues, he added that

sending products to Middle Eastern markets now takes longer.

"Although factory production has not yet been affected, if the current situation persists, a reduction in production will likely become unavoidable in the near future," he commented.

Rezaul Hoque Khondaker, manager for international marketing at local food processor Bombay Sweets and Company Limited, said the company suspended Middle East orders and halted production in late February, anticipating further escalation after the attack on Iran.

"At that time, only one shipment had already left Chattogram via Colombo for Qatar, and recalling it was not viable," he said. "Despite shrinking margins, we proceeded with delivery to minimise losses and sought partial compensation from importers."

Sayedul Azhar Sarwar, head of business at Danish Foods Ltd, a concern of Partex Star Group, said rising freight rates have introduced a new "war cost" that is significantly increasing overall expenses.

"Importers are increasingly reluctant to accept deliveries as higher costs erode competitiveness, particularly for goods already in transit," he said. He estimated that overall costs have risen by at least 15 percent, prompting many buyers

Luthful Kabir Shaheen, director for business development at City Group, said shipment schedules had become increasingly unpredictable, causing delays not only in the Middle East but also in Europe and the US, with transit times extending by around 10 days.

He, however, said production remains broadly stable, with companies adapting by routing goods through alternative Gulf hubs such as Dubai. "Despite steady demand for essential food items, the export process has become more complex, requiring

"Our manufacturing operations are fully functional, supported by coordinated supply chains and careful resource planning," she said. "But logistics remain under strain."

She added that many shipping lines have paused new bookings and cancelled existing ones, disrupting dispatch schedules, while rising risk premiums were further driving up costs.

"War risk surcharges have nearly doubled freight costs on some routes, including shipments to Oman," added Rahman.

According to the Export Promotion

# feel war shock

Orders from Middle East markets drop 40% as freight charges quadruple for Bangladeshi exporters

**KEY GOODS:** Biscuits, snacks, beverages, spices, lentils, rice products

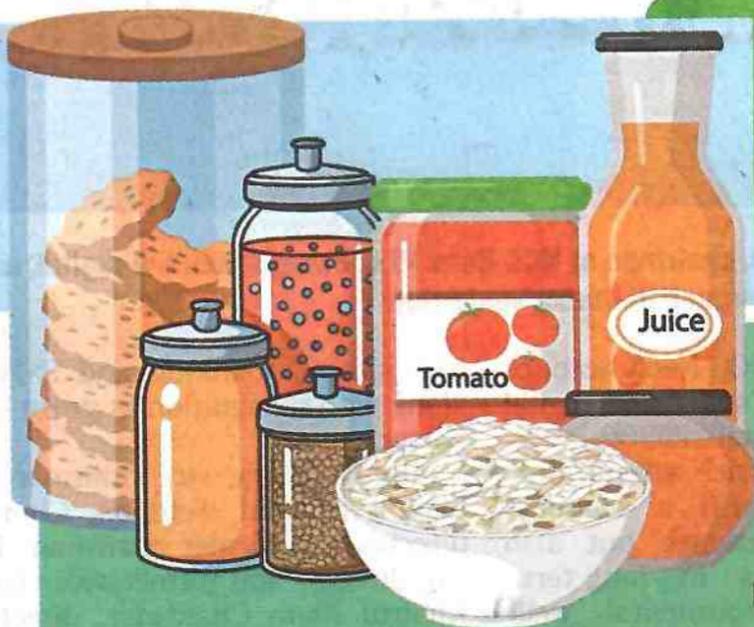
**MAJOR MARKETS:** Saudi Arabia, UAE, Oman, Qatar, Kuwait, Bahrain

## EFFECT ON LOGISTICS

Freight costs surge \$1,500 to \$8,500 per container

Transit times rise by 10 days

Shipping lines halt bookings; schedules unpredictable



BEFORE WAR:	NOW:
5-6 ports available for Middle East shipments	Only Jeddah port operational

## IMPACT ON TRADE

Orders from Middle East drop around 40%

Overall export costs rise 15%

Importers increasingly reluctant to accept shipments

**SUKANTA HALDER and JAGARAN CHAKMA**

The country's merchandised shipments of processed foods and agricultural products to Gulf nations are facing a serious shock from the war in the Middle East, with freight charges soaring fourfold and new orders plunging.

Before the US and Israel launched the war on Iran on February 28, sending a container of processed foods cost around \$1,500. Manufacturers say rerouting has now pushed the price to roughly \$6,500.

"Besides, the volume of orders from Middle Eastern markets has declined by around 40 percent compared to pre-war levels," said Ahsan Khan Chowdhury, chairman and chief executive officer of PRAN-RFL Group.

Bangladesh exports a wide range of products to the Gulf, including spices, biscuits, puffed rice, chanachur, noodles,

mustard oil, beverages and other snacks. The main customers are Bangladeshi migrant workers in the region and members of the diaspora.

Official data puts the size of the market at more than \$100 million. Major destinations include Saudi Arabia, the United Arab Emirates, Oman, Qatar, Kuwait and Bahrain.

Chowdhury, the CEO of PRAN-RFL Group, one of the largest food and beverage brands in Bangladesh, said shipments to Middle Eastern countries were previously routed through five to six ports.

"But after the Strait of Hormuz was closed and other ports came under retaliatory attacks, exporters were left with only Jeddah port operational," he said. "This pressure on the Saudi Arabian port on the Red Sea has largely contributed to the rise in freight charges."

Apart from these issues, he added that

sending products to Middle Eastern markets now takes longer.

"Although factory production has not yet been affected, if the current situation persists, a reduction in production will likely become unavoidable in the near future," he commented.

Rezaul Hoque Khondaker, manager for international marketing at local food processor Bombay Sweets and Company Limited, said the company suspended Middle East orders and halted production in late February, anticipating further escalation after the attack on Iran.

"At that time, only one shipment had already left Chattogram via Colombo for Qatar, and recalling it was not viable," he said. "Despite shrinking margins, we proceeded with delivery to minimise losses and sought partial compensation from importers."

Sayedul Azhar Sarwar, head of business at Danish Foods Ltd, a concern of Partex Star Group, said rising freight rates have introduced a new "war cost" that is significantly increasing overall expenses.

"Importers are increasingly reluctant to accept deliveries as higher costs erode competitiveness, particularly for goods already in transit," he said. He estimated that overall costs have risen by at least 15 percent, prompting many buyers to delay orders in the hope of more stable conditions.

He also said that job uncertainty among migrant workers is beginning to affect consumption, which could dampen demand for non-essential food items.

Luthful Kabir Shaheen, director for business development at City Group, said shipment schedules had become increasingly unpredictable, causing delays not only in the Middle East but also in Europe and the US, with transit times extending by around 10 days.

He, however, said production remains broadly stable, with companies adapting by routing goods through alternative Gulf hubs such as Dubai. "Despite steady demand for essential food items, the export process has become more complex, requiring greater operational flexibility."

Similar to City Group, Sameera Rahman, head of export at Meghna Group of Industries, said their output for Middle Eastern markets remains steady.

"Our manufacturing operations are fully functional, supported by coordinated supply chains and careful resource planning," she said. "But logistics remain under strain."

She added that many shipping lines have paused new bookings and cancelled existing ones, disrupting dispatch schedules, while rising risk premiums were further driving up costs.

"War risk surcharges have nearly doubled freight costs on some routes, including shipments to Oman," added Rahman.

According to the Export Promotion Bureau (EPB), processed food exports to the Middle East stand at \$40-\$45 million annually, while the broader agricultural sector earned \$65.24 million in the fiscal year 2024-25.



# Pharma sector faces supply risks amid Iran war fallout

Industry leaders raise concerns at Asia Pharma Expo

## STAR BUSINESS REPORT

Bangladesh's pharmaceutical industry is facing mounting pressure as the ongoing US-Israel war on Iran disrupts global supply chains, threatening the availability of raw materials, pushing up freight costs and raising concerns over production stability.

The issue was highlighted at the inaugural session of the 17th Asia Pharma Expo 2026 and Asia Lab Expo 2026, held at the Bangladesh-China Friendship Exhibition Center in Dhaka's Purbachal yesterday.

Health Minister Sardar Md Sakhawat Hossain, who inaugurated the three-day exposition as the chief guest, said the government is closely monitoring the evolving situation and stressed that ensuring access to quality medicines remains a top priority.

He also reiterated a zero-tolerance stance on corruption and irregularities in the sector.

Industry leaders said the Gulf region unrest has already started to affect the import of active pharmaceutical ingredients (APIs) and other essential



PHOTO: BAPI

Visitors gather at the 17th Asia Pharma Expo 2026 and Asia Lab Expo 2026, an international showcase of complete pharmaceutical manufacturing solutions, at the Bangladesh-China Friendship Exhibition Center in Dhaka's Purbachal yesterday.

inputs, many of which rely on complex shipping routes through the Middle East.

"The war has disrupted logistics, increased freight costs and caused shipment delays," said Abdul Muktedir, president of the Bangladesh Association of Pharmaceutical Industries (BAPI).

"Rerouting of sea and air cargo is making imports more expensive and unpredictable."

The disruption is particularly significant for Bangladesh, which remains heavily dependent on imported raw materials despite its strong domestic manufacturing base. Prolonged instability

could drive up production costs and put pressure on medicine prices in the coming months, industry insiders said.

According to BAPI, the industry now meets nearly 98 percent of domestic demand and exports medicines to more than 120 countries, reflecting steady expansion over the past decade.

Bangladesh currently exports around \$300 million worth of medicines annually and is emerging as a growing player in the global pharmaceutical market.

However, sustaining this momentum will depend on the sector's ability to navigate external shocks and ensure an uninterrupted supply of inputs.

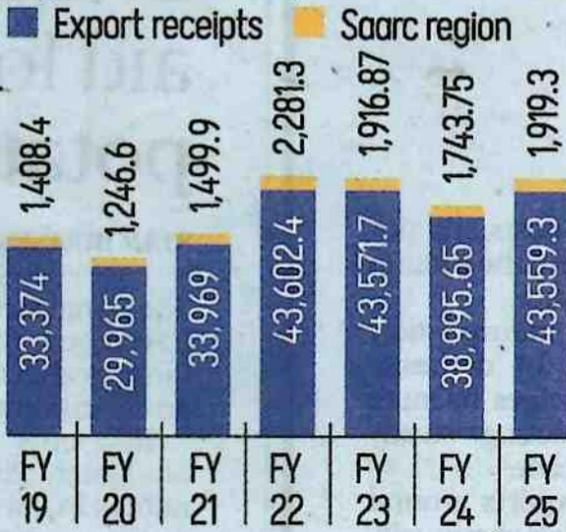
Muktedir stressed the urgency of accelerating the development of a domestic API industry to reduce reliance on imports.

"The current situation highlights our vulnerability. Policy support is essential to strengthen local capacity," he said.

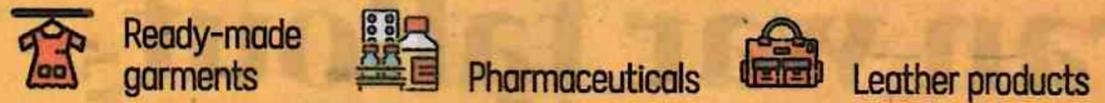
He warned that if the conflict persists, rising freight costs and supply uncertainties could erode profit margins and disrupt production cycles, with smaller manufacturers likely to face greater pressure.



**TOTAL EXPORT VS SAARC REGION**  
(Figure in million USD)



**WHAT BANGLADESH EXPORTS TO IMMEDIATE NEIGHBOURS**



**TOP FIVE EXPORT DESTINATIONS (FY25)**

<b>India</b> - \$1.7 billion (around 89% of Saarc exports)	<b>Pakistan</b> - \$71.6 million (15.3% growth)	<b>Sri Lanka</b> - modest but steady share
<b>Nepal</b> - exports declining	<b>Maldives</b> - niche demand, mainly RMG and consumer goods	

# Flat Saarc exports reveal Bangladesh's vulnerability to global shocks

JAGARAN CHAKMA

Bangladesh's exports have become a powerhouse for its economy, increasing by some \$10 billion over the last six years. But when it comes to its immediate South Asian neighbours, the outward trade has remained trapped in a narrow range, failing to grow by even a billion dollars throughout.

Total global export earnings reached \$43.6 billion in fiscal year 2024-25 (FY25), up from \$33 billion six years ago, Bangladesh Bank (BB) data shows.

Meanwhile, exports to seven member countries of the South Asian Association for Regional Cooperation (Saarc) stood at just \$1.9 billion in FY25, a mere 4.4 percent of the total. The figure was \$1.4 billion in FY19.

A recent report by the central bank on the country's economic engagement points out that while Bangladesh's relationships with major partners in the European Union, the United States and the Middle East are well documented, "its economic linkages within Saarc remain surprisingly underexplored yet vitally important."

Experts identify persistent non-tariff barriers, limited connectivity, logistical bottlenecks and weak regional cooperation frameworks as major constraints to expansion.

**ONE MARKET, ONE BASKET**

Even within Saarc, the trade is heavily concentrated, with India alone absorbing nearly 89 percent of Bangladesh's regional exports, making the bloc effectively a one-market story.

Pakistan, Sri Lanka, Nepal and Bhutan remain peripheral, their combined share too thin to move the needle. While exports to Pakistan and Sri Lanka have shown some

ripples immediately through Bangladesh's entire regional trade position.

The export basket is equally narrow, dominated by ready-made garments, pharmaceuticals and leather goods.

The central bank notes that this lack of diversification limits growth prospects, especially in markets where production structures are similar and competition is high. Unlike Bangladesh's global trade, which has gradually moved into higher-value segments, regional exports have seen little structural transformation.

The limitations of regional exports are also evident in the widening trade imbalance. Bangladesh bought \$10.5 billion worth of goods from Saarc nations last fiscal year, more than five times what it sold, yielding a trade deficit of \$8.6 billion.

**Bangladesh bought \$10.5 billion worth of goods from Saarc nations last fiscal year, more than five times what it sold, yielding a trade deficit of \$8.6 billion**

India supplied over 90 percent of those imports, covering essential commodities and industrial inputs. Bangladesh is far more integrated with its neighbourhood as a buyer than as a seller.

**THE ROADS NOT TAKEN**

Policy experts point to infrastructure as the primary constraint. Except for India, Bangladesh has no direct land links with its South Asian neighbours, pointed out Khandker Golam Moazzem of the Centre for

inadequate land ports and inefficient customs systems."

Outdated Safta (South Asian Free Trade Area) negative lists and persistent non-tariff barriers add further friction, he added.

Moazzem stressed the need for improved port facilities, modernised land ports and digitalised one-stop border services. He also highlighted the importance of sub-regional initiatives like BBIN and BIMSTEC to enhance connectivity through India.

Ahsan Khan Chowdhury, chairman of Pran-RFL Group, which exports nearly \$100 million annually to India, identified demand mapping in each market as a prerequisite for expansion. "Saarc countries hold significant trade potential, but identifying demand in each market remains crucial for expansion."

He flagged the "northeastern Indian states as a particular opportunity" for Bangladesh, while noting that trade became harder to sustain during the interim government period due to strained bilateral ties.

Chowdhury also called for upgrading Bangladesh's standards testing infrastructure to meet Indian requirements and proposed an ASEAN-style duty-free framework for the bloc.

At the same time, he emphasised the need to negotiate with India to reduce trade barriers and improve port efficiency.

The contrast with ASEAN (Association of Southeast Asian Nations) -- which has built integrated regional value chains sustaining high intra-regional volumes -- illustrates the scale of South Asia's failure to deepen economic ties.

Sub-regional frameworks such as Bangladesh-Bhutan-India-Nepal (BBIN) initiative and Bay of Bengal Initiative for

# Flat Saarc exports reveal Bangladesh's vulnerability to global shocks

JAGARAN CHAKMA

Bangladesh's exports have become a powerhouse for its economy, increasing by some \$10 billion over the last six years. But when it comes to its immediate South Asian neighbours, the outward trade has remained trapped in a narrow range, failing to grow by even a billion dollars throughout.

Total global export earnings reached \$43.6 billion in fiscal year 2024-25 (FY25), up from \$33 billion six years ago, Bangladesh Bank (BB) data shows.

Meanwhile, exports to seven member countries of the South Asian Association for Regional Cooperation (Saarc) stood at just \$1.9 billion in FY25, a mere 4.4 percent of the total. The figure was \$1.4 billion in FY19.

A recent report by the central bank on the country's economic engagement points out that while Bangladesh's relationships with major partners in the European Union, the United States and the Middle East are well documented, "its economic linkages within Saarc remain surprisingly underexplored yet vitally important."

Experts identify persistent non-tariff barriers, limited connectivity, logistical bottlenecks and weak regional cooperation frameworks as major constraints to expansion.

## ONE MARKET, ONE BASKET

Even within Saarc, the trade is heavily concentrated, with India alone absorbing nearly 89 percent of Bangladesh's regional exports, making the bloc effectively a one-market story.

Pakistan, Sri Lanka, Nepal and Bhutan remain peripheral, their combined share too thin to move the needle. While exports to Pakistan and Sri Lanka have shown some improvement, their scale remains too small to shift the overall trajectory. Nepal, meanwhile, has seen declining exports.

The concentration poses a huge risk – any policy shift or demand shock in New Delhi

ripples immediately through Bangladesh's entire regional trade position.

The export basket is equally narrow, dominated by ready-made garments, pharmaceuticals and leather goods.

The central bank notes that this lack of diversification limits growth prospects, especially in markets where production structures are similar and competition is high. Unlike Bangladesh's global trade, which has gradually moved into higher-value segments, regional exports have seen little structural transformation.

The limitations of regional exports are also evident in the widening trade imbalance. Bangladesh bought \$10.5 billion worth of goods from Saarc nations last fiscal year, more than five times what it sold, yielding a trade deficit of \$8.6 billion.

**Bangladesh bought \$10.5 billion worth of goods from Saarc nations last fiscal year, more than five times what it sold, yielding a trade deficit of \$8.6 billion**

India supplied over 90 percent of those imports, covering essential commodities and industrial inputs. Bangladesh is far more integrated with its neighbourhood as a buyer than as a seller.

## THE ROADS NOT TAKEN

Policy experts point to infrastructure as the primary constraint. Except for India, Bangladesh has no direct land links with its South Asian neighbours, pointed out Khandker Golam Moazzem of the Centre for Policy Dialogue (CPD). This makes trade with the neighbours less lucrative.

For instance, he said, "Exporting to Hong Kong can sometimes cost less than trading with India, a reflection of poor logistics,

inadequate land ports and inefficient customs systems."

Outdated Safta (South Asian Free Trade Area) negative lists and persistent non-tariff barriers add further friction, he added.

Moazzem stressed the need for improved port facilities, modernised land ports and digitalised one-stop border services. He also highlighted the importance of sub-regional initiatives like BBIN and BIMSTEC to enhance connectivity through India.

Ahsan Khan Chowdhury, chairman of Pran-RFL Group, which exports nearly \$100 million annually to India, identified demand mapping in each market as a prerequisite for expansion. "Saarc countries hold significant trade potential, but identifying demand in each market remains crucial for expansion."

He flagged the "northeastern Indian states as a particular opportunity" for Bangladesh, while noting that trade became harder to sustain during the interim government period due to strained bilateral ties.

Chowdhury also called for upgrading Bangladesh's standards testing infrastructure to meet Indian requirements and proposed an ASEAN-style duty-free framework for the bloc.

At the same time, he emphasised the need to negotiate with India to reduce trade barriers and improve port efficiency.

The contrast with ASEAN (Association of Southeast Asian Nations) – which has built integrated regional value chains sustaining high intra-regional volumes – illustrates the scale of South Asia's failure to deepen economic ties.

Sub-regional frameworks such as Bangladesh-Bhutan-India-Nepal (BBIN) initiative and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (Bimstec) offer a partial path forward, but analysts say physical connectivity remains the essential precondition for any meaningful expansion.



# Bangladesh joins WTO investment facilitation pact

ASJADUL KIBRIA

Bangladesh has formally announced its decision to join the Investment Facilitation for Development (IFD) Agreement at the World Trade Organization's 14th Ministerial Conference (MC 14), marking its first entry into a plurilateral trade initiative.

The move signals Dhaka's growing engagement in global investment frameworks, even as divisions among major economies continue to stall efforts to integrate the pact into the WTO's legal structure.

Following the decision on the third day of the MC14, the total number of the agreement's co-sponsors has risen to 129.

Earlier on Thursday, Türkiye lifted its objections to joining the IFD deal, which is widely seen as a China-led initiative.

In the WTO context, a plurilateral agreement is one entered into by a group of members rather than the entire membership. Such arrangements are intended to allow willing countries to move forward while others remain unprepared or reluctant.

Earlier, on March 17, Bangladesh's Cabinet approved the proposal to join the IFDA under the WTO's plurilateral Joint Statement Initiative. The decision was taken at a Cabinet meeting held at the Secretariat, chaired by Prime Minister Tarique Rahman.

MC14 is being held in Yaoundé, the capital of Cameroon, where trade ministers and negotiators from 166 member countries are meeting to address key issues such as WTO reform, investment, e-commerce, fisheries and agricultural subsidies.

However, India has blocked efforts to incorporate the IFD agreement into the WTO's legal framework at MC14, arguing that the pact undermines the organisation's foundational principles and exceeds its mandate.

- ▶ Global divisions persist at MC 14 talks
- ▶ Dhaka backs plurilateral deal for the first time
- ▶ India blocks adding IFDA into WTO rulebook

At the conference, a group of countries led by China has pushed to include the IFD agreement in the WTO framework as an Annex 4 plurilateral accord.

Based on most-favoured-nation (MFN) treatment, the agreement remains open to all WTO members. Unlike multilateral agreements, however, it is binding only on those members that choose to adopt it. India's Commerce Minister Piyush Goyal reiterated his country's opposition, stating: "Incorporation of the IFD Agreement risks eroding the functional limits of the WTO and undermining its foundational principles." He added that, as part of broader WTO reform discussions, members are exploring legal safeguards and "guardrails" for plurilateral agreements before integrating any such outcomes.

At the same time, he indicated India's willingness to engage in constructive discussions under the WTO reform agenda. On Saturday, an intensive working session on the IFD Agreement was facilitated by Dwight Fitzgerald Bramble, Trade and Foreign Minister of Saint Vincent and the Grenadines. Members reviewed prospects for incorporating the IFDA into the WTO legal

framework, according to a WTO press statement.

During the session, the facilitator noted broad support for the agreement and highlighted its development benefits. Around 60 delegations, including some non-IFDA participants, took the floor to advocate its inclusion as a plurilateral agreement under Annex 4 of the WTO Agreement. They argued that such incorporation would help unlock investment potential in developing economies and reinforce confidence in the multilateral trading system. Bangladesh announced its decision to join the agreement during the session. At present, a total of 18 plurilateral agreements exist or are under negotiation or discussion within the WTO. Of these, two are suspended, leaving 16 active at varying stages.

When contacted, Nesar Ahmed, a former trade negotiator for Bangladesh at the WTO, said the decision to join the plurilateral

The Financial Express

30 MAR 2026

The move signals Doha's growing engagement in global investment frameworks, even as divisions among major economies continue to stall efforts to integrate the pact into the WTO's legal structure.

Following the decision on the third day of the MC14, the total number of the agreement's co-sponsors has risen to 129.

Earlier on Thursday, Türkiye lifted its objections to joining the IFD deal, which is widely seen as a China-led initiative.

In the WTO context, a plurilateral agreement is one entered into by a group of members rather than the entire membership. Such arrangements are intended to allow willing countries to move forward while others remain unprepared or reluctant.

Earlier, on March 17, Bangladesh's Cabinet approved the proposal to join the IFDA under the WTO's plurilateral Joint Statement Initiative. The decision was taken at a Cabinet meeting held at the Secretariat, chaired by Prime Minister Tarique Rahman.

MC14 is being held in Yaoundé, the capital of Cameroon, where trade ministers and negotiators from 166 member countries are meeting to address key issues such as WTO reform, investment, e-commerce, fisheries and agricultural subsidies.

However, India has blocked efforts to incorporate the IFD agreement into the WTO's legal framework at MC14, arguing that the pact undermines the organisation's foundational principles and exceeds its mandate.

## India blocks adding IFDA into WTO rulebook

At the conference, a group of countries led by China has pushed to include the IFD agreement in the WTO framework as an Annex 4 plurilateral accord.

Based on most-favoured-nation (MFN) treatment, the agreement remains open to all WTO members. Unlike multilateral agreements, however, it is binding only on those members that choose to adopt it. India's Commerce Minister Piyush Goyal reiterated his country's opposition, stating: "Incorporation of the IFD Agreement risks eroding the functional limits of the WTO and undermining its foundational principles." He added that, as part of broader WTO reform discussions, members are exploring legal safeguards and "guardrails" for plurilateral agreements before integrating any such outcomes.

At the same time, he indicated India's willingness to engage in constructive discussions under the WTO reform agenda. On Saturday, an intensive working session on the IFD Agreement was facilitated by Dwright Fitzgerald Bramble, Trade and Foreign Minister of Saint Vincent and the Grenadines. Members reviewed prospects for incorporating the IFDA into the WTO legal

framework, according to a WTO press statement.

During the session, the facilitator noted broad support for the agreement and highlighted its development benefits. Around 60 delegations, including some non-IFDA participants, took the floor to advocate its inclusion as a plurilateral agreement under Annex 4 of the WTO Agreement. They argued that such incorporation would help unlock investment potential in developing economies and reinforce confidence in the multilateral trading system. Bangladesh announced its decision to join the agreement during the session. At present, a total of 18 plurilateral agreements exist or are under negotiation or discussion within the WTO. Of these, two are suspended, leaving 16 active at varying stages.

When contacted, Nesar Ahmed, a former trade negotiator for Bangladesh at the WTO, said the decision to join the plurilateral agreement on investment facilitation is a positive step for the country.

"As negotiations and discussions on a number of plurilateral agreements are gaining momentum, it is important for Bangladesh to closely follow developments and participate wherever possible," he told The Financial Express.

"Both opportunities and obligations exist in any agreement, and it is crucial to maximise the benefits while utilising available flexibilities," he added. "Let us hope that Bangladesh will ultimately benefit from the IFD agreement in the near future."

[asjadulk@gmail.com](mailto:asjadulk@gmail.com)



## 5 factories get LEED certification

Five new readymade garment (RMG) factories in Bangladesh have achieved Leadership in Energy and Environmental Design (LEED) certification, taking the country's total number of LEED-certified factories to 280, further strengthening Bangladesh's position as a global leader in green garment manufacturing.

With the latest addition, Bangladesh now has 118 Platinum and 143 Gold rated LEED-certified RMG factories. The country also boasts 52 factories among the top 100 highest-rated LEED-certified

factories in the world, reflecting its strong commitment to sustainable and environmentally friendly industrial practices, reports BSS.

According to industry sources, the newly certified factories include Epic Garments Manufacturing Co. Ltd. Unit-7 in Narayanganj, Surma Garments Ltd. in Dhaka, NAFA Apparels Ltd Unit-02 in Dhamrai, Winter Dress Limited in Savar, and Meher Garments Limited in Chattogram.

Epic Garments Manufacturing Co. Ltd. Unit-7 secured Gold

certification under LEED BD+C: New Construction v4 with 67 points, while Surma Garments Ltd. achieved Gold certification under LEED O+M: Existing Buildings v4 with 71 points. NAFA Apparels Ltd Unit-02 received Gold certification under LEED BD+C: New Construction v4 with 65 points. Winter Dress Limited earned Platinum certification under LEED O+M: Existing Buildings v4.1 with 85 points, and Meher Garments Limited secured Platinum certification under LEED O+M: Existing Buildings v4.1 with 89 points. Industry leaders said the

achievement demonstrates Bangladesh's continued progress in adopting green technologies, energy efficiency, and environmentally sustainable production systems in the RMG sector.

Bangladesh currently leads the world in green garment factories, with the sector increasingly focusing on energy efficiency, water conservation, reduced carbon emissions, and improved workplace standards to ensure sustainable development and competitiveness in the global market.



# Pharma stares at major raw material crisis if Iran conflict drags on

INDUSTRY - BANGLADESH

TAWSIA TAJMIM

It takes time to find alternative sources, says Bapi secretary general Dr Mohammad Zakir Hossain

Rising instability in global energy and petrochemical markets due to the ongoing war in the Middle East has driven up the prices of basic chemicals and pharmaceutical raw materials in the global market.

Although Bangladeshi drug manufacturers currently have several months' stock of raw materials and face no immediate supply disruption, industry insiders warn that a prolonged conflict could significantly impact the sector.

These concerns were shared by pharmaceutical industry owners and raw material importers participating in the 17th Asia Expo on Sunday.

Abdul Mukadir, president of the Bangladesh Association of Pharmaceutical Industries (Bapi), said that the prices of almost all raw materials have increased due to rising costs of petrochemical-based basic chemicals.

"Crude oil prices have nearly doubled – from \$60 per barrel to around \$120 – which is directly affecting chemicals and inputs used in pharmaceutical production. However, if the war ends quickly and global energy supply stabilises, prices may come down again."

He added that the war is creating major challenges not only for the pharmaceutical sector but for industries worldwide. "Due to electricity shortages, we are increasingly relying on diesel-powered generators to maintain production, which may create uncertainty around fuel supply in the future."

Mukadir said pharmaceutical companies

| SEE PAGE 6 COL 2

distributed medicines nationwide – from cities to rural areas – using around 20,000 vehicles daily. The government has assured diesel supply until April, and if the situation improves by then, a major crisis may be avoided.

Industry leaders also said there has been no decision yet to increase medicine prices.

DH Shamim, managing director of pharmaceutical raw material importer BBCON, told The Business Standard that prices of almost all raw materials have increased by an average of up to 30% due to global conditions, raising production costs and putting pressure on the industry.

He noted that gas shortages and rising costs of solvents and other basic intermediates have also increased the cost of producing APIs (active pharmaceutical ingredients), ultimately pushing up overall manufacturing costs.

"Companies have little choice but to purchase raw materials at international market prices. However, since retail prices (MRP) remain unchanged, many companies are incurring losses," he said.

Shamim warned that survival would become difficult if the war continues for long. "Companies typically maintain three to six months of raw material stocks. If the conflict lasts beyond one or two months, a major crisis

will be unable to take new orders. "We may manage the situation for the next two to three months, but beyond that, the outlook is uncertain."

## Finding alternative API sources to take time

Amid global instability and the ongoing Middle East conflict, the health ministry on 24 March instructed the industry to explore alternative sources for importing pharmaceutical raw materials or APIs. While the directive is positive, it will take time to implement, said Dr Mohammad Zakir Hossain, secretary general of Bapi.

He told The Business Standard that although the ministry suggested exploring sources beyond India and China, it is not feasible to do so quickly. "Raw materials cannot be sourced overnight from just any country. A lengthy process is required."

He explained that sourcing from a new supplier involves document verification, sample collection, laboratory testing, product development, and at least six months of stability testing. After that, regulatory approval is required before imports can begin. The entire process typically takes 9 to 14 months.

He added that most pharmaceutical raw materials globally depend on petrochemicals, largely supplied through China- and India-centric supply chains. While lim-

itive prices. Switching to new sources carries a risk of higher costs," he said.

Although there is no major supply disruption at present, prices of some raw materials and primary packaging materials have already begun to rise. "We usually maintain stocks for two to three months. If the war continues for another one or two months, higher import costs will start affecting the market," he added.

He also noted that some existing suppliers have already indicated price increases. "If the war persists and the petrochemical crisis continues, pressure on the pharmaceutical industry will intensify."

The three-day Asia Pharma Expo 2026 and Asia Lab Expo 2026 – South Asia's flagship exhibitions for pharmaceutical manufacturing technology – began yesterday at the Bangladesh-China Friendship Exhibition Center, inaugurated at 10am by Health Minister Sardar Md Sakhawat Hossain Bakul.

Speaking at the event, the minister reaffirmed the government's commitment to advancing the pharmaceutical sector and emphasised the need for collective efforts, adding that the health ministry will continue supporting its development.

The 2026 edition features more than 400 exhibitors from

## It takes time to find alternative sources, says Bapi secretary general Dr Mohammad Zakir Hossain

Rising instability in global energy and petrochemical markets due to the ongoing war in the Middle East has driven up the prices of basic chemicals and pharmaceutical raw materials in the global market.

eral months' stock of raw materials and face no immediate supply disruption, industry insiders warn that a prolonged conflict could significantly impact the sector.

These concerns were shared by pharmaceutical industry owners and raw material importers participating in the 17th Asia Expo on Sunday.

Abdul Mukadir, president of the Bangladesh Association of Pharmaceutical Industries (Bapi), said that the prices of almost all raw materials have increased due to rising costs of petrochemical-based basic chemicals.

around \$120 – which is directly affecting chemicals and inputs used in pharmaceutical production. However, if the war ends quickly and global energy supply stabilises, prices may come down again."

He added that the war is creating major challenges not only for the pharmaceutical sector but for industries worldwide. "Due to electricity shortages, we are increasingly relying on diesel-powered generators to maintain production, which may create uncertainty around fuel supply in the future."

Mukadir said pharmaceutical companies

SEE PAGE 6 COL 2

FROM PAGE 5  
distribute medicines nationwide – from cities to rural areas – using around 20,000 vehicles daily. The government has assured diesel supply until April, and if the situation improves by then, a major crisis may be avoided.

Industry leaders also said there has been no decision yet to increase medicine prices.

DH Shamim, managing director of pharmaceutical raw material importer BBCON, told The Business Standard that prices of almost all raw materials have increased by an average of up to 30% due to global conditions, raising production costs and putting pressure on the industry.

He noted that gas shortages and rising costs of solvents and other basic intermediates have also increased the cost of producing APIs (active pharmaceutical ingredients), ultimately pushing up overall manufacturing costs.

"Companies have little choice but to purchase raw materials at international market prices. However, since retail prices (MRP) remain unchanged, many companies are incurring losses," he said.

Shamim warned that survival would become difficult if the war continues for long. "Companies typically maintain three to six months of raw material stocks. If the conflict lasts beyond one or two months, a major crisis could emerge once current inventories are depleted."

Raghu Mitra, director of Lee Pharma – an Indian company specialising in APIs and contract manufacturing – said that due to raw material shortages, many firms are current-

ly unable to take new orders. "We may manage the situation for the next two to three months, but beyond that, the outlook is uncertain."

### Finding alternative API sources to take time

Amid global instability and the ongoing Middle East conflict, the health ministry on 24 March instructed the industry to explore alternative sources for importing pharmaceutical raw materials or APIs. While the directive is positive, it will take time to implement, said Dr Mohammad Zakir Hossain, secretary general of Bapi.

He told The Business Standard that although the ministry suggested exploring sources beyond India and China, it is not feasible to do so quickly. "Raw materials cannot be sourced overnight from just any country. A lengthy process is required."

He explained that sourcing from a new supplier involves document verification, sample collection, laboratory testing, product development, and at least six months of stability testing. After that, regulatory approval is required before imports can begin. The entire process typically takes 9 to 14 months.

He added that most pharmaceutical raw materials globally depend on petrochemicals, largely supplied through China- and India-centric supply chains. While limited alternatives exist in Europe, the United States, and Japan, they are costly and not suitable for all products.

"Due to long-standing business relationships with China and India, we receive raw materials at competi-

itive prices. Switching to new sources carries a risk of higher costs," he said.

Although there is no major supply disruption at present, prices of some raw materials and primary packaging materials have already begun to rise. "We usually maintain stocks for two to three months. If the war continues for another one or two months, higher import costs will start affecting the market," he added.

He also noted that some existing suppliers have already indicated price increases. "If the war persists and the petrochemical crisis continues, pressure on the pharmaceutical industry will intensify."

The three-day Asia Pharma Expo 2026 and Asia Lab Expo 2026 – South Asia's flagship exhibitions for pharmaceutical manufacturing technology – began yesterday at the Bangladesh-China Friendship Exhibition Center, inaugurated at 10am by Health Minister Sardar Md Sakhawat Hossain Bakul.

Speaking at the event, the minister reaffirmed the government's commitment to advancing the pharmaceutical sector and emphasised the need for collective efforts, adding that the health ministry will continue supporting its development.

The 2026 edition features more than 400 exhibitors from over 20 countries, showcasing technologies in pharmaceutical processing, packaging, APIs and excipients, analytical and laboratory instruments, cleanroom and HVAC systems, water management, and turnkey project services.



# PHARMA EXPO 2026

International exhibition on COMPLETE pharma manufacturing

Inaugural Ceremony

29 March, 2026  
BCFEC, Purbachal, Dhaka

An international exhibition on COMPLETE pharma manufacturing

17<sup>th</sup> ASIA ASIA  
PHARMA EXPO LAB EXPO  
29-30-31 March, 2026  
BCFEC, Purbachal, Dhaka, BANGLADESH



বাংলাদেশ ওষুধশিল্প সমিতি আয়োজিত তিন দিনব্যাপী ফার্মা এক্সপোর উদ্বোধন করেন স্বাস্থ্যমন্ত্রী সরদার মো. সাখাওয়াত হোসেন। এ সময় ওষুধশিল্প সমিতির নেতারা সহ আমন্ত্রিত অতিথিরাও উপস্থিত ছিলেন। গতকাল ঢাকার পূর্বাচলে বাংলাদেশ চায়না ফ্রেন্ডশিপ এক্সিবিশন সেন্টারে। ছবি : প্রথম আলো

## ওষুধশিল্পের ৩ দিনের প্রদর্শনী শুরু

### শিল্প খাত

ফার্মাসিউটিক্যালস পণ্য ও প্রযুক্তি নিয়ে এই প্রদর্শনী চলছে রাজধানীর পূর্বাচলের বাংলাদেশ-চায়না ফ্রেন্ডশিপ এক্সিবিশন সেন্টারে।

### নিজস্ব প্রতিবেদক, ঢাকা

ভারতের প্রতিষ্ঠান বিলকেয়ার রিসার্চ মূলত ওষুধ প্যাকেজিংয়ের পণ্য তৈরি করে। প্রতিষ্ঠানটির দাবি, তারা পলিভিনাইল ক্লোরাইড বা পিভিসিমুক্ত উদ্ভাবনী প্যাকেজিং প্রযুক্তি তৈরি করেছে। এই প্যাকেজিং পুনর্ব্যবহার করা যায়। তাই এই প্যাকেজিং পরিবেশবান্ধব। এই প্রযুক্তি নিয়ে প্রতিষ্ঠানটি অংশ নিয়েছে দেশে আয়োজিত তিন দিনব্যাপী ১৭তম এশিয়া ফার্মা এক্সপোতে। বিলকেয়ার রিসার্চের এদেশীয় পরিচালক জাহিদ হাসান প্রথম আলোকে বলেন, এই প্রযুক্তির প্যাকেজিংয়ের খরচ কিছুটা বেশি। তবে এই প্যাকেজিংয়ের উপাদান আমাদের নিজস্ব প্রযুক্তিতে তৈরি। এর ফলে যেসব প্রতিষ্ঠান এই প্যাকেজিং প্রযুক্তির উপাদান ব্যবহার করবে, তাদের ওষুধ নকল করা যাবে না।

ফার্মাসিউটিক্যালস পণ্য ও প্রযুক্তি নিয়ে এই প্রদর্শনী চলছে রাজধানীর পূর্বাচলের বাংলাদেশ-চায়না ফ্রেন্ডশিপ এক্সিবিশন সেন্টারে। একই ছাদের নিচে চলছে এশিয়া ল্যাব এক্সপো। এই প্রদর্শনীর আয়োজন করেছে বাংলাদেশ অ্যাসোসিয়েশন অব

ফার্মাসিউটিক্যাল ইন্ডাস্ট্রিজ (বিএপিআই)। গতকাল রোববার থেকে শুরু হয়েছে তিন দিনব্যাপী এই প্রদর্শনী।

এবারের প্রদর্শনীতে ২০টির বেশি দেশের চার শতাধিক প্রতিষ্ঠান অংশ নিয়েছে। এতে ফার্মাসিউটিক্যাল প্রসেসিং ও প্যাকেজিং প্রযুক্তি, এপিআই ও এক্সিপিয়েন্টস, অ্যানালিটিক্যাল ও ল্যাবরেটরি যন্ত্রপাতি, ক্লিনরুম ও এইচভিএসি সিস্টেম, পানি ব্যবস্থাপনা এবং টার্নিকি প্রজেক্ট সেবাসহ বিভিন্ন আধুনিক প্রযুক্তি তুলে ধরা হবে।

প্রদর্শনীতে অংশ নেওয়া আরও দুই প্রতিষ্ঠান জেনট্রি ফার্মাসিউটিক্যালস লিমিটেড ও প্রিসিসা টেকনো ট্রেড লিমিটেড। এর মধ্যে জেনট্রি ফার্মাসিউটিক্যালস প্রতিষ্ঠানটি ওষুধ তৈরির মূল কাঁচামাল অ্যাকটিভ ফার্মাসিউটিক্যাল ইনগ্রেডিয়েন্ট (এপিআই) সরবরাহ করে। আর প্রিসিসা টেকনো ট্রেড প্রতিষ্ঠানটি ওষুধশিল্প প্রতিষ্ঠানগুলোকে টার্নিকি প্রজেক্ট বা সম্পূর্ণ প্রকল্প সমাধান দেয়। দেশের ৮০টির বেশি ওষুধশিল্প প্রতিষ্ঠানের সঙ্গে কাজ করেছে এই দুই প্রতিষ্ঠান।

দেশীয় প্রতিষ্ঠান সুইস বায়োহাইজেনিক ইকুইপমেন্ট। ইনসেপ্টা ফার্মাসিউটিক্যালসের এই সহযোগী প্রতিষ্ঠানটি ফার্মাসিউটিক্যাল, ভ্যাকসিন, বায়োটেক, হেলথকেয়ার, ফুড ও বেভারেজ শিল্পের জন্য হাইজেনিক পদ্ধতির প্রায় ৬০ ধরনের যন্ত্রাংশ তৈরি করে।

সুইস বায়োহাইজেনিক ইকুইপমেন্টের উপব্যবস্থাপক মো. মাহমুদুল হাসান বলেন, 'দেশে এসব হাইজেনিক যন্ত্র সাধারণত ইউরোপ ও চীন থেকে আমদানি করা হয়। তবে আমরা এসব যন্ত্র নিজেদের নকশা ও প্রযুক্তি ব্যবহার করে

উৎপাদন করছি। ফলে এসব যন্ত্র আমদানি করার তুলনায় ৩০-৪০ শতাংশ কম দামে সরবরাহ করা সম্ভব হচ্ছে।'

### 'স্বাস্থ্য খাতে দুর্নীতি মেনে নেওয়া হবে না'

এর আগে সকালে এই প্রদর্শনীর উদ্বোধনী অনুষ্ঠান হয়। প্রধান অতিথি ছিলেন স্বাস্থ্যমন্ত্রী সরদার মো. সাখাওয়াত হোসেন।

এ সময় স্বাস্থ্যমন্ত্রী বলেন, স্বাস্থ্য খাতে নানা সংকট রয়েছে। এগুলো ঠিক করতে সবার সহযোগিতা লাগবে। তবে এই খাতে কোনো ধরনের অনিয়ম ও দুর্নীতি মেনে নেওয়া হবে না।

অনুষ্ঠানে সভাপতির বক্তব্যে বাংলাদেশ ওষুধ শিল্প সমিতির সভাপতি আবদুল মুক্তাদির বলেন, দেশের ওষুধশিল্পে শীর্ষ ১০০ কোম্পানির মধ্যে ৩৫টি প্রতিষ্ঠান দেউলিয়া হয়ে গেছে। আরও ৩০টি কোম্পানি সংগ্রাম করছে এবং মাত্র ৩০টি কোম্পানি স্থিতিশীল। এটি কোনো শিল্পের জন্য ভালো চিত্র নয়। আগামী দুই বছরে ছোট প্রতিষ্ঠানগুলোকে বড় প্রতিষ্ঠানের মাধ্যমে প্রযুক্তি ও মান উন্নয়নে সাহায্য করা হবে। এর জন্য সরকারের সঠিক নীতি সহায়তাও প্রয়োজন।

অনুষ্ঠানে স্বাগত বক্তব্য দেন বাংলাদেশ ওষুধ শিল্প সমিতির মহাসচিব মো. জাকির হোসেন। এ ছাড়া বিশেষ অতিথি হিসেবে বক্তব্য দেন স্বাস্থ্যসেবা বিভাগের সচিব মো. কামরুজ্জামান চৌধুরী। অতিথি হিসেবে বক্তব্য দেন রঞ্জানি উন্নয়ন ব্যুরোর (ইপিবি) ভাইস চেয়ারম্যান মোহাম্মদ হাসান আরিফ, বাংলাদেশ ওষুধ প্রশাসন অধিদপ্তরের মহাপরিচালক মেজর জেনারেল মো. শামীম হায়দার।