The Daily Star

08 JUN 2026

BGMEA calls emergency meeting on export slump

REFAYET ULLAH MIRDHA

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) will hold an emergency board meeting today to review the persistent decline in garment exports.

The meeting, to be held at the BGMEA office in Uttara, Dhaka, will primarily focus on the export downturn, BGMEA Director Faisal Samad said. It will also discuss the recent closure of several garment factories and the factors behind them.

The association will also engage with the government to address the challenges facing the garment sector and stem the decline in exports, he said.

Garment exports have been falling for nearly a year, Samad said, driven not only by tariff-related issues but also by geopolitical tensions, longer lead times and challenges associated with the country's graduation from least-developed country (LDC) status.

In the July-May period of fiscal year 2025-26, garment exports totalled $35.31 billion, marking a 3.41 percent decline from $36.56 billion in the corresponding period of fiscal year 2024-25, according to data from the Export Promotion Bureau.

The meeting is also likely to discuss the US tariff issue, BGMEA President Mahmud Hasan Khan said, as it has created uncertainty among businesses.

A fund will also be created for members so that it can be used in emergencies, he said.

A major European clothing retailer operating in Bangladesh said, requesting anonymity, that the outlook for garment exports may not improve significantly in the next season due to continued volatility in the global market. READ MORE ON B3

The longer lead time is a major problem in Bangladesh, he said. Shipments from Bangladesh take 30 to 40 days to reach Europe, and in some cases even longer. Longer lead times also increase operational costs, making it difficult for manufacturers to remain profitable on thin margins.

Bangladesh should sign a free trade agreement with the European Union or negotiate to secure GSP+ status, as preferential market access to the EU will end following the country's LDC graduation, he suggested.

Chinese EIZ project in Ctg heads to Ecnec

The Daily Star
08 JUN 2026

STAFF CORRESPONDENT

A decade after Chinese President Xi Jinping laid the foundation stone, the Chinese Economic and Industrial Zone (CEIZ) in Chattogram's Anwara is set to make a major leap towards implementation this Tuesday, when a Tk 4,189.5 crore infrastructure package is likely to be placed before the prime minister.

The proposal for the infrastructure package is due to be tabled before the Executive Committee of the National Economic Council (Ecnec), which will be chaired by Tarique Rahman.

The infrastructure package includes critical transportation routes, including link roads, a multipurpose jetty, as well as vital utilities such as a water reservoir, gas regulating stations, power substations, and dedicated industrial waste and effluent treatment plants.

The CEIZ lies a stone's throw from the Karnaphuli tunnel, which connects the economic zone to the country's main port.

The Bangladesh Export Processing Zones Authority is the implementation agency of this project, spanning five fiscal years.

The foundation stone for this project was laid by President Xi Jinping during his landmark visit to Bangladesh on October 14, 2016, marking Bangladesh's formal entry into China's Belt and Road Initiative (BRI).

The two governments signed a memorandum of understanding titled "Strengthening Investment and Production Capacity Cooperation", after which the Bangladesh government acquired 800 acres of land for the Chinese economic zone.

Despite the high-profile diplomatic launch in 2016, the exclusive The Daily Star, the project gained fresh momentum after the Bangladesh Economic Zones Authority placed it before the Planning Commission on May 6, 2025.

The commission evaluated the proposal the same month, identified compliance gaps and inconsistencies, and sent it back to the Chief Adviser's Office.

The government submitted a revised development project proforma (DPP) in August last year with a lower cost estimate of Tk 3,859.89 crore, but this version too was shot down by the commission for non-compliance with the initial guidelines of the project.

The procedural deadlock was finally broken on May 21, 2026, when a fully reconstructed DPP upcoming presentation at Ecnec.

According to the revised proposal, 41.1 percent of the project will be funded by the Bangladesh government, and the remaining 58.89 percent will come from project loans.

The project summary document prepared for the Ecnec states that a $260.21 million loan is in the pipeline to develop supporting infrastructure for the CEIZ under the preferential buyer's credit programme.

According to the terms of the loan, China will finance 85 percent, while the other 15 percent has to come from domestic co-financing.

Furthermore, components covered by the Chinese loan must be implemented by a contractor or agency appointed by the road, a 20,304 cubic-meter water reservoir, a district gas regulating station with a 4.24 million cubic feet per day capacity, a 2km gas transmission line, a central effluent treatment plant with a capacity of 25 million litres per day and a 1.2km discharge pipeline, a solid waste collection station with a capacity of 60 tonnes per day, a multipurpose jetty with 20,000 deadweight tonne capacity, two 33/11 kilovolt substations, and 20km of transmission lines and 12km of boundary walls.

"Anwara upazila of Chattogram has been selected as the project area for establishing CEIZ, which is highly logical and strategically important from both geographical and economic perspectives. This area is located close to Bangladesh's largest seaport (Chattogram

to Ecnec

STAFF CORRESPONDENT

The Daily Star
08 JUN 2026

A decade after Chinese President Xi Jinping laid the foundation stone, the Chinese Economic and Industrial Zone (CEIZ) in Chattogram's Anwara is set to make a major leap towards implementation this Tuesday, when a Tk 4,189.5 crore infrastructure package is likely to be placed before the prime minister.

The proposal for the infrastructure package is due to be tabled before the Executive Committee of the National Economic Council (Ecnec), which will be chaired by Tarique Rahman.

The infrastructure package includes critical transportation routes, including link roads, a multipurpose jetty, as well as vital utilities such as a water reservoir, gas regulating stations, power substations, and dedicated industrial waste and effluent treatment plants.

The CEIZ lies a stone's throw from the Karnaphuli tunnel, which connects the economic zone to the country's main port.

The Bangladesh Export Processing Zones Authority is the implementation agency of this project, spanning five fiscal years.

The foundation stone for this project was laid by President Xi Jinping during his landmark visit to Bangladesh on October 14, 2016, marking Bangladesh's formal entry into China's Belt and Road Initiative (BRI).

The two governments signed a memorandum of understanding titled "Strengthening Investment and Production Capacity Cooperation", after which the Bangladesh government acquired 800 acres of land for the Chinese economic zone.

Despite the high-profile diplomatic launch in 2016, the exclusive economic enclave remained functionally stalled for nearly a decade.

In 2023, the Bangladesh government appointed the China Road and Bridge Corporation as the contractor to develop the external infrastructure of the CEIZ.

According to a draft of the project proposal obtained by The Daily Star, the project gained fresh momentum after the Bangladesh Economic Zones Authority placed it before the Planning Commission on May 6, 2025.

The commission evaluated the proposal the same month, identified compliance gaps and inconsistencies, and sent it back to the Chief Adviser's Office.

The government submitted a revised development project proforma (DPP) in August last year with a lower cost estimate of Tk 3,859.89 crore, but this version too was shot down by the commission for non-compliance with the initial guidelines of the project.

The procedural deadlock was finally broken on May 21, 2026, when a fully reconstructed DPP was submitted before the commission.

This final proposal reflected an overall cost increase of Tk 133.31 crore compared to the original draft submitted in May 2025.

A project evaluation committee cleared the new DPP on June 2 this year, paving the way for its upcoming presentation at Ecnec.

According to the revised proposal, 41.1 percent of the project will be funded by the Bangladesh government, and the remaining 58.89 percent will come from project loans.

The project summary document prepared for the Ecnec states that a $260.21 million loan is in the pipeline to develop supporting infrastructure for the CEIZ under the preferential buyer's credit programme.

According to the terms of the loan, China will finance 85 percent, while the other 15 percent has to come from domestic co-financing.

Furthermore, components covered by the Chinese loan must be implemented by a contractor or agency appointed by the Chinese Government.

According to the proposal, the majority of the financing is expected to begin from fiscal year 2027.

The infrastructure components that will probably be tabled at Ecnec on Tuesday include a 1235-metre long jetty link road, a 330-metre bridge, a 1181-metre long CEIZ link road, a 20,304 cubic-meter water reservoir, a district gas regulating station with a 4.24 million cubic feet per day capacity, a 2km gas transmission line, a central effluent treatment plant with a capacity of 25 million litres per day and a 1.2km discharge pipeline, a solid waste collection station with a capacity of 60 tonnes per day, a multipurpose jetty with 20,000 deadweight tonne capacity, two 33/11 kilovolt substations, and 20km of transmission lines and 12km of boundary walls.

"Anwara upazila of Chattogram has been selected as the project area for establishing CEIZ, which is highly logical and strategically important from both geographical and economic perspectives. This area is located close to Bangladesh's largest seaport (Chattogram Port), the Karnaphuli River Tunnel, Shah Amanat International Airport, and the industrial zones of the port city of Chattogram," said the project proposal signed by Nurunnahar Chowdhury, member (secretary) of the Planning Commission's Industry and Energy Division.

The Financial Express

08 JUN 2026

BB launches Tk 30 billion refinance scheme to boost export diversification

Bangladesh Bank (BB) launched on Sunday a Taka 30-billion (3,000 crore) export diversification refinance scheme aimed at strengthening production capacity and expanding the country's export base beyond the ready-made garments (RMG) sector, reports BSS.

The Sustainable Finance Department of the central bank issued a circular in this regard, saying the scheme has been introduced to address product and market concentration risks arising from Bangladesh's heavy dependence on RMG exports and to support the development of high-potential export sectors.

According to the circular, the refinance fund will be formed from the excess liquidity of scheduled banks and will operate as a revolving fund.

Shrimp export target set at $3b by 2030 – can Bangladesh revive its 'White Gold'?

EXPORTS – BANGLADESH

JAHIR RAYHAN AND SHAHADAT HOSSAIN

Bangladesh is aiming to increase shrimp export earnings to $3 billion by 2030 by modernising production, adopting advanced aquaculture technologies and establishing dedicated Shrimp Economic Zones to revive a sector that was once the country's second-largest export earner after garments.

The ambitious target comes as shrimp export earnings have fallen to below $300 million in the fiscal 2024-25 from nearly $1 billion in the nineties, underscoring the need for structural reforms in a sector widely regarded as the country's "White Gold."

Under the theme "Unlocking Investment Potentials for Sustainable Prosperity of Bangladesh's Shrimp Industry," the Maheshkhali Integrated Development Authority (Mida) recently presented a strategy paper to industry stakeholders, outlining a roadmap to transform the sector through technology-driven farming and integrated investment.

According to the paper, the shrimp industry supports more than three lakh direct jobs, exports to more than 60 countries and remains a significant source of foreign exchange earnings. Bangladesh has approximately 2,62,000 hectares under shrimp cultivation, making it the world's fifth-largest shrimp farming base.

From export success to prolonged decline

Bangladesh's shrimp export boom lasted from the late 1980s until the mid-2000s, when frozen shrimp emerged as the country's second-largest export sector after ready-made garments, driven largely by strong demand for Black Tiger shrimp in the European Union, the United States and Japan.

However, industry stakeholders say the sector has been in steady decline since 2006 because of environmental degradation, shrinking water bodies caused by urbanisation, excessive use of fertilisers and pesticides, and the delayed adoption of high-yield Vannamei shrimp farming compared with competing countries.

While frozen fish and shrimp exports once approached $1 billion, export earnings stood at $448.56 million in FY16 before declining further to $296.29 million in FY25.

Despite the downturn, shrimp remains the dominant export product within Bangladesh's fisheries sector, accounting for around 76% of total export earnings from frozen fish and shrimp during FY25 and offering significant potential for export diversification beyond garments.

Industry representatives identify supply shortages, environmental degradation, compliance challenges and intensifying global competition as the principal reasons behind the sector's decline.

Technology and value addition at centre of revival plan

Mida Member for Port, Fisheries and Marine Affairs Tanzim Faruq said Bangladesh should adopt best practices from China, Thailand and Vietnam by moving from traditional farming methods to indoor and intensive aquaculture systems.

He said shifting from raw shrimp exports to value-added products and stronger

The Business Standard
08 JUN 2026

... PAGE 3

branding could increase export earnings per kilogram by five times or more.

Faruq said discussions are under way on establishing dedicated Shrimp Economic Zones following proposals from industry stakeholders, with another consultation expected in June involving businesses and other participants in the sector.

The proposed zones would integrate hatcheries, feed mills, laboratories and farms while facilitating traceability requirements increasingly demanded by international buyers, particularly in Europe.

He added that adopting technologies such as Recirculating Aquaculture Systems and Biofloc Technology, widely used in China, Thailand and Vietnam, could raise post-larvae survival rates to more than 85%.

Mida has also identified investment opportunities across the value chain, including hatcheries, feed mills, indoor smart farms, processing plants, cold storage facilities, logistics infrastructure and agritech solutions.

Recent stakeholder meetings organised by Mida have proposed locating Shrimp Economic Zones in Khulna, Satkhira, Bagerhat, Cox's Bazar, Maheshkhali, Chakaria and Teknaf, with plans to introduce controlled Vannamei farming, real-time monitoring and electronic traceability systems.

Productivity gap remains a major obstacle

According to the Department of Fisheries, Bangladesh produced 2,99,000 tonnes of shrimp in FY25, with average yields of only around 400kg per hectare.

Mida data indicate that intensive shrimp farms in Ecuador produce approximately 6,800kg per hectare, while comparable figures stand at around 5,500kg in India and 4,500kg in Vietnam under semi-intensive production systems.

Md Tariqul Islam Zaheer, acting president of the Bangladesh Frozen Foods Exporters Association and managing director of Achia Sea Foods Limited, said Bangladesh continues to rely largely on traditional farming methods, resulting in significantly lower productivity than competing countries.

He noted that Vannamei shrimp now accounts for more than 80% of the global market because of its higher productivity, lower production costs and reduced risks, adding that industry participants had long urged the government to permit its cultivation.

Bangladesh Frozen Foods Exporters Association Adviser Syed M Ishtiaq said commercial-scale modern shrimp farming remained limited, leading to low productivity and difficulties in meeting international compliance standards.

He said Bangladesh currently cultivates shrimp on about 2,62,000 hectares and estimated that modernising at least 30,000 hectares could enable the country to move towards annual shrimp exports worth between \$2 billion and \$2.5 billion.

According to IMARC Group, the global shrimp market was valued at \$74.7 billion in 2025 and is projected to reach \$106.1 billion by 2031.

High costs and infrastructure bottlenecks

Industry representatives say high feed prices, expensive electricity, shortages of quality post-larvae and inadequate infrastructure continue to constrain production.

Zaheer also said domestic shrimp prices have risen sharply, reducing export competitiveness because processors must purchase shrimp at prices significantly above prevailing international market rates before incurring additional processing and shipping costs.

Experts also point to shallow ponds, weak transport infrastructure and heavy dependence on imported feed as major constraints.

Ishtiaq said traditional ponds are typically only one to one-and-a-half feet deep, compared with the recommended depth of four to five feet, making shrimp more vulnerable to heat stress and viral diseases.

He added that transporting post-larvae by road from Cox's Bazar to the Khulna region takes 10 to 12 hours, increasing stress and mortality rates, while previous air transport services are no longer available.