The Business Standard

26 JUL 2026

Bangladesh loses second spot to Vietnam in global garment exports: Ex-BGMEA president

RMG – BANGLADESH

TBS REPORT

Bangladesh has slipped behind Vietnam to become the world's third-largest garment exporter, former BGMEA President Faruque Hassan claimed yesterday, at a programme organised by the Bangladesh Packaging Accessories Manufacturers and Exporters Association (BPAMEA) ahead of its board election.

Although the latest World Trade Organization report still ranks Bangladesh as the world's second-largest garment exporter in 2025, with Vietnam a close third, business leaders at the event said the sector is facing one of its most critical periods in recent years.

They cited rising production costs, financial constraints, policy uncertainty and administrative bottlenecks as key pressures threatening the industry's competitiveness.

Bangladesh Textile Mills Association (BTMA) President Showkat Aziz Russell said manufacturers were grappling with multiple crises, including financial and safety challenges, warning that conditions could worsen. He also cautioned against relaxing restrictions on free-of-cost (FOC) imports and imposing value-addition requirements on exports, arguing that the measures could encourage imports rather than local sourcing. He urged the government to support domestic manufacturers through incentives.

Bangladesh Employers' Federation (BEF) President Fazlee Shamim Ehsan echoed the concerns, saying the apparel industry was "passing through a terrible time" – a sentiment shared by other business leaders.

Former BPAMEA President Moazzem Hossain Moti alleged that corruption in Customs has become a major burden for exporters, claiming businesses are forced to pay bribes to renew bonded warehouse licences.

"Even a small business that imports only 50 tonnes of raw materials a year has to pay Tk20 lakh in bribes. Otherwise, the file is not renewed," he said, urging the authorities to expose and take action against those responsible.

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26 JUL 2026

PM Tarique sees semiconductors as Bangladesh's next major export after RMG

INDUSTRY – BANGLADESH

TBS REPORT

Prime Minister Tarique Rahman yesterday said Bangladesh's semiconductor industry could become the country's next major export sector after the ready-made garment (RMG) industry, as the government seeks to build a globally competitive ecosystem around chips, artificial intelligence (AI), biotechnology, electronics and robotics.

"We have demonstrated success in agriculture, the garment industry, remittances and digital services. Now, based on the talent, skills and entrepreneurial spirit of our young generation, I firmly believe that after the garment industry, the semiconductor industry can become another promising economic destination for Bangladesh," he said.

The prime minister was speaking at the inauguration of the two-day National Semiconductor Symposium and Biotechnology, Electronics, AI & Robotics (BEAR) Summit 2026 at the Novo Theatre in Dhaka.

He said the global semiconductor market is expected to approach \$1 trillion by 2030, creating a major opportunity for Bangladesh to enter the global technology supply chain.

"Entering this market presents an enormous opportunity for Bangladesh," he said, expressing hope that the country would set an ambitious export target for the semiconductor industry by 2030.

The prime minister said the government has already begun taking steps to create SEE PAGE 2 COL 4

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a favourable ecosystem through investment-friendly policies, tax and duty incentives, bonded warehouse facilities and specialised infrastructure.

He said tax and duty facilities have been introduced for semiconductor manufacturing, while initiatives have also been taken to support semiconductor design services.

The government has also allocated Tk500 crore in startup grants in the current budget to support new entrepreneurs and technology-driven businesses, he said.

"To take this sector forward, we have taken several measures," Tarique said, adding that the government was working to ensure that entrepreneurs receive the necessary policy support and financial assistance.

He said existing high-tech parks would be modernised and a dedicated biotechnology park was being planned to strengthen the country's technology ecosystem.

However, the prime minister stressed that the development of the semiconductor and deep-tech sectors cannot be achieved by any single ministry or institution.

"It is a collective national mission," he said, calling for coordinated efforts involving government agencies, universities, research institutions, industry, entrepreneurs, expatriate professionals and development partners.

Talent pool offers a strong foundation

Tarique highlighted the growing pool of Bangladeshi semiconductor professionals working around the world.

More than 3,000 Bangladeshi semiconductor professionals are currently working in major companies, universities and research institutions in the United States, Malaysia, South Korea, Japan, Singapore, Europe and other countries, he said.

He called for these globally experienced professionals to be connected with Bangladesh's development efforts.

The country has already started building capabilities in semiconductor design, verification, embedded systems, power electronics and advanced manufacturing, while several local companies have begun entering international markets, he said.

The prime minister, however, acknowledged that the sector faces significant challenges, including a shortage of skilled manpower, limited laboratory facilities, financing constraints and intense global competition.

"We have limitations and we face international competition. But I have the determination to overcome these challenges," he said, assuring the industry of the government's support.

AI, biotech and robotics to drive future growth

Speaking at the event, Science and Technology Minister Fakir Mahbub Anam said AI, semiconductors, biotechnology, electronics and robotics would be among the key drivers of Bangladesh's future economic growth.

He called for increased domestic and foreign investment in these sectors, saying they were not merely areas of technological innovation but also critical to industrial development, education, healthcare and national competitiveness.

"The government's goal is not only to use technology but also to develop and innovate technology and transform Bangladesh into a knowledge-based economy," he said.

Government promises stronger support for innovators

Prime Minister's Adviser on Posts, Telecommunications, ICT and Science & Technology Rehan Asif Asad said Bangladesh now stands at the threshold of the AI- and semiconductor-driven Fourth Industrial Revolution.

He urged young Bangladeshi innovators to think beyond national borders and take their innovations to the global market.

"The government has already implemented a 100% VAT exemption for the semiconductor industry and is pursuing further tax relief measures," he said.

'Silicon River' vision and global debut

Professor Muhammad Mustafa Hussain of Purdue University, USA, who presented the keynote at the summit, unveiled a strategic vision to transform Bangladesh into a technology powerhouse, describing the initiative as "Silicon River Bangladesh" – drawing inspiration from California's Silicon Valley.

He said Bangladesh's young population could become the country's biggest competitive advantage if the right talent is developed in semiconductors, biotechnology, electronics, AI and robotics.

The summit also brought together 93 "BEAR patrons" from 36 universities and a group of young innovators described by Prof Mustafa Hussain as "the faces of tomorrow's Bangladesh".

He said Bangladesh's large youth population, with decades of working life ahead, could develop globally sought-after solutions if it receives the right direction, research support and opportunities.

The two-day event brought together policymakers, global semiconductor industry executives, researchers, entrepreneurs, university representatives, investors, startup founders and Bangladeshi experts working abroad.

The event was jointly organised by the Bangladesh Semiconductor Industry Association (BSIA), the Ministry of Science and Technology and Silicon River Bangladesh.

BSIA President MA Jabbar, in his welcome address, called for sustained policy support and strategic international partnerships to position Bangladesh competitively in the global innovation landscape.

The summit also featured an exhibition showcasing emerging technologies, products and innovations from semiconductor, electronics, AI, robotics and biotechnology companies and startups.

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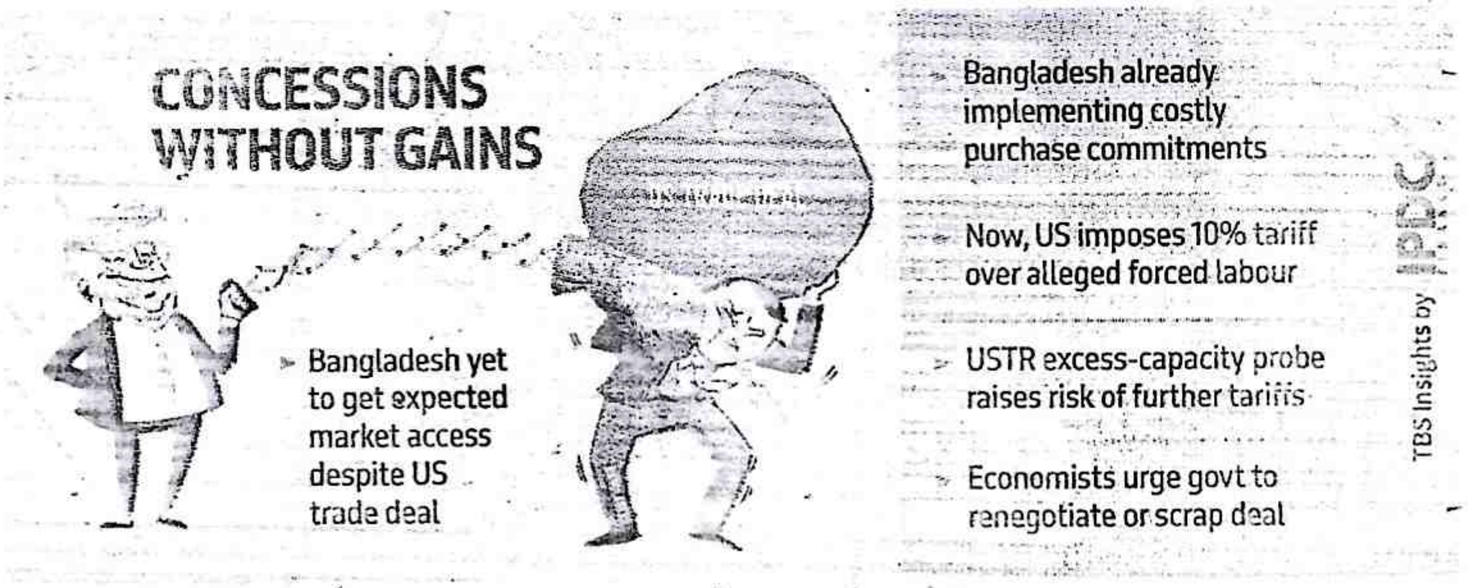
26 JUL 2026

Economists question US trade deal gains after new tariff



TRADE - BANGLADESH

ABUL KASHEM

Despite signing a $3.7 billion aircraft purchase agreement and agreeing to buy higher-priced American wheat as part of its commitments under the US Agreement on Reciprocal Trade, Bangladesh has so far gained little except fresh tariffs imposed unilaterally by Washington, raising questions about the deal's effectiveness.

Bangladesh now faces an additional 10% tariff over alleged forced labour, effective 24 July, while a separate US investigation into alleged excess production could expose the country to further duties.

Meanwhile, a key benefit promised under the trade deal—duty-free access for apparel made with American cotton—remains elusive, leaving Bangladesh's exporters uncertain about any gain from it.

Bangladesh made all the concessions, while the US imposed only tariffs – that is how economists assess the trade deal after Washington slapped fresh tariffs on Bangladesh.

Rather than accepting economic losses as the cost of global power politics, they argue Dhaka should immediately begin negotiations with the US

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Economists question US trade deal gains after new tariff

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to revise or even scrap the deal.

Mustafizur Rahman, distinguished fellow at the Centre for Policy Dialogue (CPD), told TBS that the trade agreement with the US was "fundamentally unfair and unreasonable".

"The US has imposed almost identical tariff rates on around 60 countries, including Bangladesh. That means Bangladesh gained no real advantage from signing the agreement. Instead, it has committed to importing various US products at higher prices," he said.

Professor MA Razzaque, chairman of Research and Policy Integration for Development (RAPID), described the agreement as "extremely unfair" and "completely unequal".

"This can hardly be called a trade agreement. Normally, both sides make concessions. Here, Bangladesh made all the concessions but received nothing in return," he said.

Will garments made of US cotton get duty-free access?

Officials said the Office of the US Trade Representative (USTR) has informed Bangladesh that duty-free treatment for garments made with US cotton will begin in September.

However, the facility will be available for only three years, with the US retaining the authority to determine the eligibility and the maximum export volume.

Cambodia, Indonesia and Malaysia have been offered the same arrangement. However, after a US court struck down the reciprocal tariff regime, Malaysia cancelled the trade agreement it had signed with Washington in March.

Trade analysts are sceptical that Bangladesh will be able to take meaningful advantage of the scheme. They say the US is likely to impose conditions so restrictive that Bangladeshi exporters may struggle to qualify for the duty-free facility.

After the interim administration signed the trade agreement just two days before February's election, policymakers hailed the arrangement as a major achievement.

Bangladesh is the world's largest importer of US cotton, buying nearly $4 billion worth annually. In July-April of FY26, the country exported goods worth $7.36 billion to the US.

After a US court invalidated the reciprocal tariff regime, the Trump administration imposed a temporary 10% tariff for six months under separate legislation.

As that expired on Friday, another 10% tariff imposed under Section 301 of the Trade Act of 1974 over alleged forced labour came into effect.

Among the 60 affected countries, Bangladesh, India, Malaysia and 14 others face a 10% tariff, while China, Vietnam and 36 other countries face 12.5%. The remaining countries are subject to tariffs ranging between 10% and 12.5%.

The foreign ministry has described Bangladesh's slightly lower tariff rate than China and several other competitors as a positive outcome.

'Deal should be revised or cancelled'

Economists said Bangladesh is bound by its commitments to purchase US products under the agreement, even if doing so results in financial losses. Instead of accepting those costs, they argue, Dhaka should immediately begin negotiations to revise or terminate the deal.

CPD's Mustafizur Rahman said that if the trade agreement is fully implemented, Bangladesh could face an additional 19% tariff.

"If other countries continue to face tariffs of 10-12%, while Bangladesh is subjected to an extra 19% under the agreement, it will lose its competitive edge. The government should therefore begin negotiations with the US to terminate the agreement," he said.

He added that several studies estimate the 10% tariff alone would increase costs for US buyers by around $100 billion a year, eroding their purchasing power and likely reducing imports from Bangladesh and other exporting countries.

MA Razzaque said the agreement's only apparent benefit for Bangladesh was the promise of duty-free access for garments made with US cotton, but even that remained uncertain.

"The agreement merely states that the US will determine the mechanism for granting the facility. I do not believe Bangladesh will be able to benefit from it," he said.

"The US no longer adheres to trade agreements or international trade rules. It uses its economic power to impose obligations on other countries. As a result, Bangladesh will still have to honour its purchase commitments even if it receives no meaningful concessions from Washington, despite the economic cost," Razzaque added.

Costly commitments

Although Bangladesh has yet to ratify the agreement, it has already begun implementing key commitments, importing energy, consumer goods and other products from the US and US companies at higher prices.

On 1 July, the government approved the import of 2.2 lakh tonnes of US wheat under a government-to-government arrangement at $322 per tonne.

On the same day, it also approved the import of 50,000 tonnes through an international tender at $297.92 per tonne, meaning the government agreed to pay about $24 more per tonne for US wheat.

Following the signing of the trade agreement in February, Dhaka also agreed to purchase 14 Boeing aircraft worth around Tk45,000 crore. The government and private sector have also increased purchases of US LNG, sugar, soybeans, cotton and other commodities.

The interim administration also amended the Public Procurement Act and Public Procurement Rules to make it easier for US companies to participate in public tenders.

Fears over fresh tariffs

Trade experts say the Trump administration launched investigations into 60 countries, including Bangladesh, over alleged forced labour but has never disclosed any evidence supporting the allegations. They argue the tariffs were imposed unilaterally.

They fear the ongoing USTR investigation into Bangladesh's alleged excess production capacity could follow the same pattern and result in additional tariffs.

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Experts note that every country investigated under Section 301 over alleged forced labour ultimately faced tariffs, suggesting the outcome had been predetermined.

Mohammad Hafizur Rahman, former director general of the WTO Cell at the commerce ministry, rejected the allegation that Bangladesh has excess production capacity.

"Garments are Bangladesh's principal export, yet almost all raw materials are imported. There is no basis for claiming Bangladesh has excess production capacity," he said.

He said Bangladesh's only real advantage is its low-cost labour. "Employing a large workforce in the garment sector at relatively low wages does not constitute excess capacity; rather, it reflects the economic realities of Bangladesh."

He argued that such allegations would only be credible if Bangladesh were producing goods on a scale unmatched by competitors such as India, China or Myanmar.

Exporters remain unconvinced

BGMEA President Mahmud Hasan Khan said Bangladeshi exporters have yet to receive duty-free access for garments made with US cotton, despite the commitments made under the agreement.

"USTR has informed us that the facility will become effective from September. The US will also determine the eligibility conditions and export volume. The concession will be available for three years," he said.

Fazlee Shamim Ehsan, senior vice-president of BKMEA, said there was little sign that Bangladesh would receive meaningful benefits from Washington.

"The agreement signed during the Yunus administration remains ambiguous. It does not specify what percentage of US cotton must be used in a garment to qualify for duty-free treatment. Ultimately, the extent of the benefit will depend entirely on decisions taken by the Trump administration," he said.

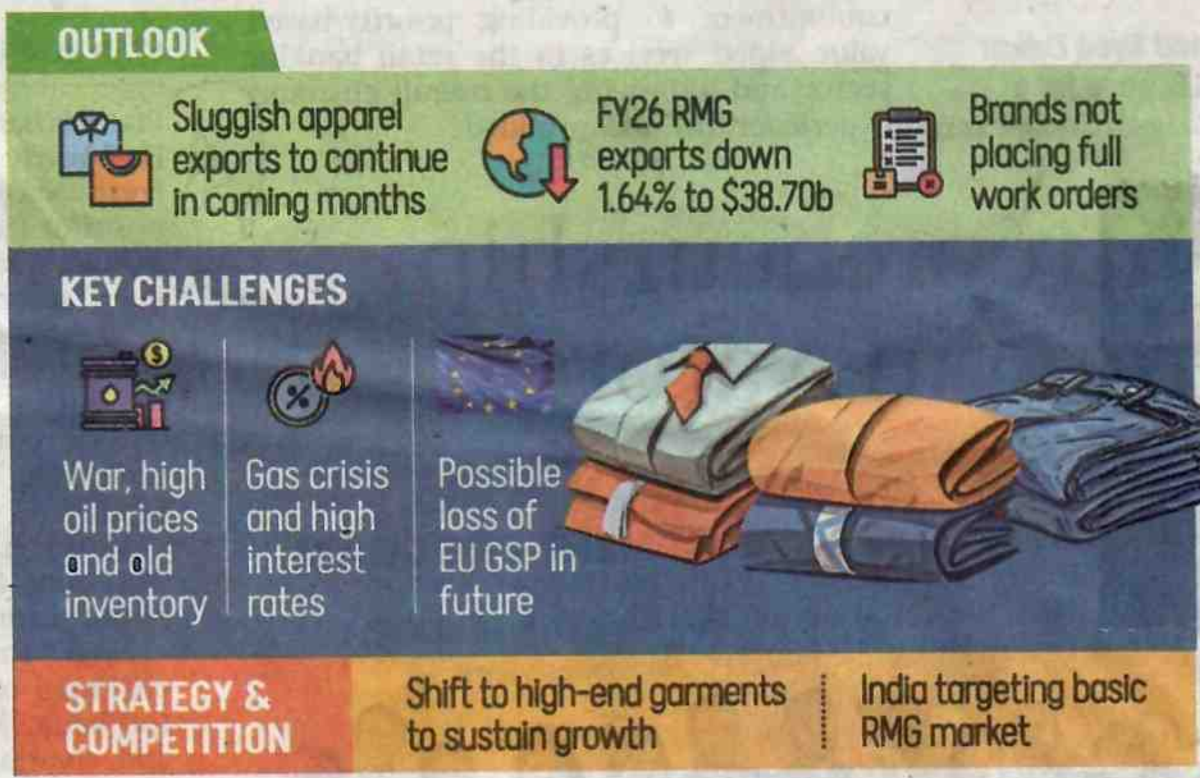
The Daily Star

26 JUL 2026

Sluggish RMG exports unlikely to rebound in coming months

Dragging war, oil shock and mounting inventories overshadow the relative clarity brought by new US tariffs

REFAYET ULLAH MIRDHA



The country's sluggish garment exports are unlikely to recover in the coming months as the war in the Gulf drives up energy costs, feeds inflation in key Western markets and leaves retailers with more unsold stock, according to exporters and major international buyers.

Apparel makers say buyers remain cautious and are avoiding large orders, even though uncertainty over US tariffs has eased.

Fresh apparel orders largely depend on retail sales in the United States and Europe. But the dragging US-Israel's war on Iran has triggered an energy shock that is rippling through the global economy.

Higher energy prices have pushed up inflation in Bangladesh's main export markets, weakening demand for clothing in Europe, Asia and the US. At home, rising energy costs have also increased production costs for manufacturers.

"We are facing a perfect storm now," said Abrar H Sayem, director of Sayem Group, which supplies clothing to brands including US Polo Assn, British Ben Sherman and European fast-fashion retailer NewYorker.

The country's readymade garment (RMG) sector earned $38.70 billion in the recently concluded fiscal year 2025-26 (July-June), down 1.64 percent from $39.35 billion in FY25, according to Export Promotion Bureau (EPB) data.

The FY26 decline was largely blamed on months of uncertainty over US tariffs. Although the Trump administration kept the newly announced tariff unchanged at of uncertainty, exporters say the broader market remains weak.

"The order placement is still slow as the global volatility is lingering," said AK Azad, managing director of Ha-Meem Group, a leading garment exporter to the US.

The war, oil prices and old inventories have been affecting buyers' decisions, Azad added.

"Western buyers are also going through a difficult period, which has affected their purchasing decisions," said Tapan Chowdhury, managing director of Square Apparels, which also exports garments to the US and Europe.

"We have the challenges of continued energy supply, but still we are hopeful that the market will recover in the near

Meanwhile, exporters also say the country's heavy reliance on five basic garment items has left the industry vulnerable in an oversupplied market marked by intense price competition.

Western buyers say the country's export performance is unlikely to improve over the long term unless it shifts towards higher-value products.

Bangladesh mainly exports trousers, T-shirts, formal woven shirts, underwear and sweaters. Together, these account for 78 percent of total garment exports, while about 95 percent of factories produce these five categories.

"Our old model of selling basic garments is no more relevant as India has been showing resilience in this segment recently because of incentives paid to

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the exporters," said Md Fazlul Hoque, managing director of Plummy Fashions Ltd, whose buyers include Tommy Hilfiger, Calvin Klein and Zara.

"If we want to remain competitive in global supply, we have to maintain the growth, which is difficult to gain now," said the exporter. "So, we have to wake up for positive growth," he added.

Hoque said improving gas supplies and lowering bank lending rates should be priorities as manufacturers continue to face rising production costs.

Anwar-Ul-Alam Chowdhury (Parvez), former president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said Vietnam is in a much stronger position than Bangladesh in the current global supply chain because its production costs have remained stable, it has higher value addition, and it enjoys shorter lead times to Europe and the US.

A senior executive at a European garment retailer, who asked not to be named, said Bangladesh would struggle to maintain $50 billion in RMG exports by 2030, let alone achieve its $100 billion target, unless it diversified its product range.

He said the global market for the five main garment items exported by Bangladesh is already saturated. "We do not have any chance for further expansion for these five products. We need high-end garment items at affordable prices."

Bangladesh's graduation from least developed country (LDC) status and the subsequent loss of preferential market access could make the country a more expensive sourcing destination than its competitors, reducing its competitiveness in key export markets.

The buyer said major retailers and brands have already begun planning to source more products from other countries ahead of Bangladesh losing GSP benefits over the next few years, even if the transition is delayed.

He also said that if India secures duty-free access to the European market through a bilateral free trade agreement (FTA), buyers may push for even lower prices from Bangladeshi exporters supplying Europe.

The Daily Star
26 JUL 2026

Industries reel under gas crisis

JAGARAN CHAKMA

Bangladesh's industrial sector is taking a heavy hit from the worsening gas crisis, which is raising operating costs and threatening the country's export competitiveness.

Gas-dependent sectors, including textiles, spinning, ceramics and fertilisers, are operating below capacity or facing production delays due to low gas supply and weak pipeline pressure, brought on by the shutdown of one of the two floating storage and regasification units on July 21 due to a technical fault.

The shutdown has curtailed the national gas supply by about 450 million cubic feet per day (mmcfd), or 17 percent.

The crisis has intensified pressure on exporters already struggling with weak orders. Production delays are forcing some manufacturers to use expensive air freight to meet delivery schedules.

The gas crisis is disrupting production across the textile and garment value chain, where meeting delivery deadlines is critical, said Shams Mahmud, managing director of Shasha Denims.

His factory requires 8 pounds per square inch (PSI) of gas pressure but is receiving only 2-3 PSI, forcing production slowdowns while also damaging machinery.

Erratic gas pressure is causing heavy losses in dyeing operations, where interrupted production can ruin entire fabric batches.

Many factories have switched to diesel to keep production running, raising operating costs by about 20 percent.

"But buyers are unwilling to absorb the additional expense," said Mahmud, also a former president of the Dhaka Chamber of Commerce and Industry.

One such factory that is now relying on diesel belongs to Bombay Sweets. That has more than doubled energy costs, according to its chief finance and operations officer Rajib Kumar Saha.

Electricity generated from gas costs Tk 14-15 per unit, compared with nearly Tk 34 using diesel.

Higher production costs are ultimately pushing up product prices, while diesel-powered boilers still fail to deliver the required output, leaving some machines idle.

The gas shortage has cut Bombay Sweets's production by 30-40 percent, he said.

Calling the past few days the worst period of the crisis, Saha said the company's packaging unit, Toys Pack, has stopped accepting new orders until gas supplies normalise to avoid missing delivery commitments.

Food manufacturers are among the hardest hit from the gas shortage because their operations depend heavily on natural gas, said Mohammed Amirul Haque, managing director of Delta Agrofood Industries.

"We are suffering, but we do not see a practical solution. The higher production cost is directly pushing up the cost of our products," Haque said.

The ceramic industry is also facing severe disruptions.

"The biggest challenge is not the volume of gas but unstable pressure," said a senior official of Fresh Ceramics, whose factory is currently receiving only 15-16 PSI against a requirement of 30-35 PSI.

Ceramic kilns require a constant gas flow during a 24-hour firing cycle, and even brief interruptions can ruin an entire batch.

Under normal conditions, about 90 percent of output meets quality standards, but during severe gas disruptions the success rate can fall to just 10 percent, he added.

The gas crisis has crippled knitwear factories, leaving production planning almost impossible because there is no certainty over gas supply, said Fazlee Shamim Ehsan, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association.

Low gas pressure leaves fabric trapped inside processing machines, which must keep running to avoid damage, driving up electricity costs.

"But workers' wages and utility bills must be paid, come what may -- industries are gradually becoming sick."

The crisis has intensified pressure on exporters already struggling with weak orders. Production delays are forcing some manufacturers to use expensive air freight to meet delivery schedules, he added.

The Daily Star

26 JUL 2026

Govt taskforce prescribes reforms for ailing tea sector

Exports down 79% since 2002 while production costs rise 78.31% over past decade

SUKANTA HALDER

Bangladesh's tea industry is under mounting financial strain as estates grapple with years of losses, high borrowing costs, falling exports, rising production expenses and low productivity, prompting a government taskforce to recommend sweeping reforms.

The taskforce identified problems across eight priority areas, made 59 recommendations and laid out an implementation roadmap covering cheaper credit, tax cuts, debt restructuring, replanting, exports and investment.

Bangladesh is the world's eighth-largest tea producer, with 172 estates producing 9.49 crore kg of tea in 2025. The sector directly employs 102,000 permanent and 40,000 temporary workers, while around 5 lakh people live within estate boundaries.

Yet tea gardens have been selling tea below production costs every year since 2019, according to Bangladesh Tea Association data cited in the report.

THE SECTOR'S GROWING WOES

In 2024, production costs stood at Tk 260 per kg against an average auction price of Tk 208.88, leaving a gap of Tk 51.12 per kg.

Exports have fallen 79 percent since 2002, while production costs have risen 78.31 percent over the past decade, with auction prices failing to keep pace.

The taskforce, formed in the first half of June and headed by Mamun Rashid, chairman of publicly traded National Tea Company Limited, submitted its report to the commerce ministry on July 12.

The committee comprises representatives from government bodies, regulatory agencies and tea sector stakeholders.

One key problem identified by the taskforce is the classification of tea estates as an industry rather than agriculture, forcing owners to borrow at more than double the rate available to farmers.

The Daily Star

26 JUL 2026

Govt taskforce prescribes

FROM PAGE B1

Calling it a "classification mismatch", the taskforce recommended reclassifying tea gardens as agriculture so owners can access loans at 6 percent instead of the current 13.75 percent.

The industry also faces a heavy tax burden, including 15 percent value-added tax, 1 percent Tea Cess, 1 percent brokerage fees, a Tk 50.15 warehousing charge per bag and 3 percent advance income tax on direct sales.

The taskforce recommended cutting VAT to 5 percent and reducing the overall tax burden at the production and auction stages.

Exports remain weak, generating only $2.5 million to $4.5 million annually, with Pakistan the only significant overseas market. Bangladesh also lacks a national tea brand, geographical indication recognition and a presence in premium export markets.

Productivity stands at around 1,550 kg per hectare, compared with 2,500 kg in India and 3,300 kg in Sri Lanka.

About 45 percent of total estate land is not under active tea production, but only 8-9 percent is genuinely available for new planting, with the rest serving operational, residential and ecological purposes.

TASKFORCE CHARTS RECOVERY PLAN

To address the industry's financial stress, the taskforce proposed a Tk 2,050 crore Tea Sector Assistance Fund, including a Bangladesh Bank-backed refinance facility for debt restructuring at 4-6 percent, replanting loans with a moratorium and seven-year financing for factory modernisation.

It also recommended dedicated annual budget allocations for the Bangladesh Tea Board (BTB) and Bangladesh Tea Research Institute (BTRI).

The report proposed a three-tier floor price framework: Tk 275 per kg for domestic-grade tea, Tk 200-220 per kg for export-grade tea with a Tk 30-40 per kg duty drawback, and market-based pricing for premium and specialty tea.

A National Tea Replanting Master Plan was also proposed, requiring estates to prepare rolling 10-year plans targeting annual replacement of 2-3 percent of tea bushes.

To revive exports, the taskforce recommended pursuing government-to-government trade agreements with Pakistan, Egypt, the UAE and Russia, while raising Bangladesh Bank's export incentive from 3 percent to 5 percent.

It also proposed making tea a priority sector of the Bangladesh Investment Development Authority (BIDA), establishing a Tea Investment Desk and attracting foreign investment in agri-tech, solar infrastructure and premium brands.

A Bangladesh Tea Green Finance Facility was proposed to mobilise financing for solar agrivoltaics, battery energy storage, irrigation and factory modernisation.

For small growers, the taskforce recommended establishing a permanent BTB regional office in Panchagarh to provide technical support and improve quality management for more than 8,000 smallholders in North Bengal.

The report also proposed minimum labour welfare standards, including government-managed schools for workers' children, functioning dispensaries, ambulance access and improved estate roads.

The taskforce outlined a 90-day plan to begin implementing the reforms.

Within 30 days, an inter-ministerial working group should be formed to validate data and determine eligibility for financial assistance.

Within 60 days, the government should reclassify tea estates as agriculture, prepare VAT and Tea Cess reform options, and establish a 6 percent tea garden credit window through Bangladesh Krishi Bank in consultation with Bangladesh Bank.

Within 90 days, a phased implementation roadmap should be submitted, the Tea Investment Desk at BIDA established, trade talks with Pakistan initiated, and the BTB regional office in Panchagarh launched.

The Financial Express
26 JUL 2026

PM eyes semiconductor sector as next economic driver after garments

Bangladesh targets semiconductor export by 2030, he says

Prime Minister Tarique Rahman on Saturday described the semiconductor industry as Bangladesh's next major economic growth engine after the ready-made garment sector, saying his government is laying the foundation for the country to become a competitive player in the global high-tech value chain, reports UNB.

FROM PAGE 1 COL 8

"I firmly believe that powered by innovation, skills and dynamism of our talented young workforce, the semiconductor industry has the potential to become Bangladesh's next economic growth driver after the ready-made garment sector," he said while inaugurating the 2-day National Semiconductor Symposium and Biotechnology, Electronics, Artificial Intelligence and Robotics (BEAR) Conference 2026 at the Novo Theatre in Tejgaon.

He called upon the relevant ministries, government agencies, universities, industry stakeholders, Bangladeshi professionals living abroad and development partners to work in a coordinated manner to help build Bangladesh's semiconductor industry and achieve its long-term development goals.

Tarique Rahman said the government has already begun implementing a comprehensive plan to create a semiconductor-friendly ecosystem through investment incentives, tax reforms, infrastructure development and startup support.

He announced that all taxes and duties on raw materials required for semiconductor manufacturing have been withdrawn in the current national budget, while initiatives have been taken to introduce cash incentives for export earnings from semiconductor design services.

The government has also allocated Tk 500 crore for startup grants in the current budget to encourage innovation and technology entrepreneurship, the Prime Minister said, adding that the process has already begun and grants have started reaching deserving entrepreneurs.

The Prime Minister said the government is also planning to establish a biotechnology park alongside modernising existing high-tech parks to strengthen the country's deep-tech ecosystem.

Addressing policymakers, technology experts, global semiconductor executives, investors, researchers, entrepreneurs and members of the Bangladeshi diaspora, the Prime Minister said Bangladesh wants to build a self-reliant, prosperous and technology-driven nation through a knowledge-based economy.

"This conference is not merely another event. I see it as a gathering of those who will help build tomorrow's Bangladesh," he said.

The Prime Minister noted that the world is currently passing through a technological transition where artificial intelligence, robotics and automation are laying the foundation for the fourth and fifth industrial revolutions.

He described semiconductors as no longer just another industry but "the foundation of modern civilisation," saying they are indispensable in everything from mobile phones and computers to medical equipment, agricultural technology, defence systems, artificial intelligence, robotics, data centres, renewable energy, advanced manufacturing and satellite technology.

Referring to global industry forecasts, Tarique Rahman said the worldwide semiconductor market is expected to approach US$1 trillion by 2030, while some experts believe it may reach that milestone even earlier.

"That presents enormous opportunities for Bangladesh to enter this market."

The Prime Minister expressed confidence that Bangladesh would achieve its semiconductor export target by 2030 through coordinated efforts by the government, private sector and technology professionals.

Highlighting Bangladesh's growing strengths, he said more than 3,000 Bangladeshi semiconductor professionals are currently working at leading technology companies, research institutions and universities in the United States, Malaysia, South Korea, Japan, Singapore and Europe as engineers, architects, researchers, managers and entrepreneurs.

Tarique Rahman stressed the need to engage these globally recognised Bangladeshi professionals more deeply in the country's technological transformation.

"The government alone cannot build this industry. Universities, research institutions, industries, entrepreneurs and our diaspora all have important roles to play," he said.

The Prime Minister said Bangladesh has already started working in semiconductor design, embedded systems, power electronics and advanced packaging, with several domestic companies entering international markets.

He said the government has identified semiconductors as a national priority sector because of its strategic importance for future economic development.

Tarique Rahman said his administration is working continuously to ensure an investor-friendly environment by providing policy support, tax incentives, bonded warehouse facilities and specialised infrastructure for semiconductor companies.

He also praised industry stakeholders for organising international roadshows in Malaysia, South Korea and the United States to showcase Bangladesh's semiconductor potential to global investors.

The Prime Minister said Bangladesh has overcome many challenges in agriculture, the garment industry, remittance and digital services through the talent and innovation of its young people.

He said the country possesses the same potential to emerge as a competitive player in the global semiconductor industry despite challenges such as skill shortages, limited laboratory facilities, investment constraints and intense international competition.

"I want to assure you that the government will stand beside you with all its strength and resources to help transform your aspirations into reality," the Prime Minister said.

He expressed hope that the symposium would generate new partnerships, research initiatives, investment opportunities and innovative ideas that would further accelerate Bangladesh's technological advancement.

The symposium and BEAR Conference 2026 has been jointly organised by the Ministry of Science and Technology, the Bangladesh Semiconductor Industry Association and Silicon River Bangladesh under the theme "Building Bangladesh's Semiconductor Future through Global Partnership."

The event features 11 technical sessions and seven strategic dialogue sessions focusing on semiconductor industry development, global technology leadership, entrepreneurship, advanced manufacturing, research commercialisation, workforce development and deep-tech innovation.

Senior executives and representatives from Texas Instruments, Purdue University, GlobalFoundries, NXP, Applied Materials, SanDisk, Credo and the Vietnam Semiconductor Alliance and Partnership are participating in the conference.

Science and Technology Minister Faqir Mahbub Anam, Prime Minister's ICT Adviser Rehan Asif Asad, Professor Mohammad Mustafa Hossain of Purdue University, Science and Technology Secretary Md Anwar Hossain and

সমকাল

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যুক্তরাষ্ট্রের তুলায় উৎপাদিত পোশাক বাড়তি শুল্কের বাইরে থাকতে পারে

সমকাল প্রতিবেদক

যুক্তরাষ্ট্রে প্রবেশে বাংলাদেশসহ বিভিন্ন দেশের পণ্যে নতুন যে শুল্ককাঠামো ঘোষণা করা হয়েছে তাতে মার্কিন তুলায় উৎপাদিত বাংলাদেশের তৈরি পোশাকের একটি অংশ বাড়তি শুল্ক থেকে অব্যাহতি পেতে পারে। তবে তা নির্ভর করবে তুলা আমদানির প্রবণতার ওপর।

জোরপূর্বক শ্রমে উৎপাদিত পণ্য আমদানি ইস্যুতে গত বৃহস্পতিবার যুক্তরাষ্ট্র বাংলাদেশের ওপর বাড়তি ১০ শতাংশ শুল্ক আরোপ করেছে। এ বিষয়ে প্রেসিডেন্টের স্মারকে বলা হয়, বাংলাদেশ, কম্বোডিয়া, ইন্দোনেশিয়া ও মালয়েশিয়ার জন্য মার্কিন বাণিজ্য প্রতিনিধি ট্যারিফ রেট কোটা (টিআরকিউ) চালু করবেন। এর উদ্দেশ্য হবে দেশগুলোকে যুক্তরাষ্ট্রের তুলা বেশি আমদানি করতে উৎসাহিত করা; যাতে তারা এমন অন্যান্য উৎসের তুলার ওপর কম নির্ভরশীল হয়, যেগুলোতে জোরপূর্বক শ্রম ব্যবহারের ঝুঁকি বেশি।

এতে বলা হয়, এই কোটা এমনভাবে নির্ধারণ করা হবে; যাতে বাংলাদেশ, কম্বোডিয়া, ইন্দোনেশিয়া ও মালয়েশিয়ার মার্কিন তুলা আমদানির ভিত্তিতে নির্দিষ্ট পরিমাণ টেক্সটাইল ও তৈরি পোশাক যুক্তরাষ্ট্রে অতিরিক্ত শুল্ক ছাড়াই রপ্তানি করতে পারে।

নোটিশে বলা হয়, মার্কিন বাণিজ্য প্রতিনিধির কার্যালয় (ইউএসটিআর) প্রাথমিক ৩ বছর মেয়াদের একটি টিআরকিউ প্রতিষ্ঠা করবে; যাতে এসব দেশ মার্কিন তুলা আমদানির ওপর ভিত্তি করে নির্দিষ্ট পরিমাণ টেক্সটাইল এবং পোশাক ৩০১ অনুচ্ছেদের আওতায় অতিরিক্ত শুল্ক ছাড়াই যুক্তরাষ্ট্রে প্রবেশ করতে পারে।

ইউএসটিআরের পক্ষ থেকে এই টিআরকিউ তৈরি না করা পর্যন্ত বাংলাদেশ, কম্বোডিয়া, ইন্দোনেশিয়া এবং মালয়েশিয়ার নির্দিষ্ট টেক্সটাইল ও পোশাক আমদানির ওপর স্মারকের ১(ক) ধারায় প্রদত্ত প্রযোজ্য ৩০১ অনুচ্ছেদের অতিরিক্ত ১০ শতাংশ শুল্ক আরোপ থাকবে। ইউএসটিআর এই অনুচ্ছেদের নির্দেশনা বাস্তবায়নের জন্য প্রয়োজনীয় সংশোধন করবে। তার আগেই ইউএসটিআরের পক্ষে টিআরকিউ কার্যকর হওয়ার তারিখ-সংক্রান্ত একটি বিজ্ঞপ্তি ফেডারেল রেজিস্টারে প্রকাশ করবে।

জোরপূর্বক শ্রমে উৎপাদিত পণ্য আমদানির ওপর নিষেধাজ্ঞা যথাযথভাবে কার্যকর করতে ব্যর্থতার অভিযোগে বাংলাদেশসহ ৬০ দেশ থেকে পণ্য আমদানিতে নতুন করে শুল্কপুনর্নির্ধারণ করেছে মার্কিন বাণিজ্য প্রতিনিধির কার্যালয় (ইউএসটিআর)। গত বৃহস্পতিবার যুক্তরাষ্ট্রের বাণিজ্য প্রতিনিধির কার্যালয় নতুন এই শুল্কের ঘোষণা দেয়। নতুন ঘোষণায় বাংলাদেশের শুল্ক হার ১০ শতাংশ। তবে রপ্তানিতে বাংলাদেশের প্রধান প্রতিযোগী চীন, ভিয়েতনামের পণ্যে শুল্কহার বাড়িয়ে ১২ দশমিক ৫ শতাংশ করা হয়েছে। এর আগে যুক্তরাষ্ট্রের পাল্টা শুল্ক সে দেশের সুপ্রিম কোর্টে অবৈধ ঘোষণা হলে বাণিজ্য আইনের আওতায় সব দেশের জন্য বাড়তি ১০ শতাংশ অস্থায়ী শুল্ক আরোপ করে ট্রাম্প প্রশাসন। এর মেয়াদ শেষের দিনে জোরপূর্বক শ্রম ইস্যুতে বাড়তি শুল্ক আরোপ করা হয়। এই শুল্ক পণ্যের ওপর সাধারণভাবে আরোপিত শুল্কের অতিরিক্ত।