সমকাল
04 SEP 2026

সংসদে বাণিজ্যমন্ত্রী

ভারতের সঙ্গে বাণিজ্য ঘাটতি আরও বেড়েছে

■ সমকাল প্রতিবেদক

ভারতের সঙ্গে বাণিজ্য ঘাটতি আগের বছরের তুলনায় ২০২৫-২৬ অর্থবছরে আরও বেড়েছে বলে সংসদকে জানিয়েছেন বাণিজ্যমন্ত্রী খন্দকার আব্দুল মুক্তাদির। বিএনপিদলীয় সদস্য লুৎফর রহমানের প্রশ্নের জবাবে বাণিজ্যমন্ত্রী ২০২০-২১ অর্থবছর থেকে ২০২৪-২৫ অর্থবছরে ভারতের সঙ্গে বাংলাদেশের বাণিজ্য ঘাটতির তথ্য তুলে ধরেন। এর আগে বিকেল সাড়ে ৩টায় স্পিকার হাফিজ উদ্দিন আহমদের সভাপতিত্বে সংসদের বৈঠক শুরু হয়।

সংসদে বাণিজ্যমন্ত্রী খন্দকার আব্দুল মুক্তাদিরের দেওয়া তথ্য অনুযায়ী, ২০২০-২১ অর্থবছরে বাণিজ্য ঘাটতি ছিল ৭ হাজার ৩১৩ দশমিক ৮৩ মিলিয়ন মার্কিন ডলার, ২০২১-২২ অর্থবছরে ১১ হাজার ৬৯৮ দশমিক ৬০ মিলিয়ন, ২০২২-২৩ অর্থবছরে ৭ হাজার ৭১৬ দশমিক ৬৫ মিলিয়ন, ২০২৩-২৪ অর্থবছরে ৭ হাজার ৪৩০ দশমিক ৯৬ এবং ২০২৪-২৫ অর্থবছরে বাণিজ্য ঘাটতি ছিল ৭ হাজার ৮৫৯ দশমিক ৮৭ মিলিয়ন মার্কিন ডলারের।

তিন বছরে ৪০০-এর বেশি পোশাক কারখানা বন্ধ

২০২৩ সালের জুলাই থেকে ২০২৬ সালের জুন পর্যন্ত তিন বছরে বিজিএমইএর সদস্য ২৮২টি এবং বিকেএমইএর সদস্য ১২০টিসহ ৪০০-এর বেশি পোশাক কারখানা বন্ধ হয়েছে। বন্ধ কারখানার নামের তালিকা সংগ্রহের কার্যক্রম চলমান আছে।

গত ২২ জুন বিজিএমইএ থেকে প্রকাশিত প্রতিবেদন উল্লেখ করে বাণিজ্যমন্ত্রী পোশাক কারখানা বন্ধের আটটি কারণ উল্লেখ করেন। সেগুলো হলো– করোনা পরিস্থিতি, রাশিয়া-ইউক্রেন যুদ্ধ, মধ্যপ্রাচ্যে ইসরায়েল-ফিলিস্তিন যুদ্ধ, আমেরিকা-ইরানের মধ্যে ভয়াবহ যুদ্ধ, আন্তর্জাতিক মন্দা পরিস্থিতি, দেশের অভ্যন্তরে রাজনৈতিক অস্থিরতা, ব্যাংকিং সেক্টরে তারল্য সংকট, ইউরোপের সঙ্গে ভারত ও ভিয়েতনামের এফটিএ চুক্তি।

প্রথম আলো
04 SEP 2026

তিন বছরে চার শতাধিক গার্মেন্টস বন্ধ হয়েছে

বাণিজ্যমন্ত্রী

বিশেষ প্রতিবেদক, *ঢাকা*

গত তিন বছরে চার শতাধিক গার্মেন্টস (তৈরি পোশাক), কারখানা বন্ধ হয়েছে বলে জাতীয় সংসদকে জানিয়েছেন বাণিজ্যমন্ত্রী খন্দকার আবদুল মোক্তাদির। গতকাল বৃহস্পতিবার জাতীয় সংসদে এক প্রশ্নের জবাবে তিনি এ তথ্য জানান।


আবদুল মোক্তাদির

স্পিকার হাফিজ উদ্দিন আহমদের সভাপতিত্বে বৈঠকের শুরুতে প্রশ্নোত্তর পর্ব অনুষ্ঠিত হয়।

জামায়াতে ইসলামীর সংসদ সদস্য রুহুল আমিনের লিখিত প্রশ্নের জবাবে বাণিজ্যমন্ত্রী জানান, '২০২৩ সালের জুলাই থেকে ২০২৬ সালের জুন পর্যন্ত তিন বছরে বিজিএমইএর সদস্য ২৮২টি এবং বিকেএমইএর ১২০টিসহ ৪০০-এর বেশি গার্মেন্টস কারখানা বন্ধ হয়েছে। বন্ধ কারখানার নামের তালিকা সংগ্রহের কর্যক্রম চলমান আছে।'

গত ২২ জুন বিজিএমইএ থকে পাওয়া প্রতিবেদনের কথা উল্লেখ করে বাণিজ্যমন্ত্রী এ তথ্য জানান। এ সময় তিনি গার্মেন্টস কারখানা বন্ধ হওয়ার আটটি কারণ উল্লেখ করেন। সেগুলো হলো করোনা পরিস্থিতি; রাশিয়া-ইউক্রেন যুদ্ধ; মধ্যপ্রাচ্যে ইসরায়েল-ফিলিস্তিন যুদ্ধ, আমেরিকা-ইরানের মধ্যে ভয়াবহ যুদ্ধ; আন্তর্জাতিক মন্দা পরিস্থিতি; দেশের অভ্যন্তরে রাজনৈতিক অস্থিরতা; অর্থ পাচারের কারণে ব্যাংকিং সেক্টরে তারল্যসংকট; ইউরোপের সঙ্গে ভারত ও ভিয়েতনামের এফটিএ এবং বিদেশি ক্রেতার নিজস্ব মনিটরিংয়ের সুবিধার্থে ছোট ও মাঝারি কারখানায় রপ্তানি আদেশ প্রদানে অনাগ্রহ।

বিশ্ববাজারে বাংলাদেশের তৈরি পোশাকশিল্পের বাজার ধরে রাখার জন্য সরকারের বিভিন্ন পদক্ষেপের কথাও তুলে ধরেন বাণিজ্যমন্ত্রী। একই সঙ্গে বাণিজ্যমন্ত্রী জানান, বাংলাদেশ শিগগিরই স্বল্পোন্নত রাষ্ট্র থেকে উন্নয়নশীল রাষ্ট্রে পরিণত হবে। ফলে উন্নত রাষ্ট্র কর্তৃক ট্রেডিং স্কিমের আওতায় অগ্রাধিকার বাজার-সুবিধা হারাবে এবং এর প্রভাবে ১৭ দশমিক ৫ বিলিয়ন মার্কিন ডলারের রপ্তানি ক্ষতিগ্রস্ত হওয়ার আশঙ্কা রয়েছে। এ অবস্থা থেকে উত্তরণের জন্য ইতিমধ্যে জাপানের সঙ্গে ইপিএ (অর্থনৈতিক অংশীদারত্ব চুক্তি) সম্পাদন হয়েছে। কোরিয়ার সঙ্গে সিইপিএ (সমন্বিত অর্থনৈতিক অংশীদারত্ব চুক্তি) সম্পাদনের বিষয়টি চলমান আছে। এ ছাড়া ইউরোপীয় ইউনিয়ন, আরসিইপি, আরব আমিরাত, সিঙ্গাপুর, ইন্দোনেশিয়া, চায়নাসহ অন্যান্য রপ্তানি-সম্ভাবনাময় দেশের সঙ্গে ইপিএ, সিইপিএ, মুক্ত বাণিজ্যচুক্তি (এফটিএ) করার উদ্যোগ নেওয়া হয়েছে।

বিএনপির সংসদ সদস্য জাহান্দার আলী মিয়ার প্রশ্নের জবাবে বাণিজ্যমন্ত্রী খন্দকার আবদুল মোক্তাদির বলেন, ২০২৬-২৭ অর্থবছরে পোশাকশিল্পের রপ্তানি আয়ের লক্ষ্যমাত্রা হলো ৪৪ হাজার ৫০৫ মিলিয়ন মার্কিন ডলার। চলতি বছরের জুলাই মাসে অর্জিত হয়েছে ৩ হাজার ৮৮৬ দশমিক ৭২ মিলিয়ন মার্কিন ডলার।

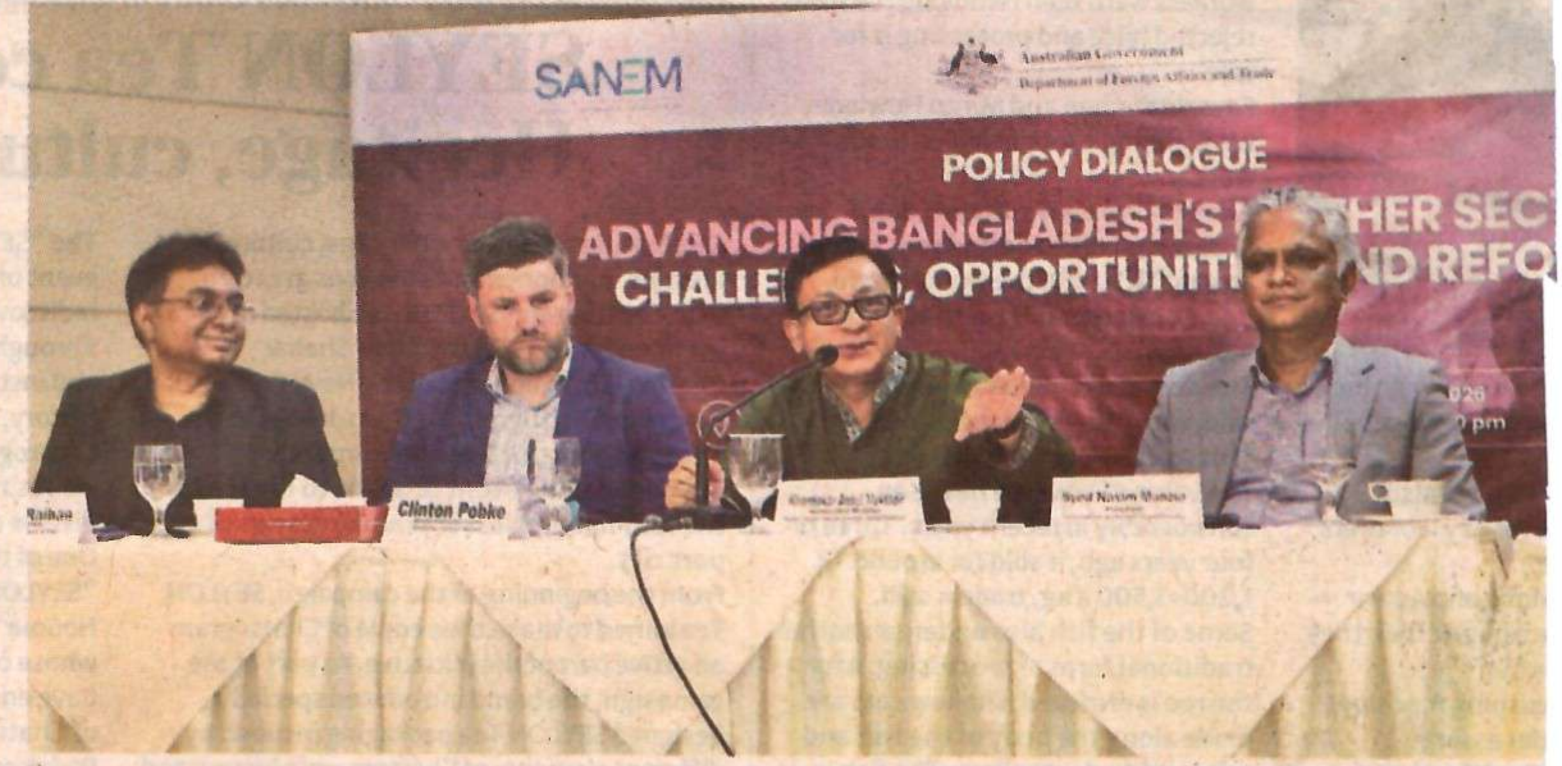
ভারতের সঙ্গে বাণিজ্য-ঘাটতি আরও বেড়েছে

বিএনপির সংসদ সদস্য লুৎফর রহমানের প্রশ্নের জবাবে বাণিজ্যমন্ত্রী ২০২০-২১ অর্থবছর থেকে ২০২৪-২৫ অর্থবছরে ভারতের সঙ্গে বাংলাদেশের বাণিজ্য-ঘাটতির তথ্য তুলে ধরেন। মন্ত্রীর দেওয়া তথ্য অনুযায়ী, ২০২০-২১ অর্থবছরে বাণিজ্য-ঘাটতি ছিল ৭ হাজার ৩১৩ দশমিক ৮৩ মিলিয়ন মার্কিন ডলার, ২০২১-২২ অর্থবছরে ১১ হাজার ৬৯৮ দশমিক ৬০ মিলিয়ন, ২০২২-২৩ অর্থবছরে ৭ হাজার ৭১৬ দশমিক ৬৫ মিলিয়ন, ২০২৩-২৪ অর্থবছরে ৭ হাজার ৪৩০ দশমিক ৯৬ এবং ২০২৪-২৫ অর্থবছরে বাণিজ্য-ঘাটতি ছিল ৭ হাজার ৮৫৯ দশমিক ৮৭ মিলিয়ন মার্কিন ডলারের।

The Financial Express
04 SEP 2026

Govt to build a new world-class CETP at Savar tannery estate: Muktadir

- Footwear, leather and leather goods should be treated as a single sector, says Syed Nasim Manzur
- SANEM's Selim Raihan for formation of a leather sector dev authority, long-term policy



The Footwear, Leathergoods and Accessories Exporters Association (FLAXA) and the South Asian Network on Economic Modeling (SANEM) jointly organised a policy dialogue titled 'Advancing Bangladesh's Leather Sector: Challenges, Opportunities and Reform' in the capital on Thursday. From left are SANEM Executive Director Selim Raihan, Deputy High Commissioner of the Australian High Commission Clinton Pobke, Commerce Minister Khandaker Abdul Muktadir and FLAXA President Syed Nasim Manzur. — FE photo

FE REPORT

The government is planning to build a new global-standard central effluent treatment plant (CETP) at the Savar Tannery Industrial Estate while also remediating the existing facility, Commerce Minister Khandaker Abdul Muktadir said on Thursday.

He said a world-class institution would be selected through a transparent tender process to build the new CETP, with relevant leather industry associations involved throughout.

Mr. Muktadir was speaking as the chief guest at a policy dialogue titled 'Advancing Bangladesh's Leather Sector: Challenges, Opportunities and Reform', jointly organised by the Footwear, Leathergoods and Accessories Exporters Association (FLAXA) and the South Asian Network on Economic Modeling (SANEM) in the capital.

Highlighting the limitations of the existing CETP, the minister said its designed capacity was 25,000 cubic metres, but it could effectively treat only around 14,000-15,000 cubic metres.

Demand for effluent treatment rises several-fold during Eid-ul-Azha as the supply of rawhides increases, making a new facility necessary alongside rehabilitation of the existing one, he said.

The minister said separate rehabilitation proposals had been received from an Italian company and a Chinese state-owned enterprise, and they would be comparatively assessed before a decision is taken.

He, however, said rehabilitating the existing CETP could cost nearly twice as much as building a new one.

The minister said all future tannery operators would be required to be fully compliant and obtain certification from the Leather Working Group.

He stressed the need for processing rawhides into leather goods domestically and exporting value-added products, rather than exporting rawhides for processing abroad.

The government is working on an integrated plan to put the leather industry back on track, he said, adding that while the decision to relocate tanneries from Hazaribagh to Savar was correct, its implementation was poorly managed.

The minister said the government also wants to create an opportunity for investors who have lost the capacity or willingness to invest further after years in the sector to make a "graceful exit," which would create room for new investors to enter the industry.

The government would also take initiatives to turn the Savar tannery industrial area into an integrated, self-sufficient waste management hub, he added.

The minister said the government is addressing various issues raised by businesses, including bond licences, business simplification, and classification of HS codes, and would soon announce progress on the measures.

In his keynote address, the FLAXA President Syed Nasim Manzur said continuation of bonded warehouse facilities at existing rates would accelerate the country's leather exports toward the $3.0 billion export goal.

He urged the government to exempt the existing 1.0 per cent advance income tax, introduce a separate and simplified customs and bond SRO similar to the readymade garment sector, increase the Equity and Entrepreneurship Fund (EEF) loan ceiling, and ensure allocation of funds from the Export Development Fund.

Mr. Nasim Manzur also called for simplifying business documentation and licensing processes, and for withdrawal of the 100 per cent bank guarantee requirement on raw material imports by non-bonded factories.

"Footwear, leather and leather goods should be identified as a single sector," he said, adding that leather is a natural material, but that the fastest route to the $3.0 billion target lies through non-leather products," he said.

He also termed the Savar CETP one of the sector's major challenges.

Presenting the policy paper, SANEM Executive Director Selim Raihan urged the government to ensure environmental and sustainability compliance by rehabilitating the Savar CETP, enforcing the polluter-pays principle, and promoting cleaner production.

He also recommended institutional reforms, including formation of a Leather Sector Development Authority, and a long-term policy for sharper market positioning.

Leather sector leaders also spoke at the event, outlining challenges facing the industry.

Deputy High Commissioner of the Australian High Commission in Bangladesh, Clinton Pobke, delivered the welcome remarks.

newsmanjasi@gmail.com

The Financial Express
04 SEP 2026

Jute spinners seek withdrawal of 0.5pc source tax on raw jute

FE REPORT

The Bangladesh Jute Spinners Association (BJSA) urged the government to withdraw the 0.5 per cent source tax (TDS) imposed on raw jute, the primary raw material for the country's jute spinning industry.

The association also sought a reasonable extension of the deadline for payment of corporate tax by jute product manufacturers, along with various tax benefits to reduce production and export costs and improve the industry's competitiveness in international markets. The demand was raised at a recent meeting between leaders of the association and the chairman of the National Board of Revenue (NBR).

During the meeting, the industry representatives focused on the current state of the country's jute sector, its competitiveness in global markets and the rising cost of production caused by the existing tax structure.

According to the association, rising production costs are gradually eroding the competitiveness of Bangladesh's jute industry.

The 0.5 per cent source tax on raw jute, in particular, is putting additional pressure on the cash flow of jute mills.

Raw jute is the principal input for jute spinning mills. Farmers in different parts of the country sell their jute at local markets and mills procure the raw material from these markets.

As a result, the imposition of source tax at the time of purchasing raw jute directly affects the mills' cash flow, industry leaders said.

The BJSA argued that similar source-tax burdens are not imposed on imported raw materials used by several other industries.

In particular, the textile sector relies heavily on imported raw cotton, while the tax burden associated with procuring such imported raw materials is comparatively low, the association said.

In contrast, the jute industry has to pay source tax on raw jute, a locally produced agricultural commodity.

This, according to the association, puts the jute sector is a disadvantageous position compared with other industries.

The association said the source-tax rate applicable to raw jute had undergone changes at different stages over the past several years.

It is currently 0.5 per cent, which the BJSA wants the government to withdraw completely for raw jute used as an industrial input.

The association also proposed extending the deadline for corporate tax payments for jute product manufacturing companies to provide greater support to the industry.

BJSA chairman Tapas Pramanik said tax rates for jute product manufacturers had been reduced in recent years to help lower production costs and keep export prices competitive.

He said companies should also be given adequate time to meet their corporate tax obligations, considering the financial pressures facing the sector.

He urged the NBR to consider the proposals as part of broader measures to reduce the cost of production, strengthen the industry's cash flow and enhance Bangladesh's competitiveness in the global jute market.

He said the jute industry has been facing growing pressure from higher production costs and intense competition in international markets.

tonmoy.wardad@gmail.com

The Financial Express
04 SEP 2026

Over 400 garment factories shut in three years: Muktadir

FE REPORT

More than 400 garment factories, including 282 members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and 123 members of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), have closed down in the three years from July 2023 to June 2026, Commerce Minister Khandaker Abdul Muktadir told Parliament on Thursday.

The minister disclosed the information while replying to a question from lawmaker Md Ruhul Amin during the question-answer session of the Jatiya Sangsad.

Speaker Hafiz Uddin Ahmad Bir Bikram was in the chair.

Ruhul Amin asked how many garment manufacturing establishments had closed in Bangladesh, whether a list of the closed factories was available, what had caused the closures and what steps had been taken to develop the country's apparel sector.

In reply, Muktadir said more than 400 garment factories had shut down during the three-year period, including 282 BGMEA-member factories and 123 BKMEA-member factories. He said the government was currently collecting the names of the closed factories.

The minister attributed the closures to a number of domestic and international factors, including the global Covid-19 pandemic, the Russia-Ukraine war, the Israel-Palestine conflict in the Middle East, the severe conflict between the United States and Iran, the global economic downturn, political instability in Bangladesh and a liquidity crisis in the banking sector caused by money laundering.

He also cited free-trade agreements between India and

| SEE PAGE 7 COL 6

| FROM PAGE 1 COL 8

Vietnam and European countries as a factor affecting Bangladesh's apparel industry. The reluctance of foreign buyers to place export orders with small and medium-sized factories, partly due to the buyers' preference for easier in-house monitoring, was another factor, he said.

Muktadir said the government had taken several measures to help Bangladesh retain its share of the global apparel market.

Among the measures are alternative cash assistance of 1.50 per cent to export-oriented domestic textile industries in lieu of a bonded warehouse facility and duty drawback.

Textile exporters to the eurozone are receiving an additional special incentive of 0.50 per cent on top of the existing 1.50 per cent support, he said.

Small and medium-sized enterprises engaged in export-oriented knitwear, woven and sweater production are receiving an additional 3.00 per cent benefit, while the readymade garment sector is receiving a special cash incentive of 0.30 per cent, according to the minister.

In response to another question from lawmaker Md Shamsur Rahman Shimul Biswas, the commerce minister said regular market monitoring and supervision were being conducted under initiatives of the Ministry of Commerce to keep commodity prices at tolerable levels.

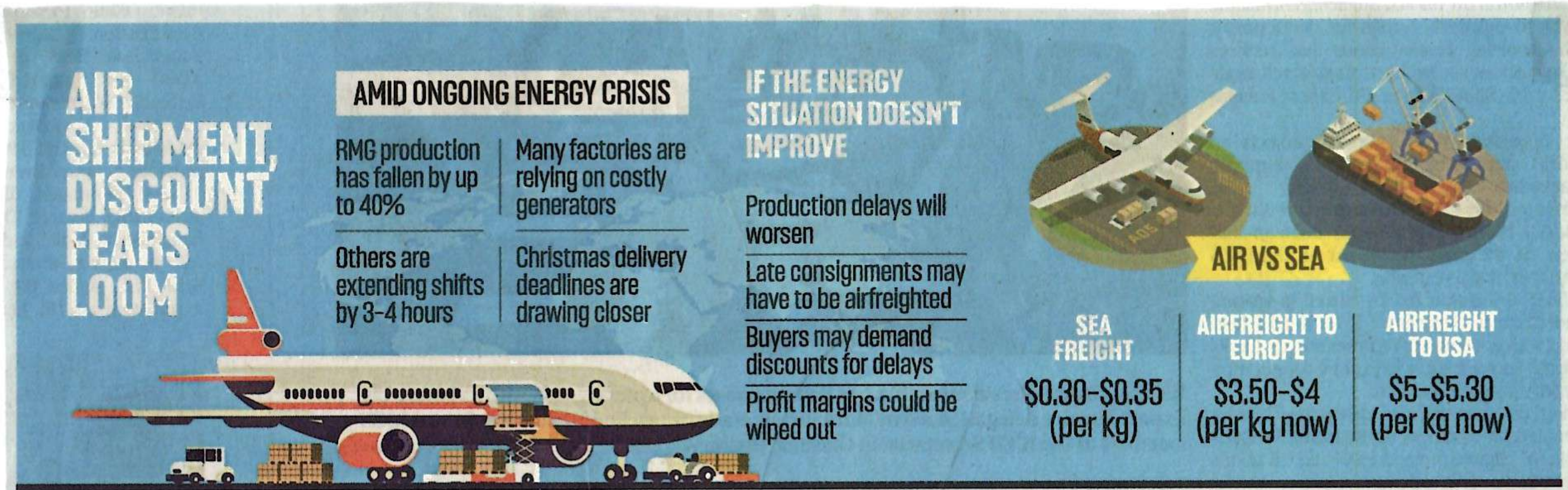
He said special task forces formed at the district level and the Directorate of National Consumer Rights Protection were conducting market drives across the country.

Legal action, including fines, was being taken against overcharging, hoarding, creation of artificial shortages, failure to display price lists and other irregularities, he said.

At the same time, the Bangladesh Competition Commission was taking necessary measures against syndicates, cartels and collusive practices to ensure fair competition in the market.

The government would continue and further strengthen market monitoring, supervision and legal enforcement as necessary in the future to protect consumer rights and keep commodity prices stable, Muktadir said.

mirmostafiz@yahoo.com



Energy crisis squeezes apparel margins as Christmas airlift looms

Apparel makers are burning money on diesel to meet deadlines, but a prolonged crisis could force Christmas orders onto costly air delivery

REFAYET ULLAH MIRDHA

Local apparel exporters are fearing expensive airfreight and discounts from international clothing retailers and brands because of delays in production and timely shipment of goods due to the current energy crisis.

The suppliers are now scrambling to complete production and ship goods on time, as July to the first week of December is the peak period for Christmas shipments.

"Buyers have been asking for timely shipment as many are lagging behind in making the Christmas deliveries on time amid the energy crisis," said Anwar-Ul-

supplies to industrial areas. By early August, factories in major industrial belts reported production cuts of 30 to 40 percent.

For apparel exporters, the immediate concerns are delayed shipments, higher costs and tighter profit margins at a time when they already face intense competition in global markets.

Parvez said even local textile mills are struggling to supply fabrics on time because of the energy crisis.

He said that international buyers have so far stayed with the local suppliers.

After more than one month of the floating terminal glitch, the shortages show no sign of improving soon as the war in the Gulf has

kg, or even less.

By contrast, air cargo costs $3.50 to $4 per kg to Europe and $5 to $5.30 per kg to the US, according to Kabir Ahmed, former president of the Bangladesh Freight Forwarders Association.

During peak seasons such as November and December, the rates rise to $6 per kg to Europe and $7 to $7.50 per kg to the US, he said.

Amid the prolonged energy crunch, some manufacturers have resorted to costly diesel-fired generators to keep their production lines running.

Shovon Islam, managing director of Sparrow Group, a garment exporter, said he

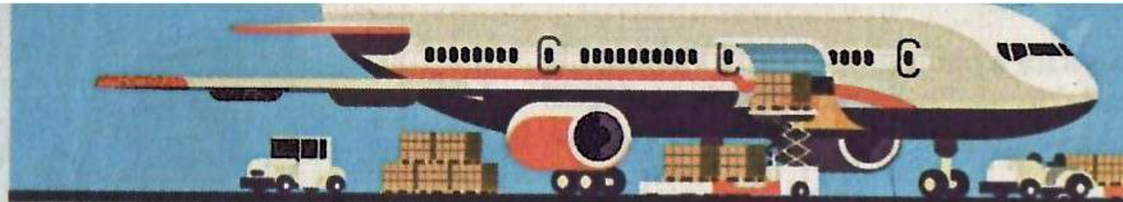
because of the scale of their operations.

They said it has become difficult to meet delivery commitments on time. They also feared having to airlift goods from Dhaka to Europe and the US at much higher costs to meet deadlines for buyers.

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said buyers are sending messages warning of discounts and expensive air shipments.

"The buyers are also not placing full volume of work orders for the next seasons as they are also observing the situation," Hatem said.

Mahmud Hasan Khan, president of the



discounts for delays

Profit margins could be wiped out

\$0.30-\$0.35 (per kg)	\$3.50-\$4 (per kg now)	\$5-\$5.30 (per kg now)

Energy crisis squeezes apparel margins as Christmas airlift looms

Apparel makers are burning money on diesel to meet deadlines, but a prolonged crisis could force Christmas orders onto costly air delivery

REFAYET ULLAH MIRDHA

Local apparel exporters are fearing expensive airfreight and discounts from international clothing retailers and brands because of delays in production and timely shipment of goods due to the current energy crisis.

The suppliers are now scrambling to complete production and ship goods on time, as July to the first week of December is the peak period for Christmas shipments.

"Buyers have been asking for timely shipment as many are lagging behind in making the Christmas deliveries on time amid the energy crisis," said Anwar-Ul-Alam Chowdhury (Parvez), chairman and managing director of Evince Group, whose clients include Levi's, Armani, Zara and H&M.

Since the third week of July, the country's apparel and textile industry has been facing worsening gas and power supplies following the disruption at a floating LNG terminal.

The gas shortage has pushed pressure at many factories below the level needed for smooth operations, particularly in textile, dyeing and finishing units. Factories that rely on gas for boilers and other production processes have been forced to cut operating hours or run below capacity.

The gas shortage has also affected gas-fired power generation, worsening electricity supplies to industrial areas. By early August, factories in major industrial belts reported production cuts of 30 to 40 percent.

For apparel exporters, the immediate concerns are delayed shipments, higher costs and tighter profit margins at a time when they already face intense competition in global markets.

Parvez said even local textile mills are struggling to supply fabrics on time because of the energy crisis.

He said that international buyers have so far stayed with the local suppliers.

After more than one month of the floating terminal glitch, the shortages show no sign of improving soon as the war in the Gulf has jeopardised LNG cargo deliveries from the Middle East.

According to apparel makers, if the crisis continues for another month, readymade garment exporters could face further problems.

From November, sea freight will no longer be a viable option for some delayed Christmas deliveries.

Local manufacturers will have to opt for expensive airfreight or offer discounts to compensate for delays.

"The airfreight will be a major challenge for the delay in production. And of coirse, air shipment is very expensive making profit through almost impossible," said Parvez.

Regular sea shipments from Chattogram to Europe and the US cost 30 to 35 cents per kg, or even less.

By contrast, air cargo costs \$3.50 to \$4 per kg to Europe and \$5 to \$5.30 per kg to the US, according to Kabir Ahmed, former president of the Bangladesh Freight Forwarders Association.

During peak seasons such as November and December, the rates rise to \$6 per kg to Europe and \$7 to \$7.50 per kg to the US, he said.

Amid the prolonged energy crunch, some manufacturers have resorted to costly diesel-fired generators to keep their production lines running.

Shovon Islam, managing director of Sparrow Group, a garment exporter, said he has been continuing production with diesel-run generators to meet tight production and shipment deadlines.

"Big factories are able to run their units with the diesel generator though the cost of production increases. But the small and medium units are facing difficulties," Shovon said.

Sharif Zahir, chairman of Ananta Group, a garment exporter, said production and shipments have continued on time because he is using diesel generators to run the factories.

"But the cost of production has been rising because of the energy crisis," he added.

Meanwhile, two big garment exporters, speaking on condition of anonymity, said they are struggling to ship goods on time because of the scale of their operations.

They said it has become difficult to meet delivery commitments on time. They also feared having to airlift goods from Dhaka to Europe and the US at much higher costs to meet deadlines for buyers.

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said buyers are sending messages warning of discounts and expensive air shipments.

"The buyers are also not placing full volume of work orders for the next seasons as they are also observing the situation," Hatem said.

Mahmud Hasan Khan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said local garment exporters have been covering 30 to 35 percent production losses by using diesel-run generators.

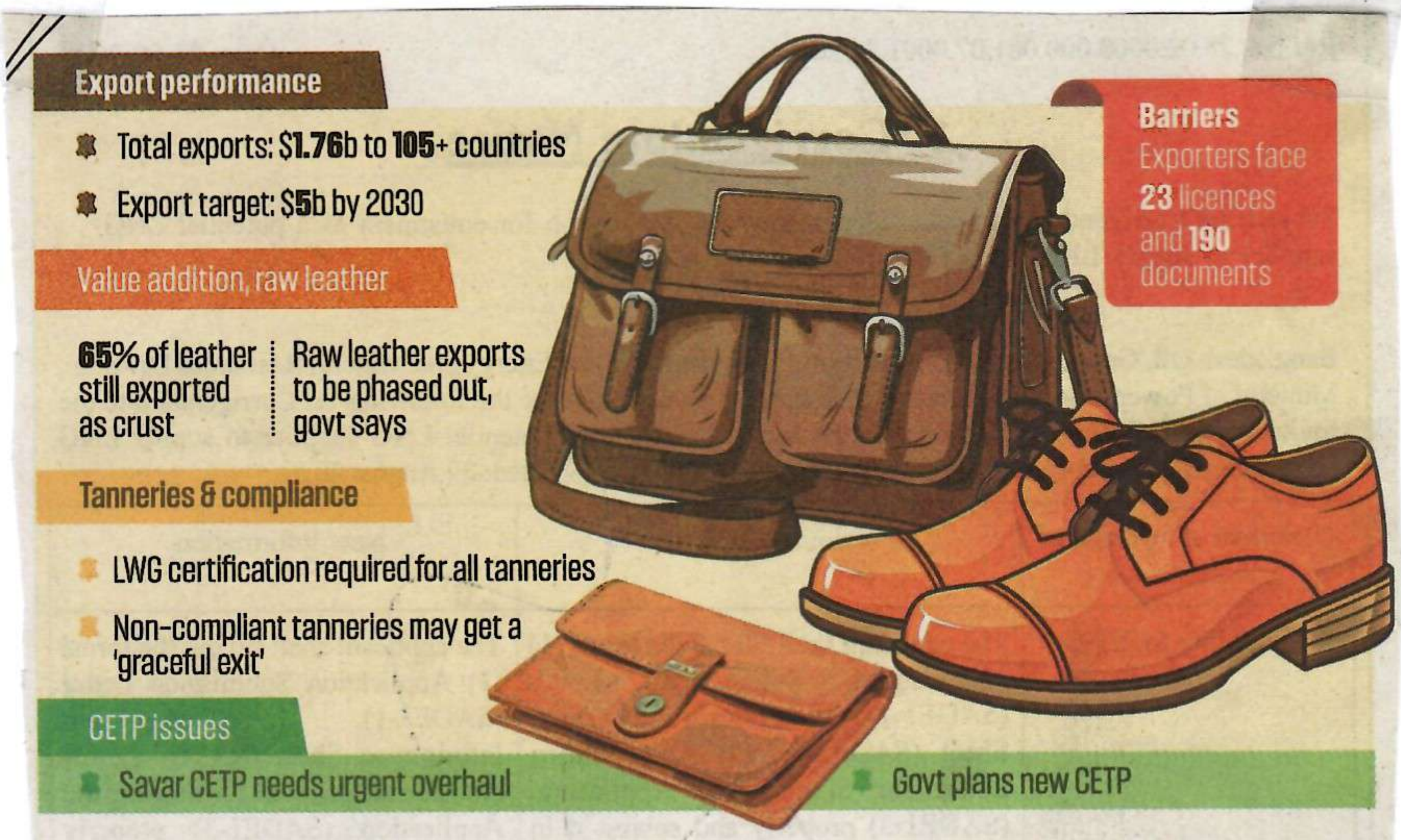
"Until now, the local exporters are maintaining the production and timely shipment of goods with the diesel run generators. In near future, it is expected that the energy crisis will end," he said.

The BGMEA president also said many factories have already extended working hours by three to four hours, using diesel-run generators, so they could ship goods on time.

"All these have increased the cost of production, but still committed to timely shipment," he added.

The Daily Star

04 SEP 2026



CETP crisis threatens leather export ambitions

Industry leaders call for swift action on environmental compliance

STAR BUSINESS REPORT

Bangladesh's plan to turn its leather and footwear industry into a $5 billion export sector by 2030 could remain out of reach unless long-standing environmental and compliance problems at the Savar tannery estate are fixed, industry leaders said yesterday.

They made the remarks at a policy dialogue on the country's leather industry organised by the South Asian Network on Economic Modeling (SANEM) and the Footwear Leathergoods and Accessories Exporters Association (FLAXA) at BRAC Centre Inn.

At the centre of the problem is the Central Effluent Treatment Plant (CETP) at the Savar tannery estate. Although the plant was designed to treat 25,000 cubic metres of liquid waste a day, verification assessments and recent official statements put its actual operating capacity at around 14,000 to 18,000 cubic metres.

The problem becomes much worse during Eid-ul-Azha, when the volume of waste can rise to 40,000-45,000 cubic metres a day, Commerce and Industry Minister Khandaker Abdul Muktadir said.

"The existing CETP has several shortcomings," he said, adding that the government would build a new CETP through a transparent bidding process and appoint a world-class operator. Steps will also be taken to improve the existing facility.

Under the plan, larger tanneries will eventually have to install their own effluent treatment plants, with technical and financial support from the government.

READ MORE ON B3

CETP crisis

FROM PAGE B1

Smaller units will have to meet compliance requirements and use the central facility by paying the required charges.

The government will also help struggling or non-compliant tanneries leave the sector, Muktadir said.

"We want to give them a graceful exit from this sector," he said.

Those that remain will have to become fully compliant and obtain certification from the Leather Working Group (LWG), he added.

FIXING THE SYSTEM, NOT JUST THE CETP

Selim Raihan, executive director of SANEM, said the industry needed urgent action to improve environmental compliance, governance and competitiveness.

He proposed a technical review of the CETP, emergency funding to restore its treatment capacity and independent monitoring, with the findings made public. He also called for stronger penalties for polluters and for government incentives to be linked to compliance with LWG and ZDHC (zero discharge of hazardous chemicals) standards.

Selim also proposed creating a leather sector development authority involving the government, industry and labour. He called for a five- to 10-year policy framework with clear and measurable targets.

Ziaur Rahman, managing director of Bay Group, said fixing the CETP alone would not solve the industry's problems. "Fixing the CETP is not enough; the environmental limits must also be revised," he said.

He said current environmental rules make it difficult for local leather processors to meet LWG certification requirements.

The industry also faces poor roads, gas shortages and high solid-waste disposal costs at the Savar estate, Ziaur said. His company alone spent nearly Tk3 crore on solid-waste disposal last year.

He urged the government to extend export incentives to products made from imported hides and attract foreign tanners to Bangladesh's underused tannery capacity.

Bangladesh currently exports around $1.76 billion worth of footwear and leather goods to more than 105 countries, despite being the world's seventh-largest footwear producer.

Yet much of the industry's potential value is still created abroad. About 65 percent of Bangladesh's leather is exported as crust leather, which means it is only partly processed before being shipped overseas.

Muktadir said he wanted Bangladesh to eventually stop exporting raw and semi-finished leather.

"Not a single piece of leather should go abroad," he said, arguing that producing finished leather goods locally would create more value and jobs.

The minister also pledged to simplify business and customs procedures. He said the government would negotiate with Japan to secure wider market access for Bangladeshi leather and non-leather products.

"We need to focus more on finished products," said Syed Nasim Manzur, president of FLAXA.

Manzur said the industry had discussed its potential for years but had failed to fully realise it.

The sector continues to struggle with gas and power shortages, poor roads and inadequate infrastructure at the Savar tannery estate.

Non-leather footwear, however, offers a major opportunity. It accounts for nearly 31 percent of sector exports, but Bangladesh has less than 0.5 percent of the global market.

According to FLAXA, raising that share to 5 percent could generate about $3.5 billion in exports.

However, exporters face a maze of paperwork. They need 23 certificates and licences and must prepare about 190 documents, compared with only four in Vietnam.

Nasir Khan, chairman and managing director of Jennys Group, said complex licensing procedures and frequent regulatory changes were discouraging investment.

He said a proposal submitted in April to obtain a bond licence for new machinery was still pending five months later.

"This is holding my factory back," Khan said, adding that his Chinese joint-venture partner had also questioned the business environment.

Australian Deputy High Commissioner Clinton Pobke said Bangladesh must prepare for the loss of trade preferences after graduating from least developed country status.

The challenge now is no longer identifying the reforms Bangladesh needs, but implementing them despite resistance, he added.

The Daily Star
04 SEP 2026

402 RMG units closed in 3yrs

Commerce minister tells JS, cites global turmoil, instability here

STAFF CORRESPONDENT

At least 402 garment factories closed between July 2023 and June this year, Commerce Minister Khandakar Abdul Muktadir told parliament yesterday.

Of the factories, 282 were members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), while 120 were members of the Bangladesh Knitwear Manufacturers and Exporters Association.

The minister disclosed the figures while responding to a question from lawmaker Ruhul Amin during the question-and-answer session at the Jatiya Sangsad, citing a June 22 report by the BGMEA.

The closures resulted from a combination of global and domestic factors, including the Covid-19 pandemic, the Ukraine war, Israel's attack on Palestine and the related conflict in the Middle East, the US-Israel war on Iran, the global recession, political instability in Bangladesh, and a liquidity crisis in the banking sector caused by money laundering.

The other factors included India and Vietnam's free trade agreements with Europe and the reluctance of foreign buyers to place export orders with small and medium-sized factories to facilitate their

SEE PAGE 2 COL 4

own monitoring.

The government has taken various measures to support and develop the garment sector such as alternative cash assistance of 1.50 percent instead of customs bonds and duty drawbacks for export-oriented domestic textile industries and an additional 0.50 percent special support for textile exporters in the Eurozone on top of the existing 1.50 percent.

An additional 3 percent benefit has also been provided to all small and medium-sized industries in the export-oriented garment sector.

The government has also provided 0.30 percent special cash assistance to the garment sector.

Bangladesh would soon graduate from the least-developed country (LDC) category, due to which it would lose preferential market access under various trading schemes of developed countries, potentially affecting exports worth $17.5 billion.

To address the challenge, Bangladesh has already concluded an Economic Partnership Agreement (EPA) with Japan, while discussions on reaching a Comprehensive Economic Partnership Agreement (CEPA) with South Korea are underway, Muktadir said.

Initiatives have also been taken to conclude EPA, CEPA, and free trade agreements with other export-potential markets, including the EU, the Regional Comprehensive Economic Partnership (RCEP), the UAE, Singapore, Indonesia, and China.

The government has also taken various steps to diversify export markets, the minister said.

Measures are being taken to remove tariff and non-tariff barriers through bilateral trade agreements.

A 2 percent special cash assistance or cash incentive has continued for exports of new products and expansion into new markets in the textile sector, excluding the US, Europe, and Canada.

Bangladesh's missions have also been activated to explore new markets in Asia, including Japan, India, South Korea, and China, as well as in Africa and South America, the minister added.

To expand the country's export trade, the Export Promotion Bureau is enriching the export product basket and diversifying markets by organising a sourcing fair, "Global Sourcing Expo", along with single-product sourcing fairs, Muktadir said.