

## EDITORIAL

### GIs as instruments of inclusive economic growth

Geographical indications (GIs) have emerged as important policy tools for linking traditional heritage with modern economic growth, particularly in developing countries. In Bangladesh, the GI of Goods (Registration and Protection) Act 2013 marked a significant step towards recognising products whose value and reputation are intrinsically tied to their geographic origin. Since 2016, Bangladesh has registered 60 products under its sui generis framework, including jamdani, muslin, hilsa, Khirsapat mango and Rajshahi silk. These registrations demonstrate progress in cultural preservation and intellectual property protection. However, the broader economic and developmental objectives of the GI framework remain largely unrealised. The country's GI regime continues to face challenges in commercialisation, producer participation, institutional coordination and international protection, which together hinder its transformation from a legal instrument into a sustainable economic driver.

The case of jamdani illustrates the gap between heritage recognition and market realisation. As the first GI-registered product and a UNESCO-recognised Intangible Cultural Heritage, jamdani symbolises national pride and craftsmanship. Yet the weavers behind this heritage receive little economic benefit. Weak post-registration strategies, the absence of coordinated commercialisation plans and inadequate enforcement have left many producers trapped in poverty. Most weavers earn between BDT 5,000 and 7,000 per month, while cheap, machine-made Indian versions of jamdani flood local markets due to insufficient quality control and border monitoring. This situation has created what experts call a “paper GI”—a legal recognition without tangible economic gain.

By contrast, the experience of hilsa demonstrates that coordinated,



multidimensional policy interventions can yield real outcomes.



**The hilsa sector now generates over USD 3 billion annually, accounting for 1.15 per cent of Bangladesh's GDP and supporting nearly three million livelihoods. Its success was built not merely on GI recognition but on earlier government-led conservation efforts, breeding bans and livelihood diversification.**

The contrast between jamdani and hilsa highlights a key lesson: GIs generate economic impact only when embedded in an ecosystem of regulation, sustainability and producer capacity.

Institutional gaps have further constrained Bangladesh's GI potential. Nearly 90 per cent of all GI registrations have been initiated by government organisations, such as the deputy commissioners' offices, the Bangladesh Handloom Board and the Bangladesh Small and Cottage Industries Corporation (BSCIC), while only 10 per cent come from private associations or producers. This top-down model undermines community ownership and weakens local incentives for quality control and branding.

The Department of Patents, Designs and Trademarks (DPDT), which oversees the GI system, operates without a dedicated GI unit or formal advisory council. Limited staffing, poor inter-ministerial coordination and the absence of laboratory and testing facilities further weaken implementation.

Moreover, Bangladesh's exclusion from international protection systems such as the Lisbon Agreement and its Geneva Act leaves it exposed to transboundary disputes. The recent conflict over India's registration of the “Tangail saree of Bengal” exemplifies this risk. Without stronger legal preparedness and diplomatic engagement, Bangladesh risks losing both economic and cultural ground in shared heritage domains.

The post-least developed country (LDC) transition introduces another structural challenge. With Bangladesh graduating from the LDC category, direct export cash incentives—long used to support sectors such as agriculture, handicrafts and processed food—will no longer be permitted under World Trade Organization (WTO) rules. This shift particularly affects agro-based GI sectors, which account for roughly 60 to 70 per cent of all GI registrations. Between financial year (FY) 2023 and 2025, incentive rates on key GI products such as agar-attar and handicrafts have been reduced by up to 60 per cent.

To maintain competitiveness and rural livelihoods, Bangladesh must adopt indirect incentive mechanisms compatible with WTO disciplines, including low-cost financing, production-linked incentives, laboratory support for quality testing and expanded research and development (R&D) funding. These measures can help ensure that GI producers remain viable in global markets even as direct subsidies are phased out.

International experience shows that GIs offer far more than heritage protection. Countries such as India, Vietnam, China, and Italy have established robust institutional systems that connect producers to global value chains. India

has over 600 registered GIs and promotes them through embassies and export councils. Vietnam has nearly 1,900 GIs, contributing around 12 per cent to its gross domestic product (GDP), while China's hybrid system—combining sui generis and trademark protection—covers more than 9,000 products and generates over USD 130 billion in value. By contrast, Bangladesh's 60 registered GIs yield around USD 1 billion in export earnings.

The way forward lies in building a comprehensive GI ecosystem that combines legal, institutional and market dimensions. A national GI policy supported by an inter-ministerial advisory council is needed to coordinate action among key ministries and agencies. The Trademark Act should be amended to include provisions for collective and certification marks, ensuring stronger quality assurance and market credibility.

A national commercialisation and marketing strategy is essential to position GI products in high-value markets through branding, traceability and producer-led fairs. Bangladesh should pursue international negotiations to accede to the Lisbon Agreement and establish bilateral GI recognition with neighbouring countries to prevent transboundary conflicts. Strengthening producer associations and extending Bangladesh Bank's cottage, micro, small and medium enterprise (CMSME) refinancing schemes to GI-based enterprises—especially women-led groups—can enhance local ownership and sustainability.



**A national GI policy to coordinate actions among key ministries and agencies, along with a national commercialisation and marketing strategy, is essential to position GI products in high-value markets through branding, traceability systems and producer-led fairs.**

Ultimately, GIs are more than tools of intellectual property—they represent pathways to inclusive growth and cultural diplomacy. If supported by coherent policies, institutional collaboration and producer empowerment, GIs can become vital instruments for export diversification and rural transformation. Moving beyond mere registration to full commercialisation will allow Bangladesh to turn its heritage assets into global brands, doubling export earnings and improving millions of rural livelihoods. In doing so, the country can redefine "Made in Bangladesh" not just as a mark of origin, but as a symbol of authenticity, quality and shared prosperity.

**Ferdaus Ara Begum**  
CEO, BUILD



## Business process simplification through digitalisation : Outcomes from the 15th PSDPCC meeting

The 15th meeting of the Private Sector Development Policy Coordination Committee (PSDPCC) was held on 28 October 2025 at the Chief Adviser's Office (CAO), chaired by M. Siraz Uddin Miah, Principal Secretary to the Chief Adviser. The meeting emphasised the need to revisit several trade and investment policies to reduce the cost, time, and procedural barriers to doing business, in order to address post-graduation challenges.

Following introductory remarks by Dr Ahmed Ullah FCMA, Director General, CAO, Ferdaus Ara Begum, CEO of BUILD, made a presentation highlighting that out of the 37 recommendations made during the 14th PSDPCC meeting, 15 have already been implemented. These include the issuance of a Statutory Regulatory Order (SRO) allowing duty-free import of raw materials for partial exporters, the reduction of duties on chemicals used in the tannery sector, and the utilisation of tannery solid waste in producing value-added products such as gelatin and capsule covers.

Other notable initiatives include the introduction of an escrow policy by the Bangladesh Bank, the use of digital business identification (DBID) for e-commerce and informal entrepreneurs, and progress towards formulating a corporate social responsibility (CSR) policy and amending the Companies Act. She noted that while these represent encouraging steps forward, much remains to be achieved, particularly in advancing leather sector development, solar power generation and other priority areas.

A policy paper on simplifying trade licence issuance and renewal processes was also presented, emphasising the need for a unified policy across all local authorities, implementing a five-year trade licence validity, and reducing undocumented costs.

In his remarks, the Principal Secretary took careful note of the proposals that remain unimplemented and informed the meeting that the government has introduced Nagorik Sheba—a single-window platform for citizen services—through

which individuals will be able to access 12 essential services, including the issuance of trade licences.

He advised the Ministry of Commerce (MoC) to form a committee to propose necessary amendments to the Import Policy Order (IPO) in order to ensure UD/UP declarations against back-to-back letters of credit (L/Cs) for partial exporters across all industrial sectors. He also requested the MoC to take steps to implement the export roadmap for the leather sector, developed by BUILD with support from the EC4J project.

In addition, he urged the ministry to take the lead in convening an inter-ministerial meeting to revise the Companies Act 1994 by 15 November 2025. He further emphasised the need for deadline-based implementation, advising the formation of dedicated committees to streamline UD/UP simplification and trade licence-related policies to make the processes more efficient and hassle-free.

Mahbubur Rahman, Secretary, MoC, informed the meeting that the new IPO had already been sent to the Cabinet Division for comments two weeks earlier and would be implemented shortly. He added that the e-commerce policy would be implemented in alignment with the Consumers Protection Act 2025. Responding to issues related to renewable energy, he clarified that unless specifically included in the restricted list, all items are permitted for import under the new policy.

Dr Farhina Ahmed, Secretary, Ministry of Environment, Forest and Climate Change (MoEFCC), urged the Ministry of Industries (MoI) to play an active role in the national waste management process. She also called upon the National Board of Revenue (NBR) to address tax-related challenges affecting waste management initiatives.

Dr Nazneen Kawshar Chowdhury, Executive Chairman, National Skills Development Authority (NSDA), recommended that the Business Identification Number (BIN) could serve as a unique identification number and as an alternative for trade licence and business registration from a single platform. She also offered support from NSDA where required.

Mohammad Abdur Rouf, Secretary, Bridges Division, also contributed and recommended that business support services be kept as simple as possible.

Mohammad Shahjahan Miah, Secretary (in charge), Local Government Division (LGD), informed the meeting that a project is being implemented for trade licence services in collaboration with the United Nations Development Programme (UNDP), allowing people to obtain their licences from home. He also mentioned that the LGD has written to the NBR

regarding tax-related issues to reduce the burden on those whose incomes fall below the taxable threshold.

Additional Secretary of the Power Division, K. M. Ali Reza, emphasised rooftop solar power and proposed facilitating the easy import of solar products not produced locally to support the sector.

Additional Secretary, MoI, Kazi Shawkat Hossain, discussed the potential for investment in tannery solid waste management and related sectors. Referring to mandatory standards, he supported the Bangladesh Standards and Testing Institution's (BSTI) proposal for the inclusion of certain products in the import policy.

Mohammad Mahbubur Rahman Patwary, Joint Secretary, Internal Resources Division (IRD), informed the meeting that the NBR is in the process of resolving the long-standing issue of the central/common bonded warehouse. A draft SRO has already been prepared and is expected to be approved soon.

Abul Kasem Khan, Chairperson of BUILD, emphasised that the costs and time delays associated with obtaining trade licences remain major barriers to entrepreneurship development in Bangladesh. He proposed that the government consider recognising bank accounts as an alternative to trade licences—a move that would not affect revenue generation but would significantly reduce procedural complexity.



**The costs and time delays associated with obtaining trade licences remain significant barriers to entrepreneurship in Bangladesh. Recognising bank accounts as an alternative would not affect revenue generation, but it would significantly reduce procedural complexity.**

—BUILD Chairperson

Taskeen Ahmed, President, Dhaka Chamber of Commerce and Industry (DCCI), stressed the importance of export diversification, noting that exports from sectors beyond ready-made garments (RMG) are often under-recognised.

Kamran T. Rahman, President, Metropolitan Chamber of Commerce and Industry (MCCI), called for stronger initiatives to increase the share of solar energy to help achieve the government's green energy targets.

Syed Nasim Manzur, President of the Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB), urged the government to

implement the new IPO without delay, noting that postponements were hindering business operations. He also requested that greater attention be given to sectors with high export potential and suggested that industry associations with proven capacity be allowed to issue UD/UP declarations.

Md Shaheen Ahmed, President, Bangladesh Tanners Association (BTA), called upon the government to ensure the procurement of tannery solid waste through DTIEWTECL to improve environmental management in the sector.

High officials from the Bangladesh Investment Development Authority (BIDA), Bangladesh Economic Zones Authority (BEZA), Public-Private Partnership Authority (PPPA), Finance Division, Information and Communication Technology (ICT) Division, Local Government Engineering Department (LGED), Power Division, MoI, Bridges Division, Planning Division, NSDA, Department of Environment (DoE), Export Promotion Bureau (EPB), Bangladesh Bank, Small and Medium Enterprise (SME) Foundation and BSTI participated in the discussions. Representatives from leading private sector organisations were also present at the meeting. ■



## **BUILD dialogue urges reform of non-adjustable TDS**

BUILD organised a dialogue titled “Policy reform requirements for non-adjustable TDS” on 17 September 2025 at the DCCI Auditorium, Dhaka. Md Abdur Rahman Khan, Chairman of the National Board of Revenue (NBR), attended as the chief guest, while Dr Mohammad Abu Yusuf, Secretary, Ministry of Social Welfare, was present as a special guest.

The event aimed to recommend practical reforms and present an actionable roadmap to simplify the TDS refund system, thereby enhancing transparency, efficiency, and fairness for taxpayers.

In his address, NBR Chairman Md Abdur Rahman Khan noted that while TDS is an effective global practice, its implementation in Bangladesh has been constrained by operational inefficiencies, resulting in

delays in adjustments. He mentioned that the analytical tools within the ASYCUDA system are not being fully utilised. To address these issues, he stated that the NBR is gradually reducing TDS rates and is likely to automate the TDS refund system in the coming months. He further observed that, in some cases, advance income tax (AIT) rates stand as high as 20 per cent—nearly equivalent to the corporate tax rate. He emphasised the need for urgent research to develop benchmarks for rationalising and making TDS rates sector-specific, while ensuring tax justice without compromising the tax-to-GDP ratio.

Dr Mohammad Abu Yusuf, Secretary, Ministry of Social Welfare, highlighted policy gaps and inconsistencies, citing international examples of more efficient tax refund systems. He remarked that delays in receiving refunds block working capital and reduce the profitability of small enterprises. He suggested that integrating the informal economy into the tax system could significantly enhance Bangladesh's tax-to-GDP ratio.

Taskeen Ahmed, President of the Dhaka Chamber of Commerce and Industry (DCCI), expressed his organisation's interest in collaborating with BUILD to simplify the TDS process.

Abul Kasem Khan, Chairperson of BUILD, described the current refund system as “very complicated”, noting that some businesses are forced to maintain two separate accounting systems. He attributed the low tax-to-GDP ratio to a cumbersome tax structure and stressed that without mutual confidence between the public and private sectors, no substantial improvement could be achieved.

In the keynote presentation, Dr Wasel Bin Shadat, Research Director at BUILD, explained that the non-adjustable nature of tax deducted at source (TDS) under Section 163 of the Income Tax Act 2023 often acts as a de facto minimum tax. This creates significant liquidity constraints for businesses and contributes to a low share of direct tax revenue—currently around 33 per cent of total NBR revenue. He added that the existing refund process is slow and lacks a digital pathway, leading to substantial delays.

BUILD's research, presented by Dr Shadat, revealed that policy inconsistency, minimum tax and supplementary duty (SD) have raised the total tax incidence (TTI) in the beverage sector from 42 per cent to 53.95 per cent over the past five years. SD alone doubled from 15 per cent in 2021 to 30 per cent in 2024—the highest rate in the region. The minimum income tax also rose fivefold from 0.6 per cent to 3 per cent in a single year. As a result, the sector's revenue fell by more than 20 per cent year-on-year due to an increased tax burden.



His presentation outlined a three-phase reform roadmap:

#### **Immediate Action**

Introduce a board-prescribed refund form (IT-RFD-01) and issue a circular clarifying the distinction between adjustable and final withholdings.

#### **Medium-Term Goals**

Develop a fully automated TDS e-reporting and e-refund portal, incorporating risk-based verification to process low-risk claims within 30 working days.

#### **Long-Term Strategy**

Phase out the broad minimum-tax treatment under Section 163 by recalibrating TDS rates based on sector profitability and broadening the tax base to secure stable revenue collection.

Ali Zaman, President of the SME Owners Association, noted that while SMEs previously received TDS refunds by cheque, the current process has become significantly more complex.

Md Hafizur Rahman, former Director General of the WTO Cell, MoC, underscored the importance of tax justice and proposed differentiated tax structures to accommodate the diversity of taxpayers.

Shadab Ahmed Khan, Managing Director of Coca-Cola Bangladesh Beverages, emphasised that although Bangladesh remains an attractive destination for investors, complex tax policies act as a deterrent. He observed that the TTI in the beverage sector has risen from 42 per cent in 2016 to 54 per cent owing to such inconsistencies.

Snehasish Barua FCA, Partner at Snehasish Mahmud and Company, referred to the Finance Ordinance, which indicates the NBR's intention to gradually reduce TDS rates. He stated that the refund mechanism could be improved through new rules currently awaiting approval, which would minimise non-adjustability. He further noted that growth in tax revenue depends on stronger value added tax (VAT) performance.

Dr Muhammad Abdul Mazid, former Chairman of the NBR, urged both the NBR and taxpayers to act sincerely to raise the tax-to-GDP ratio. He suggested that large business associations allocate at least 2 per cent of their revenue to research.

A. K. M. Badiul Alam, Member (Income Tax Policy) at the NBR, commended the refund workflow proposed by the keynote speaker.

In her closing remarks, Ferdaus Ara Begum, CEO of BUILD, highlighted a key trend: the share of TDS in total income-tax revenue has increased from 84.6 per cent to 87.4 per cent, while TDS refunds have

fallen from 0.35 per cent to 0.24 per cent of total TDS collected. She observed that this decline persists despite clear policy provisions for refunding adjustable TDS with 10 per cent interest and direct bank transfers of excess tax payments to beneficiaries.

Other participants in the open discussion included Md Abdul Matin FCMA, Managing Director, Security 360 Limited; Dr A. K. M. Atiqul Haque, Joint Secretary, Ministry of Finance (MoF); Alimul Ahsan Chowdhury, President, Agricultural Machinery Manufacturers' Association Bangladesh; Shankar Kumar Roy, Executive Director, Bangladesh Cement Manufacturers Association; and M. S. Siddiqui, CEO, Bangla Chemical. ■



## **BUILD and CAO advance logistics and private sector reform**

A high-level meeting was held on 16 September 2025 between representatives of Business Initiative Leading Development (BUILD) and senior officials of the Chief Adviser's Office (CAO), including M. Siraz Uddin Miah, Principal Secretary to the Chief Adviser; M. Saifullah Panna, Secretary of the CAO; and Dr Ahmed Ullah FCMA, Director General (I), CAO.

The BUILD delegation, led by Abul Kasem Khan, Chairperson of BUILD, included Kamran Tanvirur Rahman, President of the Metropolitan Chamber of Commerce and Industry (MCCI) and Trustee Board Member of BUILD; Ferdaus Ara Begum, CEO of BUILD; Kanis Fatama, Senior Research Associate; and Ahmed Julker Nine, Research Associate. The meeting focused on strengthening coordination for private sector development and advancing the logistics sector in Bangladesh.

Abul Kasem Khan opened the discussion by highlighting BUILD's significant role in driving private sector reform, noting that 451 out of 1,197 reform proposals submitted by the organisation have already been implemented. He underscored the vital role of the PSDPCC in resolving multi-ministerial policy challenges and proposed the establishment of two new bodies—the National Infrastructure Development and Monitoring Authority (NIDMA) and the National Integrated

Logistics Authority (NILA)—both to be overseen by the CAO.

Ferdaus Ara Begum elaborated on the organisation's pioneering efforts in securing formal recognition for the logistics sector and its 21 sub-sectors in the National Industrial Policy 2024. She highlighted the contributions of the Logistics Infrastructure Development Working Committee (LIDWC), which organised national workshops that ultimately led to the formation of the National Logistics Development Coordination Committee (NLDDCC).

The CAO Secretary emphasised the need for in-depth studies to enhance trade competitiveness through a more integrated logistics system. Dr Ahmed Ullah confirmed that the Asian Development Bank (ADB) has committed funds for a logistics sector study, while the World Bank Group has also expressed strong interest in supporting related initiatives.

In his concluding remarks, M. Siraz Uddin Miah acknowledged existing gaps in inter-ministerial coordination and reaffirmed the government's commitment to addressing them through mechanisms such as the PSDPCC. He also announced the forthcoming launch of the "Nagorik Seba" platform, which aims to digitalise and streamline public service delivery for citizens. ■



## **BUILD advocates for action-oriented framework at high-level logistics policy consultation**

A pivotal consultation on the draft National Logistics Policy 2025 (NLP 2025) was convened by the Chief Adviser's Office on 29 September 2025, bringing together key leaders from the private sector, development partners and government institutions. The session, chaired by Md Saifullah Panna, Secretary of the Chief Adviser's Office, aimed to incorporate critical stakeholder feedback into the finalisation of the policy framework. BUILD played a prominent role in the dialogue, offering strategic recommendations to ensure the policy is both actionable and implementation-ready.

The consultation began with a presentation on the draft policy, which sets out an ambitious vision to transform Bangladesh into a regional trade and logistics hub by 2050. The presentation was followed by extensive discussions among private sector representatives and trade associations, who highlighted persistent challenges, including high port charges, lengthy clearance times, and fragmented digital processes. A strong consensus emerged on the necessity of moving beyond partial digital initiatives to achieve 100 per cent paperless and fully digitalised logistics systems, thereby significantly reducing operational time and costs.

Representing the coordinated voice of the private sector, Abul Kasem Khan, Chairperson of BUILD, delivered substantive recommendations to strengthen the policy's implementation framework. He emphasised that the success of NLP 2025 will depend on a time-bound action plan and a comprehensive master plan to align the multiple agencies working within the logistics ecosystem. Khan further proposed that the policy should include a clear directive for establishing a dedicated and empowered logistics authority or ministry to ensure coherent, accountable governance across the sector.

Khan also recommended expanding the policy's scope to incorporate critical infrastructure elements such as inland container terminals (ICTs), global distribution centres and logistics parks within special economic zones (SEZs). Additionally, he called for the inclusion of central chambers and associations, including Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), DCCI, and MCCI, within the National Logistics Development and Coordination Committee (NLDCC) to ensure comprehensive stakeholder representation.

Echoing these priorities, Ferdaus Ara Begum, CEO of BUILD, emphasised the importance of adopting a phased implementation strategy—with short-, medium- and long-term milestones—to steer the policy's execution through to 2050 effectively. She reiterated the call for an integrated institutional structure, emphasising that an empowered logistics authority is crucial to implementing the complex reforms outlined in the policy. ■

## Making CMSME financing more inclusive: BUILD's 13th FSDWC meeting

BUILD organised the 13th Financial Sector Development Working Committee (FSDWC) meeting titled "CMSME Financing Master Circular 2025 – An Analysis" at the BUILD conference room on 13 October 2025. The meeting was chaired by Nurun Nahar, Deputy



Governor, Bangladesh Bank, and attended by senior officials from the public and private sectors.

In her remarks, Nurun Nahar announced that the process of aligning the Credit Guarantee Scheme (CGS) with the CMSME Master Circular is currently underway and will be finalised soon. She acknowledged that "nothing can be fully perfect", noting that any shortcomings in the circular will be addressed over time.

She reiterated Bangladesh Bank's commitment to supporting the growth of the cottage, micro, small, and medium enterprise (CMSME) sector and explained that the 27 per cent credit disbursement target, though ambitious, was set to stimulate stronger sectoral performance. She emphasised that the Bangladesh Bank will continue designing policies to ensure that all stakeholders benefit equitably.

In the keynote presentation, Ferdaus Ara Begum, CEO of BUILD, presented an analysis of CMSME credit performance in the first quarter of 2025. She revealed that the small business segment received the highest volume of loans, while individual medium enterprises obtained the largest average disbursements. The trading sector accounted for 59 per cent of total CMSME credit compared to 24 per cent for manufacturing, while credit to women-owned enterprises declined as businesses became more formalised.

The presentation further highlighted that informal entrepreneurs can now access loans up to BDT 5 lakh using Unique Business Identification (UBID), DBID, or Personal Retail Accounts (PRA) instead of trade licences. Credit limits have increased across all categories since 2019, with greater emphasis placed on the service sector compared to manufacturing. Although alternative credit channels, including agent banking and microfinance institutions (MFIs), have expanded, Bangladesh Bank's refinancing scheme does not apply to MFI-linked loans. BUILD's research also found that peer and group financing procedures remain complex, as a single member's default leads to the cancellation of group eligibility.

BUILD recommended revisiting the CMSME credit target, formulating clear guidelines for peer and group financing, raising the manufacturing credit ceiling, and aligning the Credit Guarantee Scheme (CGS) more closely with Bangla-

desh Bank's policies to make CMSME financing more inclusive and effective.

Ali Zaman, President of the SME Owners Association, called for the simplification of SME lending procedures. He proposed that loans for SMEs and women entrepreneurs be structured as cash-credit or overdraft facilities rather than trade finance to ensure more flexible working-capital support.

Bibhuti Bhushan Biswas, Senior General Manager, PKSF, noted that PKSF's involvement in credit disbursement would help achieve Bangladesh Bank's overall lending targets.

Suman Chandra Saha, Deputy General Manager, SME Foundation, expressed the organisation's readiness to support the Cluster Development Policy, having already prepared an operational guideline. He underscored the urgent need for a unified SME database, emphasising that SME Foundation is keen to lead its development but requires government facilitation for effective implementation.

Mansurul Karim, Regional Director, BSCIC, mentioned that 10 per cent of BSCIC industrial plots are allocated to women entrepreneurs.

S. M. Alomgir Hossain, Head of Small Business, SME Banking, BRAC Bank, highlighted practical constraints in collateral acceptance. Although existing regulations permit the use of movable assets as collateral, this flexibility has not yet been widely adopted, particularly in manufacturing, where capital investment is substantial. He called for stronger initiatives to normalise the acceptance of non-land collateral, thereby enhancing access to finance for manufacturers and SMEs.

The President of the Institute of Chartered Accountants of Bangladesh (ICAB) stressed the importance of addressing the high non-performing loan (NPL) ratio, noting that the financial sector must overcome a "default culture".

During the open discussion, several women entrepreneurs raised concerns about loan application rejections and requested that banks provide clear feedback on rejection causes so that they may reapply through other financial institutions.

Bringing together diverse stakeholders, representatives from the Finance Division, MoF, MoC, Registrar of Joint Stock Companies and Firms (RJSC), Mol, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), MCCI, various banks, private-sector organisations, and women entrepreneur associations attended the meeting and shared valuable insights and informed recommendations. ■



## FOCUS

### Reform to restore trust and drive resilient growth

Bangladesh's private sector continues to navigate an extended period of economic uncertainty, marked by missed opportunities to improve the business climate. The interim government now has a critical opportunity to break this impasse by prioritising key ease-of-doing-business reforms. Simplifying bureaucratic procedures—such as the notoriously cumbersome process for obtaining a trade licence—would be a strong start after years of unfulfilled promises to streamline business registration.

Entrenched overregulation remains a major barrier, often reflecting a deep-seated trust deficit between public regulators and private enterprises. Opening a new business still requires navigating a maze of redundant licences and certificates. For example, while a prospective restaurateur faces nineteen separate approvals (when one robust fire safety clearance might suffice), the high-risk transport sector operates with minimal oversight. A high-level coordinating body—such as the PSDPCC under the CAO—should be empowered to review and rationalise the regulatory regime to strike the right balance, he added.

Bangladesh's sluggish pace of reform is thrown into sharp relief by regional peers such as Vietnam. The private sector remains largely unprepared for this transition to a developing country, having been battered by recent global disruptions—from the COVID-19 pandemic to the Ukraine–Russia conflict and domestic political upheavals. Policymakers tout post-LDC prospects such as higher foreign direct investment (FDI), but without clear strategies or target sectors, LDC graduation could become merely a symbolic label change rather than a springboard for real economic transformation.

Addressing the nation's foremost challenge—unemployment—requires a shift in approach. Embracing idea-based financing (in place of traditional collateral requirements) and introducing targeted support—such as a tax holiday for business founders under the age of 30—would give aspiring innovators a much-needed head start.

Platforms such as BUILD have already proposed several “quick-win” regulatory reforms that could be implemented immediately for tangible impact. Ultimately, restoring mutual trust, simplifying regulations, and unleashing the full potential of the private sector will pave the way for Bangladesh's economic resilience and growth.

**Abul Kasem Khan**  
Chairperson, BUILD



### 10th SME Development Working Committee meeting on boosting the export potential of GI products

BUILD held its 10th SME Development Working Committee meeting on Thursday, 11 September 2025, at the Mol conference room. The meeting, chaired by Md Obaidur Rahman, secretary, Mol, focused on addressing the challenges and opportunities surrounding the export potential of GI products.

In his opening remarks, Md Obaidur Rahman underscored the importance of accreditation with importing countries' certification authorities to strengthen the export competitiveness of Bangladeshi GI products. He observed that while Bangladesh is progressing in domestic GI registration, it remains essential to improve visual documentation and certification to enhance both international recognition and market visibility. “Our products are not inferior in quality or taste,” he stated. “However, they often face difficulties at foreign ports due to the absence of proper certification. Without mutual recognition or cooperation with the certification bodies of importing countries, a GI tag alone will not suffice.” He urged the private sector to take a more proactive role in overcoming these challenges, stressing that government agencies can only provide policy guidance. “The business community must come forward—real change will happen then,” he added.

In the keynote presentation, Dr Wasel Bin Shadat, Research Director at BUILD, highlighted that Bangladesh has registered 60 GI-certified products since 2016, including Jamdani, Muslin, Hilsa, and Khirsapat mangoes. While the registration process has been largely successful, he noted that nearly 90 per cent of GI applications are government-driven, limiting producer ownership and reducing commercial impact. He emphasised the urgent need for a GI tag, a GI tag user policy, and sector-specific strategies, along with robust certification and traceability systems, to enhance branding, market access, and export potential.

Key recommendations presented during the session included:

- Immediate approval of a GI tag and

adoption of a national commercialisation and marketing strategy

- Selection of 5–10 high-potential GI products with clear export targets
- Establishment of bilateral agreements to manage transboundary GI issues
- Strengthening R&D, awareness campaigns, financing, and capacity-building initiatives for producers

A. K. M. Asaduzzaman Patwary, acting secretary general of the Dhaka Chamber of Commerce and Industry (DCCI), called for introducing value-added initiatives to expand the export potential of GI products. “Otherwise, GI products will have little impact beyond satisfying domestic demand,” he cautioned.

Barrister Hamidul Mishbah, founder of the Bangladesh IP Forum, emphasised the importance of a strong protection mechanism for GI products. “Protection must come first—only then can value addition be pursued effectively,” he stated.

Representatives from the Ministry of Agriculture, Bangladesh Bank, National Skills Development Authority (NSDA), Bangladesh Small and Cottage Industries Corporation (BSCIC), Hortex Foundation, GIZ Bangladesh, Metropolitan Chamber of Commerce and Industry (MCCI), SME Foundation, Dhaka Women Chamber, and Bangladesh Engineering Industry Owners Association (BEIOA), among others, attended the meeting and shared their insights. ■



### ITC hosts workshop to empower women-led businesses on SPP and e-GP

On 25 September 2025, the International Trade Centre (ITC) SheTrades Initiative, in collaboration with the Chittagong Women Chamber of Commerce and Industry (CWCCI), organised an awareness-raising workshop in Chittagong to strengthen the participation of women-led businesses (WLBs) in public procurement. The workshop focused on the Sustainable Public Procurement (SPP) Policy and the e-Government Procurement (e-GP) platform—two key instruments designed to

make public procurement in Bangladesh more inclusive, transparent, and gender-responsive.

During the opening session, Ma Diyina Gem Arbo, Policy Lead of the SheTrades Initiative at ITC, reflected on ITC's past collaborations with BUILD and the Bangladesh Public Procurement Authority (BPPA). She highlighted several milestones, including the conduct of a baseline study on women's participation in public procurement in Bangladesh, the organisation of awareness-raising workshops on gender-responsive public procurement (GRPP) with government officials and women entrepreneurs, and the review of the SPP Policy to integrate gender considerations. She also noted ITC's support for the Government of Bangladesh in adopting the SPP Policy in December 2023, incorporating ITC's gender-mainstreaming recommendations. Arbo further shared findings from a needs assessment survey conducted jointly with BPPA, which revealed persistent challenges faced by WLBs in public procurement. These include limited engagement with procuring entities, complex tendering procedures, payment delays, inadequate business and soft skills, and insufficient understanding of both the SPP Policy and the e-procurement system.

A central highlight of the event was a presentation delivered by Tanjila Marjahan, research associate at BUILD. In her session, she explained the concept of sustainable public procurement within the Bangladeshi context and how it integrates economic, social, and environmental dimensions into procurement decisions. She emphasised the gender-responsive provisions of the SPP Policy that directly support women-led businesses—such as simplified tender documentation, the division of large contracts into smaller lots, and flexible procurement methods enabling greater participation by SMEs and WLBs. Marjahan also outlined the current progress in the SPP Policy's implementation, noting the establishment of the SPP Steering Committee, the release of implementation guidelines by BPPA in September 2024, and the major milestone achieved through the Public Procurement (Amendment) Ordinance 2025, which formally institutionalised SPP in Bangladesh.

Beyond policy discussion, Marjahan conducted a hands-on demonstration of the e-GP registration process, guiding participants step by step on how to access the portal, complete the registration form, verify their email address, and submit their company profiles. She elaborated on the required documentation, including the registration fees of BDT 5,000 for national tenderers and BDT 12,000 for international tenderers, as well as the annual renewal requirement of BDT 2,000 for national tenderers. Her practical demonstration offered participants clear guidance on how to register, bid, and engage

effectively with the e-procurement system.

The workshop not only raised awareness but also equipped women-led businesses with the knowledge and tools necessary to participate more effectively in public procurement. With policy guidance from ITC and practical demonstrations by BUILD, the event successfully bridged the gap between policy and practice—empowering women entrepreneurs to seize new opportunities created through Bangladesh's commitment to sustainable and inclusive procurement. ■



## BUILD and BHTPA strategise for Bangladesh's 4IR

A strategic brainstorming session was held on 2 September 2025 between the 4IR and ICT Working Committee and the Bangladesh Hi-Tech Park Authority (BHTPA) to foster collaborative action in advancing Bangladesh's digital economy and technological readiness. The session, hosted at the BHTPA conference room, brought together senior leaders, including A. K. M. Amirul Islam, ndc, managing director, BHTPA, and Ferdous Ara Begum, CEO, BUILD, to explore synergies and define a concrete roadmap for leveraging the opportunities of the Fourth Industrial Revolution (4IR).

The dialogue opened with reflections on the significant policy reforms already driven by the committee's advocacy, setting a constructive tone for future collaboration. Ferdous Ara Begum highlighted notable achievements, including the establishment of the e-waste management policy, the extension of the Hi-Tech Park Act until 2040, and the reduction of corporate tax for information technology and IT-enabled services (IT/ITES) companies to 10 per cent.

She also highlighted ongoing advocacy priorities, including the introduction of a single-window service system, the withdrawal of the 5 per cent advance income tax, and the creation of sandbox environments to support emerging internet of things (IoT) and artificial intelligence (AI) start-ups. These contributions framed the discussion around how public-private cooperation can build upon these successes to accelerate digital transformation.

The core of the session featured a dynamic exchange of ideas, where A. K. M. Amirul Islam outlined BHTPA's strategic initiatives and proposed key areas for collaboration. He presented several of BHTPA's flagship projects, including the Digital Entrepreneurship and Innovation Ecosystem Development (DEIED) Project, the University Innovation Hub Programme, and the Bangladesh-Bharat Digital Service and Employment Training (BDSET) Centre. Participants then engaged in a robust ideation process, identifying strategic areas for joint focus—namely, sectoral mapping of emerging 4IR technologies such as IoT and AI, skills gap analysis to inform national curriculum reforms, and demand assessments to guide future infrastructure development in the country's hi-tech parks.

The brainstorming session concluded with a clear set of actionable next steps to translate ideas into implementation. The participants agreed to initiate a joint effort on e-waste management, beginning with an assessment of industrial waste generated within the hi-tech parks. Furthermore, BUILD will prepare a concept note to formalise the collaboration, focusing on skills-demand assessment for industries operating in the parks. To ensure the initiative remains data-driven and evidence-based, BHTPA committed to sharing detailed project documents for its ongoing programmes.

This collaborative model, born out of strategic dialogue between BUILD and BHTPA, marks a significant step towards strengthening Bangladesh's preparedness for the technological transformations of the Fourth Industrial Revolution, ensuring that innovation, sustainability, and inclusivity remain at the heart of the nation's digital future. ■



## Workshop on sustainable public procurement to promote inclusive and green business practices

BUILD participated in a high-level sustainable public procurement (SPP) policy awareness workshop on 23 September 2025, organised jointly by the SME Foundation and the ITC, with the Bangladesh Public Procurement Authority



(BPPA) playing a key coordinating role. The event aimed to build awareness and foster dialogue among public and private sector stakeholders on integrating sustainability principles into Bangladesh's public procurement system.

In an in-depth presentation, representatives from BPPA underscored the importance of embedding sustainability—encompassing social, environmental, and governance (ESG) dimensions—into public procurement frameworks, which currently account for approximately 40 per cent of the national budget. The presentation highlighted Bangladesh's recent progress in establishing climate finance mechanisms and the increasing global emphasis on sustainable procurement in line with Sustainable Development Goal (SDG) 12.7.1, which calls for responsible and sustainable public procurement practices.

Speakers also discussed forthcoming institutional and legal reforms under the Public Procurement Act (Amendment 2025), which aim to strengthen compliance with sustainability standards, introduce greener procurement methods, and enhance transparency in government purchasing. By embedding environmental protection, social inclusion, and good governance within public procurement, Bangladesh seeks to align national systems with international best practices and climate commitments.

Representing BUILD, Ferdaus Ara Begum, CEO, called for a more enabling environment for small and women-owned enterprises to participate effectively in government procurement. She raised particular concerns about the mandatory employer identification number (EIN) requirement for registration on the e-Government Procurement (e-GP) system, arguing that such procedural barriers disproportionately affect women-owned enterprises (WoEs) and small businesses that already face structural challenges in accessing formal markets.

Begum urged policymakers to revisit this requirement and introduce simplified registration processes for smaller businesses and women entrepreneurs. She reminded participants that, under the Income Tax Act 2023, women-owned SMEs with an annual turnover below BDT 7 million are already eligible for tax exemptions, and therefore, the additional EIN requirement creates an unnecessary compliance burden.

She encouraged female tenderers to register on the e-GP platform to take advantage of emerging procurement opportunities, noting that the SPP framework has opened new avenues for women-led businesses to participate in Bangladesh's expanding public procurement market. Begum reiterated BUILD's ongoing commitment to supporting inclusive, sustainable, and gender-responsive procurement policies through

advocacy, research, and collaboration with national and international partners such as BPPA, SME Foundation, and ITC.

The workshop served as a valuable platform for promoting understanding of the SPP policy's objectives and practical mechanisms for implementation, particularly in ensuring that sustainability and gender inclusivity become integral parts of Bangladesh's evolving procurement landscape. ■



## BUILD and GIZ launch partnership for circular and responsible industrial growth

BUILD and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) Bangladesh jointly held a kick-off meeting on 22 October 2025 to launch a new collaborative initiative focusing on circular economy, traceability, decarbonisation financing, and responsible business conduct (RBC) in Bangladesh's manufacturing sector.

The meeting brought together representatives from GIZ Bangladesh and BUILD to discuss the project's objectives, expected outcomes, and implementation plan.

In her opening remarks, Ferdaus Ara Begum, CEO of BUILD, welcomed the participants and emphasised BUILD's long-standing commitment to promoting green growth and industrial competitiveness through policy research and public-private dialogue. She highlighted the importance of aligning the initiative's activities with Bangladesh's ongoing policy reforms and its commitments to sustainable industrialisation.

Andreas Keller, Cluster Coordinator of GIZ Bangladesh's textile and circular economy team, appreciated BUILD's technical expertise and reiterated GIZ's commitment to supporting Bangladesh's journey towards a just and sustainable industrial transition. He stressed that the collaboration would act as a knowledge platform to promote best practices in circularity, traceability, and responsible supply chains.

Madhubanti Anashua, in a detailed

presentation, outlined the overall project framework and work plan. She explained that the initiative will assess the policy landscape, identify institutional and regulatory challenges, and engage with key stakeholders to promote responsible and circular business models. Her presentation focused on four major components:

- **Traceability:** mapping product journeys to ensure compliance, transparency, and export credibility
- **Circularity:** promoting material reuse, waste reduction, and sustainable production systems
- **Decarbonisation financing:** exploring mechanisms to mobilise green investment and support low-carbon industrial transitions
- **Responsible business conduct (RBC):** aligning corporate practices with human rights, due diligence, and environmental standards

Anashua also highlighted the project's expected outcomes, including the development of a policy paper, stakeholder mapping, baseline assessment, and pilot interventions in select manufacturing sub-sectors. She underscored the importance of integrating SMEs into circular value chains and ensuring consistency with national strategies such as the National Industrial Policy 2024 and the Bangladesh Green Growth Strategy.

Participants engaged in a lively discussion on how circular economy practices can be mainstreamed through better policy coordination, public-private partnerships, and targeted incentives. Participants emphasised the necessity of multi-stakeholder coordination and proposed aligning project activities with national frameworks such as the National Industrial Policy 2024 and the Bangladesh Green Growth Strategy.

During the session, the BUILD project team outlined the major deliverables, including stakeholder mapping, baseline assessment, policy paper development, and pilot interventions, designed to strengthen policy coherence and facilitate practical implementation at both national and local levels. The initiative also aims to identify opportunities for SME integration into circular value chains and enhance inter-ministerial collaboration across key policy areas, with a view to fostering more coordinated, inclusive, and sustainable outcomes.

The meeting concluded with an agreement to form thematic working groups across the four focus areas—traceability, circularity, decarbonisation financing, and responsible business conduct (RBC)—to ensure effective coordination, shared accountability, and continuous stakeholder engagement. ■





## Transforming into a developing country requires harnessing university knowledge

The Support to Sustainable Graduation Project (SSGP) under the Economic Relations Division (ERD), in collaboration with Daffodil International University (DIU), organised a dialogue titled “Bangladesh’s LDC Graduation and Structural Transformation: Role of Youth and Academia in Economic Transformation” on Sunday, 19 October 2025, at the DIU auditorium, Birulia, Savar.

The event was graced by Dr Anisuzzaman Chowdhury, a special assistant (of state minister rank) to the Chief Adviser for the MoF, who attended as the chief guest and delivered the keynote address. Dr Md Sabur Khan, Chairman of Daffodil Group, was also present, while Professor M. R. Kabir, Vice-Chancellor of DIU, chaired and moderated the session.

Distinguished participants included Professor Mohammed Masum Iqbal, Pro Vice-Chancellor, DIU; Abdul Baki, Project Adviser (former Secretary to the government), SSGP, ERD; and panel speakers Professor Mustafizur Rahman, Distinguished Fellow, Centre for Policy Dialogue (CPD); and Ferdous Ara Begum, CEO, BUILD.

In his keynote remarks, Dr Anisuzzaman Chowdhury provided an overview of Bangladesh’s macroeconomic scenario and noted that while graduation from the LDC category is within reach, the real challenge lies in effectively realising the benefits of this transition. Citing South Korea’s experience, he underscored the importance of strategic resource utilisation and long-term economic planning to translate graduation into tangible development outcomes.

Professor Mustafizur Rahman elaborated on the benefits and challenges of LDC graduation, highlighting the need for structural transformation, export diversification, and productivity enhancement to sustain post-graduation growth.

In her remarks, Ferdous Ara Begum stressed that Bangladesh is entering a new era marked by intensified competition and heightened expectations. The country’s success, she noted, will depend on leveraging its two most significant

assets—youth and academia—to drive industrial diversification, human capital development, infrastructure and connectivity, financial inclusion, and green transition. She further mentioned that Bangladesh’s Smooth Transition Strategy (STS) comprises five strategic pillars and 157 planned activities across ministries, overseen by a high-level steering committee chaired by the chief adviser.

Begum observed that the private sector favours a deferment of LDC graduation, citing high costs of doing business, elevated interest rates (around 15 per cent), tight credit conditions, and challenges in maintaining law and order. She added that the tax system remains heavily skewed, with manufacturing growth slowing—from 12.33 per cent in FY 2017–18 to 6.58 per cent in FY 2023–24—and employment creation lagging, with only 1.4 million jobs generated for the 2.2 million new entrants. Imports of capital machinery also fell by 25–33 per cent year-on-year.

She pointed out that recent US tariff measures have had a dampening effect on Bangladesh’s export prospects, particularly in the textile and apparel sectors. Despite these challenges, Bangladesh remains a standout performer among LDCs—with a population of 175 million (2024), compared to the 45.6 million combined across 12 other LDCs—and contributes nearly 70 per cent of total LDC exports globally.

Begum called for a strong partnership among academia, industry, and government, noting the growing trend of protectionism in global trade. She referenced UNDP data showing that the trade coverage of restrictive measures reached USD 2.4 trillion between October 2024 and May 2025—a 291 per cent increase from the previous year—reflecting a worrying trend towards anti-liberalisation and protectionism.

She urged universities to take a proactive role by introducing trade law courses to prepare future negotiators capable of defending national interests under the WTO framework. She also recommended establishing technology transfer units and university spin-off enterprises to commercialise innovations, develop IPR practitioners to protect national assets, and cultivate policy formulation experts to strengthen Bangladesh’s institutional capacity for global trade engagement. ■

## BUILD and UNCDF partner to advance green transition for SMEs

On 7 September 2025, BUILD hosted a high-level meeting with a delegation from the United Nations Capital Development Fund (UNCDF) at the BUILD conference room to explore collaboration on



promoting green and sustainable financing for SMEs in Bangladesh.

The UNCDF delegation, led by Sadat Mainuddin, Country Programme Manager, included Nowshin Nawal, National Green Financing Analyst, and Hasan Al Banna, Senior Research Associate at the Policy Research Institute (PRI). The BUILD team was represented by Ferdous Ara Begum, CEO; Dr Wasel Bin Shadat, Research Director; Pallab Bhattachareja, Additional Research Director; and Asif Haider, Research Associate.

Discussions focused on engaging BUILD to establish a Green Transition Working Group (GTWG), leveraging BUILD’s existing SME Development Working Committee (SMEDWC) and Sustainability and Green Growth Working Committee (SGGWC) platforms. The proposed GTWG aims to promote green SMEs, address barriers to accessing global climate finance, and create an ecosystem for sustainable business practices. During the meeting, UNCDF strongly emphasised the strategic importance of developing a comprehensive and inclusive SME database, alongside establishing robust and structured reporting mechanisms to enhance transparent, data-driven policymaking. In response, BUILD clearly presented its institutional mandate and long-standing, evidence-informed contributions to SME development and sustainability-focused policy initiatives across Bangladesh.

Several key decisions were reached. Both organisations agreed to develop a formal cooperation framework within one month, with UNCDF providing research inputs, technical expertise, and support for stakeholder engagement. A joint action plan, spanning 6 to 18 months, will be prepared to guide the implementation of the GTWG. The parties also discussed forming subgroups within BUILD’s existing working committees, which may later be formalised through a memorandum of understanding (MoU). BUILD will additionally participate in UNCDF’s forthcoming project-related meetings to ensure continuous collaboration and policy alignment.

The meeting concluded on an optimistic note, with both BUILD and UNCDF warmly reaffirming their shared commitment to advancing sustainable and inclusive green financing for SMEs in Bangladesh through a collaborative, evidence-based, and results-oriented approach. ■

## REFORMS

### New duty-free import facility to support SME exporters

On 25 September, the Customs and VAT Wing of the Internal Resources Division (IRD) under the MoF issued a statutory regulatory order (SRO) introducing a new facility for industries without bonded warehouses (BWHs).

This measure allows for the duty-free import of raw materials for export purposes, provided an unconditional bank guarantee of the same value is submitted, subject to specific conditions. The policy creates space for SMEs to integrate into global value chains. Initially, eight export-oriented sectors will be eligible to utilise this facility. Sectors not covered include MS rod/bar and MS ware, prefabricated buildings, cement (all types), cables, paint, lubricating oil, and all types of fuel oils, office equipment and furniture, air conditioners, household goods, and particleboard. A likely explanation is that the level of value addition in these sectors is relatively low, or there may be other policy considerations.

BUILD has been advocating on this issue for some time. The new facility is a step forward in making export incentives more inclusive for smaller industrial enterprises and will help to enhance competitiveness, institutional clarity, and sectoral inclusion, which should, in turn, contribute to export diversification. ■

## SCOPES

### BUILD initiative to turn tannery waste into circular economy opportunity

The tannery industry in Bangladesh continues to face a persistent and systemic challenge in managing tannery solid waste (TSW) across the country. Generating approximately 232 tonnes of solid waste daily, the sector produces hazardous by-products, including chrome shavings, buffing dust, fleshing, and trimmings, all of which contain toxic substances detrimental to soil, water, and air quality.

Despite the relocation of tanneries from Hazaribagh to the Savar Tannery Industrial Estate (STIE) and the establishment of a central effluent treatment plant (CETP), solid waste management remains largely unstructured and ineffective. Many tanneries still lack proper systems for collection, segregation, and disposal, resulting in the indiscriminate dumping of waste into open

spaces and nearby waterways. This widespread mismanagement poses grave environmental and public health risks, undermines regulatory compliance, limits access to international markets, and hinders the sustainable development of the leather sector.

To address this overarching challenge, BUILD has embarked on an initiative to transform the sector into an environmentally compliant, economically viable, and socially inclusive circular economy model. The programme will prioritise policy and institutional engagement, provide support for TSW by-product enterprises, and enhance certification and investment readiness across the value chain.

To promote knowledge sharing and replication, BUILD will develop evidence-based policy tools, including policy briefs and SME business cases, designed to formalise, scale, and institutionalise sustainable TSW management practices. Through these strategic interventions, BUILD aims to advance domestic resource mobilisation, foster inclusive economic growth, and promote the adoption of replicable models of industrial sustainability.

Ultimately, the initiative seeks to transform the environmental and regulatory challenges posed by tannery solid waste into strategic opportunities for the long-term competitiveness and sustainability of Bangladesh's leather industry. ■

## ARTICLES

From compliance to competitiveness: Bangladesh's readiness for ESPR in EU market • *Views Bangladesh* ■ [cutt.ly/buildconnect255-01](https://cutt.ly/buildconnect255-01)

Strategic preparedness for post-LDC landscape • *The Business Standard* ■ [cutt.ly/buildconnect255-02](https://cutt.ly/buildconnect255-02)

Post-LDC strategy: Unlocking export potential of GI products through diversification • *The Business Standard* ■ [cutt.ly/buildconnect255-03](https://cutt.ly/buildconnect255-03)

এলডিসি উত্তরণ : ওষুধ শিল্প খাতে নিয়ন্ত্রণ ও সক্ষমতা জোরদারে করণীয় • *Bonik Barta* ■ [cutt.ly/buildconnect255-04](https://cutt.ly/buildconnect255-04)

উদ্যোক্তা উন্নয়ন : সমস্যা ও সম্ভাবনা • *The Daily Jugantor* ■ [cutt.ly/buildconnect255-05](https://cutt.ly/buildconnect255-05)

From LDC to global player: Reinforcing pharma regulations and capabilities • *Views Bangladesh* ■ [cutt.ly/buildconnect255-06](https://cutt.ly/buildconnect255-06)

Beyond lofty targets: The structural roots of Bangladesh's tax mobilisation crisis • *The Business Standard* ■ [cutt.ly/buildconnect255-07](https://cutt.ly/buildconnect255-07)

Empowering non-bonded industries for export growth • *The Daily Star* ■ [cutt.ly/buildconnect255-08](https://cutt.ly/buildconnect255-08)

To help small entrepreneurs compete in global market, export earnings must be paid quickly • *Views Bangladesh* ■ [cutt.ly/buildconnect255-09](https://cutt.ly/buildconnect255-09)

Simpler regulations needed to ignite startups • *The Daily Star* ■ [cutt.ly/buildconnect255-10](https://cutt.ly/buildconnect255-10)

EU circular textile policy and Bangladesh apparel export • *AmCham Journal* ■ [cutt.ly/buildconnect255-11](https://cutt.ly/buildconnect255-11)



### BUILD and Expo Group convene high-level private sector consultation on NLP 2024

In a significant step towards shaping a more efficient and competitive logistics landscape for Bangladesh, BUILD, in collaboration with Expo Group, convened a high-level private sector consultation on the National Logistics Policy 2024 (NLP 2024) on 8 September 2025.

The dialogue brought together a diverse group of industry leaders, policy experts, and development partners to critically evaluate the draft policy and develop a concrete roadmap for its effective implementation. The session, moderated by Ferdaus Ara Begum, CEO of BUILD, began with a keynote presentation that moved beyond policy review to outline a clear pathway from aspiration to tangible outcomes.

Experts proposed a pragmatic two-track approach: the immediate establishment of a high-powered logistics unit under the Prime Minister's Office (PMO) to drive short-term progress, alongside the long-term creation of a National Integrated Logistics Authority (NILA) with a dedicated legal mandate.

Participants also underscored the urgent need for complete digitalisation across the logistics ecosystem. Stakeholders called for the rapid introduction of "quick-win" measures such as paperless customs systems and a real-time logistics performance dashboard to enhance efficiency



and transparency. Drawing on these deliberations, the consultation produced a clear set of strategic recommendations:

- Establish an empowered governance structure with clear accountability
- Prioritise digital transformation to achieve immediate efficiency gains
- Modernise regulatory frameworks to attract and retain sustainable investment
- Ensure a masterplan-driven, coordinated approach guides all initiatives
- Treat the policy as a living document, continuously updated through institutionalised public-private dialogue ■



## BUILD calls for investment policy reform at UNCTAD roundtable

Fardaus Ara Begum, CEO of BUILD, attended a high-level roundtable discussion organised by the United Nations Conference on Trade and Development (UNCTAD) in collaboration with the UNDP's Transformative Economic Policy Programme (TEPP). The event, held on 18 October 2025 in Dhaka, brought together key representatives from government, the private sector, and development partners to share insights and recommendations for the forthcoming investment policy review (IPR) of Bangladesh. The session was moderated by Kiyoshi Adachi, Legal Officer, Investment Policy Review Section, Investment Policies Branch, UNCTAD, with Helena Afonso, Economic Affairs Officer from the same section, also in attendance. The new IPR aims to assess the progress made since the previous review in 2013 and to develop forward-looking recommendations to enhance Bangladesh's investment climate and foster sustainable, inclusive economic growth. The consultation provided an important platform for stakeholders to discuss ongoing reforms, policy bottlenecks, and emerging opportunities across priority sectors.

During the discussion, Begum expressed her appreciation to the UNCTAD team for their continued support of Bangladesh and highlighted several policy areas

requiring reform. She emphasised the need to revisit the Foreign Private Investment (Promotion and Protection) Act, 1980, citing findings from an Organisation for Economic Co-operation and Development (OECD) study that identified its limitations in addressing the evolving investment landscape. She also emphasised the need for policy support for the pharmaceutical sector, highlighting its immense potential and the private sector's significant progress in developing local manufacturing and research capabilities.

Referring to Bangladesh's upcoming graduation from LDC status, Begum observed that several preferential trade agreements (PTAs), free trade agreements (FTAs), comprehensive economic partnership agreements (CEPAs), and economic partnership agreements (EPAs) are under negotiation, yet none have reached full maturity. She further referenced Bangladesh's Smooth Transition Strategy (STS), which identifies five strategic pillars requiring urgent policy attention, and mentioned the ongoing Production Transformation Policy Review (PTPR) by the OECD. The PTPR, she noted, provides valuable recommendations for advancing structural transformation, technological innovation, and industrial diversification—recommendations that Bangladesh could implement to strengthen its post-graduation competitiveness.

The roundtable marked an important step in aligning Bangladesh's investment policy framework with evolving global economic dynamics and reinforcing its commitment to sustainable development. ■



## BUILD urges strategic roadmap for LDC graduation deferment

A seminar on Bangladesh's preparedness for post-LDC graduation was held on 10 September 2025 at the Khondker Ibrahim Khaled conference room, focusing on how both the public and private sectors can work together to address the upcoming challenges. The keynote presentation was delivered by Abdullah Nadvi, Research Director of Unnayan Shamannay, who compared the trajectories of several countries before and after graduation from the category of the LDC.

Fardaus Ara Begum, CEO of BUILD, joined as a panel speaker alongside Fazle Shamim Ehsan, president of the Employers' Federation; Dr Syed Nazmul Wadud, professor, University of Dhaka; and Syed Nasir, managing director, Exclusive Can Limited. In her remarks, Begum noted that comparing Bangladesh with small island economies such as the Maldives or Samoa is misleading, given Bangladesh's vastly different scale and population—175 million versus a combined 45 million in 12 graduating LDCs. She stated that while the private sector supports deferment, citing limited preparedness and potential risks arising from the erosion of duty-free and quota-free (DFQF) access and the expiry of Trade-Related Aspects of Intellectual Property Rights (TRIPS) waivers, the government remains cautious, concerned about its global image. She called for greater policy coordination and consensus between stakeholders.

She stressed that the Smooth Transition Strategy (STS) is currently the only roadmap guiding Bangladesh's graduation, with 157 planned actions under five pillars—macroeconomic stability, trade preference security, export diversification, capacity building, and partnership development—but without allocated budgets. The Committee for Development Policy (CDP) has requested progress updates from the government, and a follow-up consultation is scheduled for November 2025, where Bangladesh must present concrete progress and mobilise donor support.

Begum also highlighted a range of economic challenges, reinforcing the private sector's case for deferment:

- Sluggish manufacturing growth, declining from 12.33 per cent in FY2017–18 to 6.58 per cent in FY2023–24
- Falling investment and capital machinery imports (down 25–33 per cent)
- Rising NPLs, now BDT 4.2 trillion (7.5 per cent of GDP)
- High interest rates (15 per cent), liquidity shortages, and growing uncertainty
- Weak job creation, with 800,000 people remaining unemployed among 2.2 million new entrants ■

## UNDP report calls for trade strategy reform in Asia-Pacific

UNDP unveiled a report titled "Disruption, Diversification, and Divergence: Adapting Development Strategy to a Shifting Trade Landscape in Asia and the Pacific", with a presentation delivered by M. Owasia Parry, Senior Economic Adviser, UNDP,

at the A. S. Mahmud seminar hall, The Daily Star, Dhaka. The CEO of BUILD contributed to the discussion and shared her views.

She noted that Bangladesh is undergoing transition, with government reforms underway to meet post-LDC requirements. Cash incentives have been withdrawn, leading to reduced exports in several sectors. Supplementary duties and the minimum tax have also been removed, though replacement measures remain undefined. Meanwhile, the cost of doing business continues to rise amid persistent regulatory bottlenecks and burdensome licensing. In a global context of growing protectionism and de-globalisation, Bangladesh must urgently simplify business processes. Structural reforms, tariff rationalisation, and export diversification are essential. ■



## Validation workshop on a diagnostic study on informality in Bangladesh

The International Labour Organization (ILO) organised a validation workshop at its conference room on 30 October 2025 to gather stakeholder feedback on a diagnostic study of informality in Bangladesh. Globally, over two billion people work informally, accounting for 58 per cent of total employment. In Asia and the

Pacific, informal employment affects around 1.3 billion workers—66 per cent of the workforce—and over 80 per cent of enterprises operate informally. The programme noted that employment formalisation is not possible without enterprise formalisation. A survey of 384 respondents across Dhaka, Chattogram, Sylhet, and Khulna assessed the scale and nature of informality, with comparative insights from India, Nepal, Malaysia, the Philippines, and Vietnam.

The CEO of BUILD concluded the session with ten specific and actionable points. She emphasised that the transition from informality to formalisation must pass through distinct stages and phases, depending on the level of formality, the informal economy's contribution to GDP, and the tax-to-GDP ratio. She asked whether formalisation would improve these indicators. She observed that informality persists at both worker and enterprise levels—even within the formal sector. Bangladesh's limited role in global supply chains prompted her to question whether formalisation could enhance participation. She also challenged the notion that a trade licence alone suffices, given the multiple registrations and certifications currently required. ■



On 15 September 2025, the BUILD team met Md Shahriar Kader Siddiky, Secretary of the ERD, to explore avenues

for collaboration. Led by CEO Ferdaus Ara Begum and comprising Research Director Wasel Bin Shadat and Research Associate Ahmed Julker Nine, the BUILD team discussed how its research expertise could contribute to ERD-led development initiatives. ■



On 22 September 2025, BUILD CEO Ferdaus Ara Begum met with Bangladesh Bank Deputy Governor Nurun Nahar to discuss the forthcoming meeting of the FSDWC. ■



On 24 September 2025, Ferdaus Ara Begum, CEO of BUILD, attended the 46th board meeting of Startup Bangladesh Limited, held at the company's boardroom at ICT Tower, where the organisation's strategic growth and investment plan was discussed in detail. ■

## Founding Organisations



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