

EDITORIAL

Reviving the economy: Key policy priorities for the new government

In recent years, a series of economic and political shocks has placed macroeconomic stability at risk. The COVID-19 pandemic stalled economic activity and external connectivity for nearly two years, followed by the Russia–Ukraine war, which drove up global commodity prices and sharply reduced foreign reserves in 2023–24. The July 2024 uprising toppled the previous government, after which an interim administration oversaw one-and-a-half years of slowing growth, weak domestic investment, subdued credit flows, and

tensions.

The confluence of these factors has left the macroeconomic situation highly vulnerable. Growth, which exceeded 6% for more than a decade, has slowed; inflation remains persistently high; and private-sector credit, domestic investment, and FDI inflows have all weakened. In the first half of FY 2025–26, exports recorded negative growth compared with the same period of FY 2024–25 due to external shocks.

Unemployment remains a major concern. The closure of many industries and layoffs following the 2024 political transition have worsened the situation, while subdued economic activity and declining investment have limited new job creation. This poses a serious risk to social stability, as thousands of educated young people enter the labour market each year without sufficient opportunities.



BUILD congratulates the new government and urges economic reforms

BUILD extends its heartfelt congratulations to the newly formed government following the swearing-in of the Prime Minister, the cabinet of ministers, and members of the 13th National Parliament. As the nation enters this new chapter, BUILD emphasises the urgency of addressing the prevailing economic challenges to ensure sustainable growth and private-sector resilience.

The immediate priority for the new administration should be restoring macroeconomic stability. This includes managing inflation, maintaining a stable foreign exchange regime, and improving liquidity in the banking sector. BUILD believes that a stable economic environment is the primary prerequisite for regaining investor confidence and sustaining industrial productivity.

As a PPD platform, BUILD urges the government to accelerate reforms that reduce the cost of doing business. With the upcoming challenges of LDC graduation, BUILD emphasises the need for streamlined trade procedures, rationalised tariff structures, and the removal of regulatory bottlenecks. Attracting both domestic and FDI must remain at the heart of the national economic agenda to create employment and diversify exports.

BUILD calls for targeted policy support for MSMEs. Recognising them as the backbone of the economy, the organisa-

Bangladesh Economic Revival

Key Strategic Actions and Reforms



PRIVATE SECTOR SUPPORT



PRIORITISE MSMEs



CONTAIN INFLATION



FISCAL REFORMS



FINANCIAL SECTOR STABILITY



ENHANCE BB AUTONOMY



ATTRACT FDI



LDC GRADUATION PREPARATION

BUILD's Support

- ✓ Policy research and advocacy
- ✓ Support economic recovery
- ✓ Trade resilience and export support
- ✓ Regulatory support



On 6 February, the BNP released its election manifesto, outlining 51 commitments under five pillars. It pledged to transform Bangladesh into an upper-middle-income economy with GDP reaching USD 1 trillion by 2034. The manifesto emphasises private-sector-led growth through simplified registration and legal procedures, streamlined licensing and taxation, and the development of digital ecosystems. It also promotes “Made in Bangladesh” initiatives to strengthen global competitiveness and aims to raise FDI from 0.5% to 2.5% of GDP by streamlining relevant policies and procedures.

Following the Thirteenth General Election, businesses are showing renewed optimism about economic

recovery under the new

government. The private sector—the economy’s main engine—can drive this revival if the cost of doing business is

sluggish FDI amid political uncertainty. In April 2025, the United States imposed reciprocal tariffs on about 60 countries, adding to a global slowdown driven by trade disruptions and geopolitical

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reduced, access to affordable credit improves, incentives for emerging sectors expand, logistics and infrastructure become more business-friendly, and regulatory barriers are minimised. Micro, small, and medium enterprises (MSMEs)—which account for a large share of output and most employment—remain largely informal and face financing, capacity, and technology constraints; given their central economic role, the government should prioritise formalising MSMEs and providing targeted support.

Inflation remains high, and interest-rate hikes have curbed investment and jobs, underscoring the need for supply-side measures to stabilise prices more sustainably. Prolonged political uncertainty and a weak law-and-order environment have left private investment stagnant, now at a two-decade low. Business dynamism has consequently weakened, and job creation has slowed. Reviving private-sector growth requires improved access to finance, streamlined licensing and registration, a competitive incentive framework, upgraded infrastructure and logistics, reliable energy supply, more efficient regulation, and a stable security environment.

The country's tax-to-GDP ratio remains among the lowest in South Asia, forcing heavy domestic and external borrowing and pushing public debt to about BDT 23 lakh crore, constraining fiscal space and crowding out private investment. Although the interim government began separating tax policy from tax administration within the National Board of Revenue (NBR), progress is incomplete; the new government must prioritise revenue mobilisation through accelerated NBR reforms, a review of tax exemptions, and digital modernisation of tax administration. The financial sector has become one of the economy's most vulnerable areas, with non-performing loans reaching an estimated 36%. The interim government introduced reforms to strengthen banking governance and enhance the autonomy, supervision, and oversight of Bangladesh Bank. The new government should assess these measures—including the proposed Financial Institutions Court Act—and expedite the recovery of defaulted loans.

Attracting FDI is critical for faster growth and technology transfer, yet existing policies have failed to deliver higher inflows. A comprehensive overhaul is required: implementing a single window under BIDA, digitalising VAT, customs, and investment approvals, establishing a 24/7 investor helpdesk, speeding up investor visas and work permits, improving infrastructure, and ensuring uninterrupted electricity and gas supply. Addressing these constraints is essential to achieving the target of raising FDI to 2.5% of GDP.

After taking office, the government sought

a three-year extension of Bangladesh's graduation from Least Developed Country (LDC) status and submitted a request to the Chair of the Committee for Development Policy (CDP), citing emerging internal and external challenges. To ensure a smooth and low-risk graduation, it must diversify export products and markets, enhance competitiveness, pursue free trade agreements with key partners, raise productivity, invest in infrastructure, improve logistics and port efficiency, and strengthen the operating environment for SMEs and other businesses. The challenges are significant, but the BNP's mandate enables it to pursue essential reforms and to coordinate short-, medium-, and long-term strategies to revive the economy and deliver its manifesto commitments.

BUILD, as a public-private dialogue platform, undertakes private-sector-focused policy research and advocacy to support smooth business operations and contribute to national economic development. It has produced six sector-specific business-licence guidebooks to aid regulatory compliance and is currently developing a national traceability strategy to protect exports and strengthen competitiveness in line with EU sustainability requirements. BUILD remains committed to supporting the government's private-sector agenda, advancing economic recovery, and addressing pressing economic challenges.

Ferdous Ara Begum
CEO, BUILD

BUILD congratulates the new...

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tion stresses the importance of simplifying licensing processes and ensuring easier access to finance for small business owners. Formalising the informal sector through digital integration and simplified regulatory compliance is essential for inclusive economic development.

Since 2011, BUILD has served as the secretariat to the Private Sector Development Policy Coordination Committee (PSDPCC) at the Prime Minister's Office. The organisation remains committed to providing evidence-based research and facilitating structured dialogues between the government and the private sector. BUILD looks forward to working closely with the new government to implement result-oriented policies that address immediate economic hurdles while building a long-term foundation. BUILD is a premier PPD platform of Bangladesh, jointly promoted by the Dhaka Chamber of Commerce and Industry (DCCI), Metropolitan Chamber of Commerce and Industry (MCCI), and Chittagong Chamber of Commerce and Industry (CCCI). It provides research-based support for policy reforms to improve Bangladesh's investment climate. ■



Abul Kasem Khan appointed Chairperson of BUILD for 2026–27

The 39th trustee board meeting of BUILD officially appointed Abul Kasem Khan as the Chairperson of BUILD for the 2026–27 tenure. Khan, an esteemed member of the BUILD trustee board since 2020, assumed this leadership responsibility following a formal resolution by the board in accordance with the relevant articles of the BUILD deed of trust.

Nominated by the DCCI, Khan currently serves as the vice chairman of A. K. Khan & Company Limited and the managing director of A. K. Khan Telecom Limited. He served as president of DCCI for three terms in 2010, 2017, and 2018.

The trustee board also welcomed several distinguished representatives to its membership, including Taskeen Ahmed, President of DCCI; Kamran T. Rahman, President of the MCCI; Md Motahar Hossain, Administrator of the CCCI; Dr A. K. M. Asaduzzaman Patwary, Acting Secretary General, DCCI; and Farooq Ahmed, Secretary General, MCCI.

As a premier PPD platform supported by DCCI, MCCI, and CCCI, BUILD has been serving as the secretariat to the PSDPCC at the Prime Minister's Office since 2011. The organisation remains committed to advancing seven thematic areas of PPD, with a primary strategic focus on trade facilitation and optimising the investment climate. The mandate of BUILD is to identify regulatory, procedural, and policy barriers affecting trade, investment, and industrial growth in the country. It conducts evidence-based research and submits policy recommendations to relevant ministries, departments, and regulatory authorities to enhance the private sector's competitiveness. BUILD, as a national PPD platform, facilitates structured consultations between government and private-sector stakeholders. ■

BUILD urges duty-free raw material import expansion to drive export diversification

BUILD organised a high-level dialogue today titled "Duty-Free Import of Raw Materials beyond Bonded Warehouse Facility" to address implementation



challenges and propose critical reforms for the recently announced Statutory Regulatory Order (SRO) 384/2025. The event, held at the BUILD conference room, brought together policy experts, government officials, and private-sector leaders to identify strategies to enhance the export competitiveness of non-bonded and small-scale exporters.

In the keynote presentation, Md Noorzaman, Senior Research Associate, highlighted that non-bonded exporters will be able to import raw materials duty-free against a 100% bank guarantee. He informed the session that this would be difficult for them to afford, as the guarantee will be encashed after the export proceeds are realised, limiting their cash flow. To qualify for this facility, exporters must ensure a minimum of 30% value addition and maintain mandatory Value Added Tax (VAT) compliance through regular online submissions. However, the facility is currently restricted to only eight sectors, including furniture, electronics, and light engineering, which limits significant export potential.

By comparing Bangladesh's regime with international best practices, such as the duty-suspension model in Vietnam and the deferred-duty model in India, the study advocates adopting more flexible financial instruments to reduce exporters' burdens. Key recommendations include aligning SRO 384 with the upcoming Import Policy Order 2025-28, replacing bank guarantees with alternative instruments, such as sponsor guarantees, and removing sectoral restrictions to encourage broader export diversification. Furthermore, the study emphasises the urgent need for full automation and the integration of the Automated System for Customs Data (ASYCUDA) and the Integrated VAT Administration System (iVAS) systems to streamline the export process and enhance global competitiveness.

The working session was moderated by Dr Wasel Bin Shadat, Research Director, BUILD. Mohammad Naziur Rahman Miah, First Secretary, NBR, lauded the dialogue organised by BUILD and stated that formulating SRO 384 was a challenging task; he noted it is not a fixed document and will be updated as requirements evolve. He added that eight sectors have been listed due to their interest, and the list will be extended if other sectors show interest. Referring to the abolition of the need for coefficients for bonded

warehouse (BWH) exporters and for utilisation declaration (UD) and utilisation permission (UP), he informed that NBR has opted to automate these services. About 83% of the UP is presently automated, and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Customs, and other relevant organisations are now integrated, which will gradually improve the situation.

Md Shahidulla, senior deputy secretary, Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA), noted that the local VAT authority is the controlling point, and those willing to benefit from this system must be Import Registration Certificate (IRC) and Export Registration Certificate (ERC) holders, distinct from Customs Bond Commissionerate (CBC) licence holders. He referred to the full operationalisation of the Duty Exemption and Drawback Office (DEDO) to provide support to exporters; however, exporters countered that, through DEDO, 100% duty drawback has never occurred.

Several industry leaders proposed alternatives to the current system. Saifur Rahman, Vice President of the Bangladesh Stainless Steel Pipe Manufacturers Association, emphasised the need to ensure ease of doing business for export diversification and highlighted that the government needs to focus on dynamic decision-making. He recommended that Bangladesh follow the Chinese model, in which warehouses are built through a public-private partnership (PPP). In view of this, a committee is working at NBR, and BUILD could be included to work on this. Similarly, M. S. Siddiqui, CEO of Bangla Chemical, recommended that revenue policies be adopted by independent bodies rather than concentrating all power within NBR. Criticising the 100% bank guarantee, he said it is not a global practice, emphasising that the market should decide which products are exported and warning against forcibly adding products to the negative list.

Sector-specific recommendations were also raised. Md Abdur Rauf, CEO of the Bangladesh Furniture Exporters Association, urged the government to place greater emphasis on value-addition criteria rather than UP, UD, and bank guarantees for export facilitation. Shoaib Hasan, former Vice President of the Bangladesh Agroprocessors Association (BAPA), urged the government to allow a 30% duty-free import of raw materials based on export performance, noting that if this incentive is granted, export volume could be doubled. Shankar Kumar Roy, Executive Director of the Bangladesh Cement Manufacturers Association, urged the inclusion of the cement sector in the SRO's positive list due to its significant domestic use.

Regarding financial and time constraints, Mainul Islam, Deputy Manager at the Small and Medium Enterprise (SME)

Foundation, urged NBR to align with the Ministry of Industries in formulating policies. He recommended including the priority sectors of the National Industrial Policy 2022 and the Product of the Year, as declared annually by the Ministry of Commerce, in the positive list, adding that the SME Foundation could create a fund for sponsor guarantees for SME exporters, if legally permitted. Sharif Nawrin Akter, Assistant General Manager, Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB), recommended that bank guarantee realisation be carried out in phases. She argued that the current nine-month time limit for export (extendable by three months) is too short and should be at least two tax periods, given the possibility of order cancellations or delays in proceeds realisation.

Summing up, Ferdaus Ara Begum, CEO of BUILD, informed that BUILD has taken full notes of the discussion and will prepare a report to share with NBR for necessary reforms to the SRO, so that SMEs can benefit from the policy, reduce dependence on a single product, and promote export diversification. ■



Field visit to Hazaribagh gelatine and glue manufacturing units

On 18 January 2026, the BUILD team visited gelatine and glue manufacturing units in Hazaribagh that process tannery solid waste to understand on-ground practices, compliance challenges, and value chain linkages within this emerging circular economy segment. The visit was led by Ferdaus Ara Begum, CEO of BUILD, along with Md Mehedi Hasan, Additional Communication and Advocacy Director, and Tanjila Marjahan, Research Associate.

The visit highlighted that while the sector holds strong potential for waste reduction and value addition, not all units are currently compliant with environmental and safety standards. Manufacturers identified key constraints, including limited access to appropriate industrial land, proximity to raw materials, inadequate technology, and financing challenges. A major concern raised was the need for designated industrial land near the Savar

Tannery Estate, which would enable easier access to raw materials, reduce logistics costs, and support improved environmental monitoring and regulatory compliance.

Industrial-grade gelatine and glue are used in the textile and footwear industries, strengthening domestic backward linkages and supporting local manufacturing value chains. These insights underscore the importance of planned industrial zoning, phased compliance pathways, and targeted policy support to scale sustainable waste-to-resource industries in Bangladesh. BUILD remains committed to advancing evidence-based policy dialogue for inclusive and green industrial development. Through targeted interventions and continuous stakeholder engagement, BUILD strives to transform environmental challenges into sustainable economic opportunities. ■

National traceability platform for textile sustainability discussed by BUILD and Reverse Resources

On 28 January 2026, BUILD held a strategic meeting with Rizvan Hasan, Country Head of Reverse Resources (RR), Bangladesh, to discuss the development of a national traceability platform and the implementation of DPP for the country's textile industry. The discussion, led by BUILD CEO Ferdaus Ara Begum and involving key research team members, focused on creating a robust digital infrastructure to manage textile waste and enhance transparency across the global supply chain.

A primary focus of the meeting was the integration of a lifecycle analysis into a national platform that ensures data interoperability between manufacturers, recyclers and international brands. Mr Rizvan emphasised that such a platform would allow for the automatic publication of unique IDs and seamless data sharing, which is critical for environmental compliance and human betterment.

The technical discussion highlighted the need to strengthen waste segregation through improved training in proper handling and digital sorting, in order to maximise the value of the 15% of cotton waste currently recycled in Bangladesh. Participants also examined a proposed "waste handling compliance assessment" aimed at raising factory standards, with a target of a 13% improvement in compliance levels. In addition, the meeting underscored the importance of a phased rollout of the traceability platform to support the fully export-oriented garment sector in meeting international regulatory requirements.

According to Rizvan Hasan, the complexi-

ty of the textile industry necessitates that a national traceability platform operate effectively as a global system, given that recycling needs vary significantly across segments such as cotton, sportswear, polyester, elastane and nylon. With more than 62 categories of cotton alone and highly specific chemical requirements for treating different types of waste, precise waste segregation is critical to successful circularity. In Bangladesh, this infrastructure is growing, with approximately 400 factories currently utilising digital segregation and 264 recyclers active in the market.

He stated that a core function of RR is to bridge the gap between waste handlers and recyclers while providing a digital platform where buyers can access transparent data regarding recycling volumes. Although RR does not perform formal audits or issue certifications, it acts as a technical adviser to factories. By assigning an "acceptability score" based on a factory's performance and compliance, RR helps manufacturers build significant buyer confidence and demonstrate their commitment to sustainable waste management. ■



BUILD presents regulatory guidebooks for light engineering and plastic waste management to Mol

On 5 January 2025, BUILD presented its sectoral regulatory guidebooks for the light engineering and plastic waste management sectors at the Ministry of Industries (Mol). The guidebooks were prepared by BUILD in association with the International Labour Organization (ILO) with the objective of improving regulatory clarity and facilitating sectoral formalisation. The meeting was chaired by Rashidul Hassan, Additional Secretary (Policy, Law and International Cooperation Wing), Mol.

At the outset, Ferdaus Ara Begum, CEO of BUILD, provided an overview of the licensing guidebooks. She highlighted that the initiative aims to simplify and consolidate licensing requirements in order to encourage formalisation, reduce compliance costs, and ultimately support the sustainable growth of SMEs operating in

these sectors.

During the technical session, Nasib Ul Amin, Senior Research Associate at BUILD, presented the licensing guidebook for the light engineering sector, followed by Asif Haider, Research Associate at BUILD, who presented the guidebook on plastic waste management. The presentations elaborated on the rationale for selecting these sectors, noting that both are identified as priority sectors under the National Industrial Policy 2022. The speakers also outlined the methodology adopted in compiling the guidebooks, including extensive key informant interviews (KIIs) with relevant stakeholders and regulatory authorities.

The light engineering guidebook consolidates 32 licences, while the plastic waste management guidebook compiles 31, giving entrepreneurs a comprehensive and structured reference to regulatory requirements. The presentations also emphasised key policy recommendations, including streamlining licensing through an effective one-stop service, addressing overlaps among licensing authorities, expanding BWH facilities, establishing a legal basis for citizen charters to function as service-level agreements (SLAs), and upgrading local testing, certification and standards infrastructure.

Officials from Mol appreciated BUILD's evidence-based approach and noted the initiative's potential contribution to regulatory reform and SME development. Mol indicated its intention to consult relevant licensing authorities and sectoral stakeholders, and decided to place the issue of the two licensing books before its technical committee with the ILO. Representatives from sectoral associations also contributed practical industry insights during the meeting. The presentation marked an important step towards fostering a more transparent, efficient and business-friendly regulatory environment for priority industrial sectors in Bangladesh. ■

Dialogue highlights citizen expectations for inflation control and economic recovery

The Business Standard, in collaboration with Democracy International and supported by UK Aid, organised a dialogue titled "Citizen Expectations: Reducing Inflation and Commodity Price Hikes" on 5 January 2026 at their offices. Catherine Cecil, Chief of Party at Democracy International, was in attendance, alongside representatives from various political parties who outlined their programmes and plans to address long-standing inflation and economic recovery.

Citizens hold significant expectations for

the upcoming parliament. While political parties maintain numerous agendas, citizen-centric issues often receive less priority. The price hikes driven by inflation are placing a severe burden on people experiencing poverty, leading to nutritional loss and disease. The increasing number of people falling into poverty should be a primary concern for the new parliament. Aminul Ehsan, Deputy Chief of Party for Bangladesh Strengthening Accountability for Citizen Empowerment (B-SPACE), a Democracy International initiative, presented a survey showing that 33% of voters remain undecided. Furthermore, 55% believe Bangladesh is not on the right path, and 40% felt their personal situations had deteriorated compared to previously. Approximately 38% of women and 37% of young people feel that political parties do not grant them sufficient importance.

Political parties have a responsibility to demonstrate that they prioritise the needs of citizens and will act upon them in parliament. During the dialogue, representatives from the Centre for Policy Dialogue (CPD), the Economic Reporters' Forum (ERF), and BUILD highlighted various strategies to mitigate inflationary losses and discussed potential recovery plans. The CEO of BUILD noted that inflation stood at 10.87% in August 2025, falling to 8.29% by November 2025—a reduction of only 2% over four months (food inflation was 7.36%, non-food was 9.08%, and core inflation was 8.29%). Bangladesh Bank expects inflation to fall to 7.69% by December 2026 from the current rate of 8.76%.

The target of 7.69% by December 2026 remains high compared to regional peers. For instance, India's inflation was 6.21% in October 2024 and fell below 1% by November 2025. In Pakistan, it dropped from 38% in May 2023 to below 1% in April 2025, before rising again to 6.1% in November. Sri Lanka saw inflation fall from 50% in March 2023 to 1.35% within six months, and it stood at 2.1% in November 2025. Despite global moderations in commodity and energy prices, inflation in Bangladesh remains difficult to control. Real wage rates have narrowed as inflation declines, while the policy rate has remained at 10% for an extended period. This has created high interest rates, crowding out private-sector credit flows, which stand at 6.5%—well below the 9% target. Consequently, investment is sluggish, and employment is not increasing. During the first six months of 2025–26, Bangladesh Bank purchased over USD 3 billion from the market to stabilise exchange rates and support export competitiveness. However, buying dollars during a high-inflationary period is a risky move that can lead to policy-induced inflation. While liquidity conditions in the banking system have improved, private-sector credit growth remains weak.

The CEO of BUILD added that political

parties must be determined to reduce inflation and identify the worst-affected segments of society to ensure proper remedies. She emphasised that determining the scale of loss is vital, and social safety nets must be secured through better distribution mechanisms. Furthermore, employment creation should be the primary agenda. As private sector credit growth has slowed, several factories have closed. She suggested that every political party should establish its own research cell to monitor both economic and non-economic issues, enabling them to take time-bound precautionary measures. Finally, policy-induced inflation must be addressed through more effective and targeted policies. ■

FBCCI hosts discussion on capacity building for women's chambers and associations

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) organised a programme on 12 January 2026 at their conference room to discuss how women's chambers and associations can strengthen their capacities to extend organisational support to their members. The event was attended by Md Abdur Rahman Khan, Administrator of FBCCI, while the keynote was presented by Tanvir Ahmed, Senior Adviser for SheTrades initiatives. The panel included Sharmin Islam, Gender Team Leader at the United Nations Development Programme (UNDP); Farzana Khan, Deputy Managing Director of the SME Foundation; and Ferdaus Ara Begum, CEO of BUILD. Nasreen Fatema Awal, President of WEAB, also participated as a discussant.

During the session, the FBCCI Administrator provided a prelude, informing attendees that the government plans to establish at least one chamber in every district of Bangladesh. Currently, there are approximately 44 chambers in the country, with about 19 others on the waiting list. The event saw participation from representatives of various districts—including Chittagong, Rajshahi, Sylhet, Dinajpur, Sirajganj, Comilla, and Dhaka—alongside officials from various government organisations and several reputed individual entrepreneurs.

Taking a cue from the keynote presentation on strengthening Business Member Organisations (BMOs), the CEO of BUILD explained that, because BMOs in Bangladesh are established under private law with voluntary membership, maintaining a professional secretariat is often difficult. In contrast, BMOs under public law are typically established by statute or government regulation and perform quasi-public functions. Such organisations, created through an Act or government notification, often mandate membership

for specific sectors and operate under government oversight and public accountability rules. She suggested that policies for establishing chambers and associations need to be revisited to build the capacity of these private-sector-led organisations effectively.

In her address, she also highlighted several key points regarding government support for women entrepreneurs (WEs). She noted that while the government has announced various policy supports, many WEs remain unaware of them and are therefore unable to utilise these benefits to remain competitive. Regarding trade licences, she informed the gathering that BUILD is advocating for reducing administrative hassles and lowering income tax requirements during licence renewals. She noted that high costs often cause small entrepreneurs to lose their appetite for renewal, leading them to remain within the informal sector indefinitely. Furthermore, she addressed the need for market development and the establishment of payment gateways for online businesses. She pointed out that while the EXP Form (Export Permission Form) can be difficult for small consignments, the government has already announced a policy relaxing these requirements for export values up to USD 500—a fact many WEs are still unaware of. She also referred to specific income tax rebate ceilings, VAT ceilings, and the availability of five-year trade licence facilities for women business owners. Finally, she urged FBCCI to use its member organisations to circulate information about these policy benefits, ensuring that women entrepreneurs can fully benefit from these government initiatives. ■



BUILD and EPB partner to enhance export traceability for the EU market

On 6 January 2026, BUILD met with the Export Promotion Bureau (EPB) to discuss the Registered Exporter System (REX) and its vital role in meeting European Union (EU) traceability requirements. The meeting, chaired by Mohammad Hasan Arif, Vice Chairman of EPB, focused on how the current digital self-certification system can serve as a foundation for Bangladesh's future National Traceability Platform. Participants explored the shift

from manual certifications to the digital Statement on Origin, which is essential for maintaining zero-tariff access to the EU under preferential trade arrangements.

During the discussion, the Vice Chairman emphasised that conducting a gap analysis of the existing system is the priority to ensure the country is ready for the upcoming international mandates. He expressed EPB's strong willingness to play a leading role in national traceability initiatives under the Ministry of Commerce. To further enhance verification, he highlighted that the Mapped in Bangladesh (MiB) concept is worth adopting for data verification that buyers can reliably use.

Madhubanti Anashua, Advisor at the German Agency for International Cooperation (GIZ), stressed the importance of linking new systems with existing digital platforms to achieve long-term traceability objectives. She noted that after 2030, the Digital Product Passport (DPP) will apply, requiring material composition and origin information to be available via digital means, such as QR codes. Adding to the strategic vision, Ferdous Ara Begum, CEO of BUILD, stated that BUILD aims to incorporate the learnings from REX into the National Traceability Platform for Bangladesh. She underscored the urgency of this transition, noting that the EU's DPP standards are set to be fully implemented by 2030.

The meeting concluded with a commitment to collaborate on a traceability strategy paper and a gap analysis study. Dr Wasel Shadat, Research Director at BUILD, presented on the importance of data governance and interoperability in this process. Ultimately, the stakeholders agreed that improving the REX system will provide a critical advantage for Bangladeshi exporters in maintaining sustainability and compliance within the global supply chain. ■

Bashundhara. During this event, Dr Wasel Bin Shadat, Research Director at BUILD and Assistant Professor at the Institute of Business Administration (IBA), University of Dhaka, shared vital insights into the export potential of the packaging industry. The session was organised by the Plastic Products Business Promotion Council to highlight how packaging has transformed from a simple support function into a major industrial strength for the country.

Dr Shadat explained that packaging is no longer just a way to protect goods but is now a strategic tool for reaching global markets. He noted that while products are made in factories, they actually enter international markets through their packaging. A major milestone for this sector is the government's declaration of paper packaging as the Product of the Year 2026. This move is designed to make the garment industry more competitive and encourage local innovation and sustainable practices.

The presentation showed that the domestic plastic packaging market is growing steadily and is expected to see even stronger momentum over the next few years. However, there are challenges to overcome, including a high reliance on imported raw materials and certain regulatory hurdles. Dr Shadat also pointed out that official export numbers often miss the full picture because a large amount of packaging is sold locally to exporters, which counts as a deemed export. To succeed globally, the industry must focus on using better materials and meeting international safety and environmental standards. Transitioning to certified recycling systems and using digital tools will help local businesses stay competitive. By addressing these areas, Bangladesh can move from being a high-volume producer to a provider of high-value packaging solutions that meet the demands of the modern world. ■

pilots. As a major stakeholder in the garment industry, Urmi Group is one of the first companies in Bangladesh to run a DPP pilot project. The meeting aimed to gather industry intelligence and evaluate the feasibility of a National Traceability Platform for Bangladesh.

During the discussion, representatives from Urmi Group shared that they are collaborating with various international and national vendors to implement these digital initiatives. They highlighted that while individual companies can manage their own data, a National Traceability Platform would be incredibly helpful for businesses without their own systems. It was clarified that a DPP is not just a certificate but a comprehensive system for tracking a product's lifecycle. Urmi Group emphasised that for such a platform to be effective, government agencies must automate their data systems. For example, the Department of Environment and energy providers should have automated databases that can link with the national platform when required. This data integration is seen as a key vehicle for reducing costs and increasing the competitiveness of Bangladeshi products in the global market.

The meeting concluded with the suggestion that the government and industry bodies, such as BGMEA, collaborate to establish a data centre through a public-private partnership. It was also noted that Bangladesh's national emission reduction targets need to align more closely with EU requirements. By implementing energy regulations and improving data transparency, the country can better support the decarbonisation goals associated with the upcoming DPP standards. ■



Packaging sector highlighted as a strategic export powerhouse

The 18th Bangladesh International Plastic, Packaging, and Printing Industrial Fair 2026 recently hosted a significant seminar at the International Convention City

BUILD and Urmi Group evaluate feasibility of a National Traceability Platform

On 19 January 2026, BUILD conducted a meeting with Urmi Group to discuss their experience with DPP and traceability

BIGD and Forum for Women's Political Rights host conference on female electoral representation

On Thursday, 5 February 2026, the BRAC Institute of Governance and Development (BIGD), in partnership with the Forum for Women's Political Rights, hosted a conference at the BRAC Centre Inn in Dhaka. Titled "Women in the Upcoming National Assembly Elections: Representa-

tion, Participation and Political Party Commitment”, the event brought together policymakers, legal experts, and election officials to address the hurdles faced by female candidates in Bangladesh.

Key Challenges for Female Candidates

Nafisa Rayhan opened the session by highlighting the systematic harassment women encounter during election campaigns. Major obstacles identified included:

- Physical attacks and intimidation
- Vandalism and looting of campaign offices
- A lack of administrative neutrality and obstruction by political rivals
- Misogynistic rhetoric and defamatory smear campaigns

She cited a specific attack on 26 January 2026 in Gopalpur Upazila, where female campaign workers were allegedly assaulted. Speakers argued that such violence not only violates women’s rights but also undermines the integrity of the entire electoral process. To improve representation, the conference noted a proposal from the July National Charter 2025 to increase reserved parliamentary seats for women from 50 to 100.

Legal Protections and Digital Harassment

During a panel discussion, Rashna Imam addressed the issue of cyber harassment. She noted that while Bangladesh has sufficient laws regarding defamation, hate speech, and bullying, the primary issue is a lack of enforcement. She warned that candidates who follow the rules are often at a disadvantage when violations go unchecked, calling for stricter penalties and a more women-friendly electoral environment.

Technology Researcher Shahnaz Rashid Bhuiya discussed “perception manufacturing” on digital platforms. Her research across 20 districts revealed a gap between online narratives and the concerns of local voters. She highlighted how online bullying of female politicians is often monetised through high engagement, posing a direct threat to the safety and dignity of women in politics.

The Election Commission’s Stance

Election Commissioner Abul Fazal Muhammad Sanaullah acknowledged that widespread disinformation on social media prevents elections from being truly “fair”. He noted that the Election Commission has established a dedicated cell to monitor disinformation and harassment against women. However, he admitted that enforcement is difficult when harassers operate from outside national jurisdictions.

The conference concluded with an urgent

call for stronger institutional commitment, effective law enforcement, and greater accountability from political parties to ensure women can participate safely and meaningfully in the upcoming elections. ■



BUILD participates in UNDP focus group on trade standards and compliances

On 2 February 2026, the Transformative Economic Policy Programme II of UNDP organised a focus group discussion (FGD) on international standards compliance with private sector stakeholders. In addition to BUILD, the FGD was attended by representatives from the SME Foundation, the Ethical Trade Initiative, and Sustainability Nexus Limited. Md Waheed Alam, Chief Operating Officer (COO) of BUILD, represented the organisation at the discussion.

Participants emphasised that, as Bangladesh prepares to graduate from LDC status, businesses will face increasingly stringent Environmental, Social, and Governance (ESG), labour, environmental, and product standards to maintain access to global markets. Therefore, strengthening institutional capacity and ensuring clarity and coherence in standards and compliance frameworks are essential to support export growth, attract investment, and build long-term private sector confidence.

In his remarks, Alam highlighted the growing importance of standards and compliance in the contemporary global trade regime to ensure public health, human safety, human rights, and environmental sustainability. He noted that in 1990, only about 15% of global trade was subject to standards and compliance requirements, whereas today approximately 90% of global trade falls under such frameworks. He also pointed out that regulatory requirements are becoming increasingly complex, with new forms of standards emerging over time.

Over the years, Bangladesh has developed hundreds of laws, rules, and policies across various ministries and agencies, and has established a national accreditation body and several testing

laboratories. However, these institutions continue to face significant capacity constraints and operational limitations. Bangladesh has also signed mutual recognition agreements with only a limited number of countries for the acceptance of domestically issued compliance certificates. In this context, Alam recommended the establishment of a dedicated Standards and Compliance Wing within the Ministry of Commerce to formulate and coordinate policies and programmes addressing export standards and compliance requirements across different markets. He also suggested expanding the network of testing laboratories, acquiring trained personnel, and increasing the number of mutual recognition agreements with other countries to reduce compliance costs for exporters. ■



BUILD and GIZ review progress on textile sustainability and national traceability strategy

On 1 February 2026, BUILD and GIZ held a project progress meeting to review the “Sustainability in the Textile Sector (STILE II)” project. During the session, BUILD shared a draft outline for the National Traceability Strategy and a specialised dictionary focused on the Ecodesign for Sustainable Products Regulation (ESPR).

The CEO of BUILD presented a comprehensive summary of the project’s progress, emphasising the transition from initial consultations to active strategy development. Her presentation detailed the methodology for gap analysis across trade, information technology (IT), and sectoral policies, while highlighting that the REX data repository at EPB could serve as the foundational hub for national data management. She also outlined a clear roadmap for the upcoming year, which includes validating the national strategy and providing technical support for inter-ministerial coordination to ensure the industry is ready for EU standards by 2030.

The discussion highlighted the importance of creating accessible resources to help stakeholders navigate complex international laws. Michael Klode of GIZ welcomed the initiative to prepare a series

of dictionaries on relevant EU regulations. He suggested that the teams work closely together to ensure a perfect balance between technical information and reader-friendliness, focusing on what is most relevant to the industry. One specific recommendation was to integrate explanations of delegated acts directly into the core regulatory logic to help readers better understand how these laws are implemented.

The proposed National Traceability Strategy aims to establish a robust infrastructure for data management and interoperability. According to the presentation, the strategy will cover essential areas such as digital identity, data security, and the integration of national systems with the EU's DPP. It was noted that the REX data repository currently managed by EPB could serve as an initial starting point for these national data operations. To ensure a successful transition, the project will focus on building industry capacity, including training and potential incentives for businesses. The collaboration between BUILD and GIZ continues to move forward with a clear roadmap, including validation workshops and the finalisation of the strategy draft. By developing these tools and frameworks, Bangladesh aims to meet its decarbonisation and export growth ambitions while maintaining its competitive edge in the global market. ■



BUILD participates in validation workshop for leather sector export diversification

In an effort to strengthen Bangladesh's export base and identify new avenues for growth in the leather industry, the Bangladesh Foreign Trade Institute (BFTI) organised a validation workshop on 2 February 2026. The workshop focused on the draft report of the study titled "Export Market Diversification Opportunity for the Leather Sector of Bangladesh", conducted under the guidance of the Social Science Research Council (SSRC), Planning Division, Ministry of Planning. Policymakers, industry representatives, trade experts, and academics gathered to critically review the study's findings and provide inputs for refining its recommendations. Tanjila Marjahan, Research Associate at

BUILD, attended the workshop, representing the organisation and actively participating in discussions on potential strategies to enhance export performance in the leather sector.

The event featured a keynote presentation by Md Julfikar Islam, Research Manager at BFTI and International Trade Expert of the study. He provided a comprehensive overview of the study, covering its background, objectives, methodology, and key findings. The presentation highlighted that Bangladesh's leather sector accounts for only 2.4% of total exports and remains heavily dependent on the EU and US markets. While global leather and footwear markets have experienced positive growth over the last decade, Bangladesh's leather exports have stagnated, underlining the urgent need for market diversification. The study also identified opportunities for expanding into emerging markets across Asia and the Middle East and emphasised the importance of improving product quality, meeting international standards, and integrating into regional value chains. Although policy frameworks such as the Export Policy 2024–27 and the Leather and Leathergoods Development Policy 2019 provide direction, their impact on export performance has been limited so far.

During the session, participants engaged in interactive discussions, evaluating export patterns, analysing barriers to market entry, and sharing sectoral insights. BUILD's contribution, particularly from Tanjila Marjahan, highlighted the importance of evidence-based policy support and public-private collaboration in implementing effective market diversification strategies. The workshop concluded with a review of recommendations and the way forward, focusing on enhancing competitiveness, exploring new regional markets, and promoting sustainable growth in the leather sector. Feedback collected during the event will inform the final version of the report, ensuring it reflects practical and implementable strategies aligned with Bangladesh's broader economic and trade objectives. BUILD's participation in this workshop underscores its continued commitment to supporting evidence-based policy initiatives and facilitating dialogue between government, industry, and research stakeholders to advance sustainable trade development in Bangladesh. ■

BUILD attends multi-stakeholder dialogue on sustainable leather sector transformation

A multi-stakeholder dialogue on environmental sustainability and governance in Bangladesh's leather sector was held at



Hotel Bengal Blueberry on 19 February 2026, bringing together policymakers, industry leaders, development partners, and civil society representatives. The event, titled "Shaping a Future Green and Sustainable Leather Sector in Bangladesh: Social and Environmental Compliance and Governance Challenges and Solutions", was organised by OSHE Foundation and the Leather Development Forum, with support from Solidar Suisse and the EU. Tanjila Marjahan, Research Associate at BUILD, participated in the dialogue alongside representatives from relevant government ministries, industry associations, trade unions, and development organisations. The event served as a platform to present and validate key findings from a policy brief and facilitate stakeholder dialogue on environmental, social, and governance challenges affecting the leather sector.

The policy brief findings and recommendations were presented by Rehana Akter Ruma, Consultant, who highlighted critical compliance gaps, governance challenges, and the need to align Bangladesh's leather sector with evolving international standards, including Human Rights and Environmental Due Diligence (HREDD) and ESG frameworks. The presentation emphasised strengthening regulatory enforcement, improving waste management systems, enhancing occupational safety and labour standards, and adopting international best practices to improve sector competitiveness. Participants underscored the importance of enhanced institutional coordination, effective compliance mechanisms, and collaborative action among stakeholders to support the sector's transition towards sustainable and responsible production. BUILD's participation reflects its continued commitment to advancing evidence-based policy dialogue and supporting sustainable industrial development in Bangladesh. ■

BUILD attends PRI policy dialogue on revenue performance and supplementary duty reform

On 3 February 2026, Md Nooruzzaman, Senior Research Associate at BUILD, attended a high-level policy dialogue hosted by the Policy Research Institute (PRI) in Dhaka titled "Review of Revenue Performance in Bangladesh with Special Focus on Supplementary Duty and Excise".



The session was chaired by Dr Zaidi Sattar, Chairman of PRI, and featured a keynote by Dr Bazlu Haque Khondker, which outlined the structural constraints in Bangladesh's revenue performance. The discussions highlighted that revenue mobilisation has fallen short of economic expansion since the 2019 fiscal year, with a weaker trend than in other Asian countries. Participants noted that the dominance of the informal sector, weak enforcement, and low compliance have led to one of the lowest tax productivity rates globally.

A major focus of the dialogue was the complexity of the Supplementary Duty (SD) regime. Currently, SD and excise revenue account for 17% of total tax revenue, but the reliance on multiple ad valorem rates has amplified price volatility during periods of high inflation. This structure has created cascading effects that disrupt the market and reduce VAT efficiency. Research presented showed that SD dependency is heavily skewed towards selected items, such as tobacco and beverages, which account for 86% of local SD collection. Representatives from UNDP and the private sector emphasised that while high tax rates on socially or environmentally dubious items are intended to generate revenue, they must be balanced against economic competitiveness and long-term fiscal sustainability. During the discussion, it was observed that while SD was originally introduced in 1996 to reduce conspicuous consumption, it has since transitioned into a primary revenue-generating tool. He pointed out a significant technical challenge where SD effectively becomes an Other Duty and Charge (ODC) due to faults in the national VAT automation system. He stressed that the government must make a serious effort to establish a functional adjustment mechanism before Bangladesh's LDC graduation in November 2026. NBR representatives responded by calling for broader stakeholder engagement in SD policy design, noting the need to balance revenue collection with a business-friendly environment that supports investment.

The dialogue concluded with several key recommendations to reform the fiscal framework. Stakeholders urged the government to simplify the SD structure, which currently comprises approximately 17,000 benchmark rates, to make it more conducive to investment. There was a strong call to harmonise domestic and import duty treatments to align with World

Trade Organisation (WTO) principles, which is critical for post-LDC trade prospects. Other suggestions included moving towards quantity-based excise duties to enhance predictability and establishing a stable tax policy to prevent mid-term changes that harm long-term business planning. Participants agreed that administrative modernisation and a transparent, broad-based revenue system are essential for improving Bangladesh's tax-to-GDP ratio and supporting inclusive development. ■



AmCham dialogue highlights need for accelerated logistics reforms

Strengthening Bangladesh's logistics ecosystem and ensuring effective implementation of the National Logistics Policy 2025 were at the centre of an FGD titled "Framing the Logistics Sector Landscape: Challenges, Opportunities, and the Way Forward", organised by the American Chamber of Commerce in Bangladesh (AmCham) in collaboration with the US Embassy Dhaka on 3 February 2026 at The Westin Dhaka. The session convened representatives from export-oriented industries, freight forwarding companies, inland container depots, shipping lines, airlines, courier services, financial institutions, and development partners. The discussion focused on practical reforms needed to enhance efficiency, reduce logistics costs, and strengthen supply chain resilience, particularly in light of Bangladesh's transition from LDC status.

Moderated by Paul Frost, Commercial Counsellor at the US Embassy in Dhaka, the dialogue underscored the importance of improved inter-ministerial coordination, greater private-sector participation, and the establishment of a streamlined institutional framework for logistics governance. Participants also highlighted the need for operational clarity under the Customs Act 2023, expanded multimodal connectivity, and increased digitalisation and automation across logistics operations.

Tanjila Marjahan, Research Associate at BUILD, attended the session. BUILD's engagement in the discussion reflects its continued commitment to supporting

evidence-based policy dialogue and reforms to improve trade facilitation and enhance private-sector competitiveness. The exchange also explored opportunities for US-Bangladesh collaboration and emphasised the importance of coordinated public-private efforts to build a more efficient, competitive, and resilient logistics system for the country. ■



BUILD and MiB evaluate supply chain traceability and DPP alignment

On 26 January 2026, BUILD conducted a meeting with MiB to explore the technological landscape of traceability and supply chain tracking within the garment sector. The discussion focused on evaluating how MiB's current technology aligns with the DPP's requirements and its potential role in a national traceability framework.

During the meeting, it was highlighted that MiB has successfully onboarded a significant number of ready-made garment (RMG) factories under its traceability measures, marking a major milestone in collaboration with BGMEA. While MiB currently collects around 120 data points to trace information across supply chains, participants noted that many of these points still need to be further aligned with core DPP requirements to meet international standards.

Key discussions centred on the shift from manual, paper-based tracking to integrated digital systems. MiB management emphasised that accurate and real-time data is a strategic asset that directly influences decision-making and donor confidence. However, the meeting also identified challenges, including inconsistent data quality across field locations and the need for improved digital literacy among staff. The session concluded with several forward-looking recommendations, including strengthening traceability frameworks and investing in interoperable supply chain technology. Participants agreed that future success depends on how effectively the industry can trace resources and leverage data-driven insights to enhance transparency and long-term sustainability across global supply chains. Collaboration remains key to future success. ■

REFORMS

NBR integrates ASYCUDA World with BGMEA's e-UD system

To modernise the bond management system, accelerate the assessment of raw materials imported and goods exported under bond facilities, and create a competitive environment with the international world by making the verification process technology-based, NBR has established an interconnection between ASYCUDA World and the e-UD issued by BGMEA, effective from 11 January 2026. It is worth noting that, prior to this interconnection, manual verification of UD's and reliance on BGMEA's system led to procedural complexities, delays in the clearance process, and challenges in ensuring transparency and accountability.

As a result of implementing this initiative:

- The UD verification process will be entirely online and real-time based.
- Dependency on paperwork will be reduced.
- Revenue protection will be enhanced, and risks will be significantly reduced.
- The clearance process for imported and exported goods will be faster and more efficient.
- Bond management will become modern and up to date.

Following the successful completion of the integration's pilot programme, activities regarding e-UD write-offs will be undertaken in phases. This joint initiative, implemented by NBR and BGMEA, is a significant milestone towards introducing a paperless customs system, which will play a vital role in simplifying the country's import-export trade and modernising the customs system. Notably, BUILD had previously advocated for this integration during the 14th meeting of PSDPCC. BUILD welcomes this proactive initiative by NBR and BGMEA, as it aligns with the organisation's long-standing efforts to streamline business processes. BUILD expects the gradual transition of all revenue management activities towards full automation to continue fostering an investment-friendly environment and strengthening the national economy. ■

SCOPES

Transforming tannery waste into economic opportunities

Bangladesh's tannery sector generates hundreds of tonnes of solid waste daily, including trimmings, fleshing, chrome shavings, and sludge, much of which contains hazardous substances harmful to



soil, water, and air quality. Despite efforts such as relocating tanneries from Hazaribagh to the Savar Tannery Industrial Estate (STIE) and setting up a central effluent treatment plant (CETP), the management of solid waste remains fragmented and largely ineffective. Many tanneries lack proper systems for collection, segregation, and safe disposal, resulting in pollution, public health risks, and regulatory non-compliance. This situation also limits access to international markets and slows the leather industry's sustainable growth.

BUILD will initiate a study to transform tannery solid waste (TSW) management into a circular economy model that is environmentally sustainable, economically viable, and socially inclusive. The study aims to generate market-driven evidence and strategic recommendations to strengthen domestic and export market linkages for TSW by-products. It will focus on identifying high-potential domestic and international markets for value-added by-products such as gelatine, biogas, bio-composites, and organic fertilisers, as well as assessing the technical standards, certifications, and buyer requirements necessary for Bangladeshi products to access premium global markets.

The study will also map the TSW value chain to identify inefficiencies, information gaps, and power imbalances from waste generation to final sale. It will propose policy, institutional, and infrastructure interventions to incentivise waste-to-resource investments and ensure the operationalisation of CETPs and solid waste management systems. In addition, the study will examine structural and gender-related barriers to women's participation in the TSW sector and explore opportunities for inclusive entrepreneurship and leadership. Guided by an integrated analytical framework that combines market systems development, value chain analysis, political economy assessment, gender and social inclusion perspectives, and export-readiness evaluation, the study will provide evidence-based tools, including policy briefs, SME business cases, and investment-readiness recommendations. Through these interventions, BUILD aims to formalise and scale sustainable TSW management practices, mobilise domestic resources, foster inclusive economic growth, and position Bangladesh's leather sector as a model for industrial sustainability, turning TSW challenges into opportunities. ■

ARTICLES

Economic outlook for 2026 • *The Business Standard* ■ cutt.ly/buildconnect261-01

অবকাঠামোতে বিনিয়োগের মাধ্যমে প্রবৃদ্ধি ত্বরান্বিত করা জরুরি • *Kaler Kantho* ■ cutt.ly/buildconnect261-02

ক্ষুদ্র উদ্যোক্তাদের জন্য আলাদা নীতিমালা দরকার • *The Daily Jugantor* ■ cutt.ly/buildconnect261-03

Tannery waste: Bangladesh's untapped lever for leather export growth • *The Business Standard* ■ cutt.ly/buildconnect261-04

Leveraging GI products for Bangladesh's export diversification • *The Business Standard* ■ cutt.ly/buildconnect261-05



BanglaBiz launched to simplify business licensing in Bangladesh

Nasib Ul Amin, Senior Research Associate of BUILD, attended the official launch of BanglaBiz on 1 February 2026—an integrated digital gateway aimed at simplifying business licensing and permit processes in Bangladesh. The event was chaired by Chowdhury Ashik Mahmud Bin Harun, Executive Chairman of BIDA. Lutfey Siddiqi joined as Chief Guest, while Saida Shinichi attended as Guest of Honour.

BanglaBiz marks a significant milestone in Bangladesh's ongoing regulatory reform efforts. Traditionally, entrepreneurs were required to obtain multiple registrations and approvals from different authorities—such as trade licences, Taxpayer Identification Number (TIN) and VAT registration, and sector-specific clearances—often resulting in procedural complexity and delays. Manufacturing enterprises, in particular, needed approvals from agencies including the Registrar of Joint Stock Companies and Firms (RJSC), the Chief Controller of Imports and Exports (CCI&E), the Department of Inspection for Factories and Establishments (DIFE), the Department of Environment, and the Bangladesh Standards and Testing Institution. To address this, BanglaBiz 2.0 introduces a fully integrated, end-to-end digital solution. Its Business Starter

Package combines name clearance, temporary bank account opening, company incorporation, electronic Taxpayer Identification Number (e-TIN), and trade licence into a single application process—potentially completed within three working days. ■



integrating digital product passport requirements into national laws and the EPB framework; incentivisation through extended producer responsibility credits and technical support to help SMEs and informal entities adapt; and technical governance by establishing a technical committee to study blockchain governance and protect sensitive industrial and worker data. ■



BUILD representatives attend the 2nd Bangladesh Light Engineering Expo 2026

Md Mehedi Hasan, Additional Director—Communication and Advocacy, and Nasib ul Amin, Senior Research Associate, attended the inaugural session of the 2nd edition of the Bangladesh Light Engineering Expo 2026, held on 2 February 2026 at the Shahid Abu Sayed International Convention Centre.

Organised by the Bangladesh Engineering Industry Owners' Association (BEIOA) in collaboration with the Ministry of Commerce and the Export Competitiveness for Jobs Project (EC4J), the expo brought together industry leaders, manufacturers, policymakers, and development partners to showcase the growing potential of Bangladesh's light engineering sector. The three-day exhibition (2–4 February 2026) highlighted advancements in machinery, metal products, components, and industrial solutions, reflecting the sector's expanding contribution to domestic industrialisation and export diversification.

The light engineering industry serves as a vital backbone of Bangladesh's economy, providing essential backward linkages to sectors such as agriculture, textiles, automobiles, and construction. According to BEIOA, the sector comprises around 50,000 small and medium-sized enterprises that employ more than 300,000 skilled workers and contribute roughly 3% to national GDP. Local manufacturers currently meet nearly half of the country's USD 8.2 billion domestic demand for engineering products. As Bangladesh prepares for graduation from LDC status, experts emphasise that targeted policy support, technological upgrades, and dedicated industrial zones will be critical to capturing a larger share of the USD 7 trillion global engineering market. ■

Bangladesh accelerates digital product passport readiness for EU market access

In a strategic move to safeguard Bangladesh's export competitiveness, BUILD convened a high-level technical coordination meeting with the Netherlands-based climate-tech start-up AWARE on 11 January 2026 to assess the nation's readiness for the DPP and blockchain-powered traceability.

The meeting, chaired by the BUILD chief executive officer, focused on the urgent need for a national traceability strategy to meet looming EU regulatory deadlines.

The discussions highlighted a critical timeline: minimum DPP rollout in the EU will begin by 2027, with full sustainability reporting mandated by 2030. Experts warned that Bangladesh risks exclusion from European markets if it fails to build the necessary compliance infrastructure before LDC trade privileges expire.

The DPP was described as a “digital birth certificate” that follows a product from raw material to disposal, tracking:

- material composition and supplier identity
- carbon footprint and labour compliance
- recyclability and circular-use data

Muyeed Hasan, country manager of the Netherlands-based climate-tech start-up AWARE, demonstrated how blockchain technology can replace traditional, easily manipulated “backtracking” methods. Key technical takeaways from the AWARE presentation included:

- Public blockchain: using a public domain ensures data is time-tagged and immutable—preventing fraud
- Digital twins: each batch of material is tokenised, creating a “live digital twin” that allows for per-kilogram compliance verification
- Data ownership: manufacturers remain the legal owners of their data, controlling who can access specific information via secure dashboards

The meeting underscored that the Government of Bangladesh must play a pivotal role in this transition. Proposed actions include regulatory alignment by



BUILD–SERA dialogue on strengthening leather traceability in Bangladesh

In an effort to address the complexities of the leather supply chain, BUILD conducted a KII with SERA Bangladesh on 18 February 2026. The discussion centred on bridging gaps in leather traceability by leveraging SERA's existing successes in the agricultural sector.

Mizanur Rahman, chief operating officer of SERA Bangladesh, explored how fragmented supply chains can be digitised to meet stringent international standards such as the European Union Deforestation Regulation (EUDR).

One of the primary hurdles identified is Bangladesh's highly decentralised supply chain. SERA's methodology suggests that traceability cannot be a “one-size-fits-all” system but must be executed in segments:

- Cluster-based data: grouping information by specific categories (crops or livestock) rather than individual farmers to manage data effectively
- Geolocation and satellites: utilising satellite data from the last 10 years to verify that products do not originate from deforested land—a key requirement for EU market access
- Unique identification (UID): generating pattern-based alphanumeric codes (for example, ZIP code + district ID + lot number) to track products from the producer level

While SERA has successfully piloted traceability for products such as “Zara Lemon”, the leather sector faces unique obstacles, as cattle-specific traceability is currently only possible from the slaughterhouse level onward, and although SERA has completed “hut mapping” to trace raw

hides back to specific local markets and regions, waste management in tanneries remains far from best practice, with SERA continuing to collect data to create a dedicated module for EU buyers eventually.

To move forward, SERA plans to launch a policy blueprint for large-scale adoption of traceability in Bangladesh, recommending decentralised ledger systems to create an immutable shared record of transactions, national custodianship so that a governmental body eventually replaces SERA's standalone servers in Germany, and improved digital literacy among supply chain stakeholders, identified as the single greatest barrier to implementation.

"Governance and validation remain concerns for a fragmented supply chain," noted Rahman, "but by identifying slaughterhouse locations and generating purchasing lot numbers, we can build a transparent infrastructure for the leather business." ■



Simplified business licensing guide for business start-up and expansion

BUILD, a leading private sector think tank and research organisation dedicated to facilitating and expanding sustainable investment and trade, has released the 6th edition of its publication, titled *Business Start-Up Licences: A Regulatory Guide*.

In response to the immense demand from new entrepreneurs and investors, and to its widespread acclaim, this research-driven 6th edition has been updated to include all essential information on relevant licences. This includes required document lists, estimated processing times, fee structures, contact addresses of relevant departments, process maps, renewal procedures, and automation methods.

This guidebook will serve as an easy-to-use and information-rich manual for both local and foreign investors interested in

launching new ventures or expanding existing ones. It is noteworthy that BUILD and BIDA have jointly published this comprehensive guide. Published in two volumes, this edition covers 416 licences, permits, approvals, and No Objection Certificates (NOCs)—including their renewal processes—across 53 government and private regulatory agencies involved in business and investment support. The information is presented such that entrepreneurs at any level can easily gather all necessary details from a single source.

The hard copy of this nearly 1,200-page volume is available for collection from the BUILD office (address provided below) during office hours. Those wishing to collect a copy may, if needed, telephone in advance and speak with Pallab Biswas on +880 1516 105 561. Your feedback on the book would be greatly appreciated and will inform the preparation of the next edition; comments may be sent to info@buildbd.org. ■



■ BUILD CEO Ferdaus Ara Begum presents the 6th edition of the Business Licensing Guidebook to Sharifa Khan, Former Secretary of the Economic Relations Division (ERD), during a courtesy visit to the BUILD office on 21 January 2026. The two leaders engaged in a productive discussion regarding the country's current economic landscape and evolving business environment. ■

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