



**BANGLADESH**  
**BUSINESS ENVIRONMENT 2025**  
*Executive Opinion Survey Findings*

Maleehah Sabah Ali  
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Khondaker Golam Moazzem



সেন্টার ফর পলিসি ডায়ালগ (সিপিডি)  
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## Centre for Policy Dialogue (CPD)

House 40/C, Road No 11 (new)  
Dhanmondi, Dhaka- 1209, Bangladesh  
Phone: (+88 02) 41021780-2  
E-mail: [info@cpd.org.bd](mailto:info@cpd.org.bd)  
Website: [www.cpd.org.bd](http://www.cpd.org.bd)

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## Abstract

Bangladesh underwent a period of economic uncertainty, institutional disruption, and wide-ranging reform initiatives aimed at restoring macroeconomic stability, institutional integrity and rebuilding business confidence following the establishment of an interim government. At the same time, the country stands on the verge of graduating from the Least Developed Country (LDC) category, adding further pressure on businesses to adapt to a rapidly changing domestic and global landscape. Against this backdrop, this report has been prepared by the Centre for Policy Dialogue (CPD), primarily based on the 2025 Executive Opinion Survey (EOS) findings, conducted in collaboration with the World Economic Forum (WEF).

The report assesses the overall business environment of Bangladesh in FY2024-25 based on the performance of four key drivers: infrastructure, institutions and governance, human capital development and finance, under the four key pillars of WEF's Future of Growth framework: innovativeness, inclusiveness, sustainability and resilience.

The findings reveal that despite the interim government's reform efforts, businesses continue to struggle with entrenched issues such as corruption, policy instability, bureaucratic inefficiencies, and limited access to finance. At the same time, emerging risks, including rising crime and illicit economic activity, inflationary pressures, and global geopolitical tensions, are expected to further strain business activities in the coming years. While some policy initiatives have contributed to modest improvements in macroeconomic stability, consistent, inclusive and robust policy efforts are required to address the structural challenges within the business environment. The report, therefore, concludes with targeted recommendations for the newly elected government to restore business confidence, strengthen institutions, and foster a more enabling environment for sustainable and inclusive economic growth.



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## Acronyms

4IR	Fourth Industrial Revolution
AI	Artificial Intelligence
BERC	Bangladesh Energy Regulatory Commission
BIDA	Bangladesh Investment Development Authority
BIM	Building Information Modelling
BPDB	Bangladesh Power Development Board
BSREA	Bangladesh Sustainable and Renewable Energy Association
CSDDD	Corporate Sustainability Due Diligence Directive
DCCI	Dhaka Chambers of Commerce & Industry
EOS	Executive Opinion Survey
FBCCI	Federation of Bangladesh Chambers of Commerce and Industry
FY	Fiscal Year
IPP	Independent Power Producer
LDC	Least Developed Country
LGBTQI+	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex Plus
LIMS	Labour Information Management System
MCCI	Metropolitan Chambers of Commerce and Industry
MoPEMR	Ministry of Power, Energy, and Mineral Resources
NBR	National Board of Revenue
NPL	Non-Performing Loan
NSDA	National Skills Development Authority
R&D	Research and Development
RAS	Rapid Assessment Survey
SME	Small and Medium Enterprise
SREDA	Sustainable Renewable Energy Development Authority
TVET	Technical Vocational Education Training
UGC	University Grants Commission
WQI	Water Quality Index



## 1. Background and Objectives

The economy of Bangladesh and its business climate underwent through a turbulent period in 2025. The first half of the fiscal year (FY) marks the fall of the longstanding regime of the previous government and the formation of an interim government. Since assuming power, the interim government has undertaken several reforms, considering various recommendations proposed by multiple reform commissions. The reforms were targeted at amending structural flaws and restoring institutional and economic confidence essential for a sound business environment. Alongside the Least Developed Country (LDC) graduation being right around the corner, businesses must prepare themselves for the impending changes brought about by the graduation. Moreover, the global economy holds a bleak outlook with the onset of US reciprocal tariffs and ever-evolving geopolitics. In the context of these wide-ranging changes, the business landscape is marred by various challenges. Therefore, taking the perception of businessmen amidst the constant shifts in the domestic and international economy is essential to assess the business environment and identify the problems that potentially hinder the growth of businesses in Bangladesh.

Against this backdrop, the Centre for Policy Dialogue (CPD), in collaboration with the World Economic Forum (WEF), has been conducting a yearly assessment of the business environment of Bangladesh since 2001 through the Executive Opinion Survey (EOS). To gain further insight, a Rapid Assessment Survey (RAS) is done alongside. These surveys assist in gaining insights into the perceptions of businessmen regarding the state of the business climate and the associated factors and institutions responsible for fostering sustainable growth, resilience, inclusiveness, and innovation. The WEF has collected data from 11,000 respondents in 116 countries in 2025 through EOS, based on which the WEF publishes various reports, such as the Future of Growth Report. The Future of Growth framework assesses growth in terms of innovativeness, inclusiveness, sustainability, and resilience. The Future of Growth initiative aims to provide insights into potential areas of improvement and strengths that ensure sustainable and quality growth of economies worldwide. Therefore, CPD has

prepared its report based on the findings of EOS and RAS, assessing the business climate of Bangladesh for the year 2025 in light of the reforms initiated by the interim government and the activities to be performed by the newly elected government.

### The objectives of this report are:

- a) To analyse the business environment of Bangladesh during FY2024-25;
- b) To assess the future of Bangladesh's economic growth by identifying the potential risk factors; and
- c) To put forward recommendations for improvement in the business environment from a long-term sustainability point of view.

## 2. Analytical Framework

This study uses the WEF's Future of Growth framework applied in Moazzem & Anika (2024). The Future of Growth framework emphasises not only the quantitative aspect of economic growth but also its quality, adopting a more holistic approach to identify potential areas of weakness and strength that businesses have to overcome and harness, respectively. Therefore, the framework comprises four pillars: (a) Innovativeness, (b) Inclusiveness, (c) Sustainability, and (d) Resilience.

**Pillar 1 Innovativeness** reflects an economy's ability to absorb, adapt, and advance with the emergence of new technologies, talent, and institutional support.

**Pillar 2 Inclusiveness** reflects how effectively an economy ensures that the benefits, opportunities, and services generated by growth are accessed by all segments of society.

**Pillar 3 Sustainability** reflects how well an economy can pursue growth while keeping its environmental impact within ecological limits and supporting a transition toward a greener future.

**Pillar 4 Resilience** reflects an economy's capacity to withstand and recover from systemic shocks.

This study also identifies four major drivers that shape the business environment, and the drivers include:

**Table 1: Key Features of the Four Pillars of Future of Growth Framework**

Drivers   Pillars	Pillar 1 Innovativeness	Pillar 2 Inclusiveness	Pillar 3 Sustainability	Pillar 4 Resilience
Driver 1 Infrastructure	Innovative provision of basic goods and services	Access to transport and housing	Biodiversity intactness	Quality of infrastructure
Driver 2 Human Capital	Talent availability	Inclusion in the workforce and ease of social mobility	Talent for green and energy transition, and buyer awareness of the environment and nature	Filling vacancies by hiring foreign labour and investment in reskilling.
Driver 3 Institutions and Governance	Policy vision and stability, ease of compliance	—	Environmental regulation, policies	Corruption, judicial system efficiency, government adaptability to crises
Driver 4 Finance	Innovative provision of financial services, access to long-term finance	Access to financial services by SMEs and Start-ups	—	Financial market and macroeconomic stability

**Source:** World Economic Forum (2024).

**(a) infrastructure, (b) human capital, (c) institutions and governance and (d) finance.** Table 1 shows the relationship between the drivers and the pillars.

### 3. Methodology

The findings of this report are based on the primary survey data collected through two surveys: (a) Executive Opinion Survey (EOS) and (b) Rapid Assessment Survey (RAS) for the year 2025. The survey questionnaire is prepared by the WEF for all member countries, focusing on a common set of themes every year, with slight variations depending on emerging global issues. For 2025, the EOS covered the following areas: (a) Infrastructure and tourism; (b) Dynamism and capacity of the private sector; (c) Dynamism and capacity of the public sector; (d) Enabling environment; (e) Talent and employment; (f) Innovation ecosystem; (g) Managing risks; (h) Policy priorities and objectives; and (i) Growth Strategies. Alongside, RAS focuses on the domestic macroeconomic, fiscal, and financial issues. The surveys were conducted between May and June 2025, involving a total of 102 top executives and officials from various private companies in Dhaka and Narayanganj Districts. To analyse the findings from the surveys, secondary literature, news articles, reports, etc. are consulted.

The EOS and RAS collect qualitative information using a 7-point Likert Scale ranging from 'very poor' to 'highly remarkable.' Those perceptions have been categorised into three broad categories: (a) Negative responses (scale: 1~3, with a weight of -3~-1); (b) Indifferent responses (Scale: 4, with a weight of 0); (c) Positive responses (Scale: 5~7, with a weight of 1~3). The analysis in this report makes use of two statistical techniques: (a) Frequency analysis (percentage of respondents) and (b) Weighted index (average weighted frequency).

The rest of the report is organised into three major sections: Section A presents an overview of Bangladesh's business environment in 2025 by identifying the major challenges faced by businesses in doing business and highlighting the emerging risks in the next 2 years. Section B examines Bangladesh's performance across four critical pillars: (a) Innovativeness; (b) Inclusiveness; (c) Sustainability; and (d) Resilience. Section C concludes the report with recommendations for the newly elected government to take into consideration for the improvement of the business climate.

## A. Key Features of Bangladesh’s Business Environment 2025

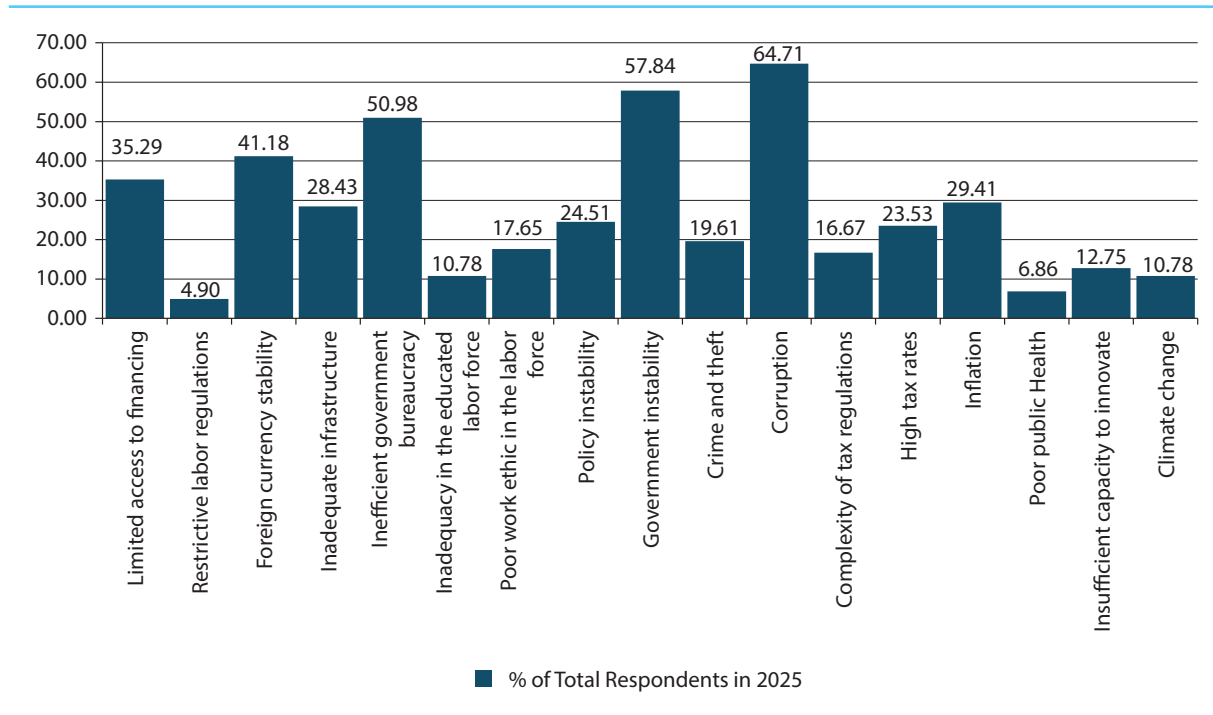
### 4. Most Problematic Factors for Doing Business (2025)

#### 4.1 Top Constraints Identified in 2025

This year’s RAS findings shed light on a set of structural and institutional bottlenecks that have hindered business operations in Bangladesh. As displayed in Figure 1, the top five challenges identified by respondents are: (a) Corruption, (b) Government instability, (c) Inefficient government bureaucracy, (d) Foreign currency stability and (e) Limited access to finance. About 64.7 per cent of respondents have cited corruption as the most challenging factor in doing business. The issue of corruption persists due to the absence of transparency and accountability in interactions with and among government agencies. Following corruption, government instability (selected by 57.8 per cent of respondents) has emerged as

the second most pressing issue in 2025 due to heightened political uncertainty after the interim government assumed power. Inefficient government bureaucracy, on the other hand, is selected by 51 per cent of respondents as one of the top barriers given that business procedures are typically subject to various formalities and overlapping authorities, which slow down the business process. For most import-export businesses, a stable foreign currency is crucial for business operations. However, the beginning of 2025 saw wide fluctuations with Bangladesh Bank implementing reform measures to stabilise the exchange rate (Hasan, 2025a), which is reflected in the survey as 41.2 per cent of respondents regard foreign currency instability as one of the top problematic factors. Lastly, limited access to financing is a common struggle faced by about 35.3 per cent of the respondents.

**Figure 1: Most Problematic Factors for Doing Business in 2025**



Source: CPD RAS 2025.

## 4.2 Comparison of Governance, Finance, and Infrastructure-related Challenges

### A. Governance-related Challenges

Governance challenges remain persistent as they are the highest cited challenges but show mixed trajectories in the past three years. While corruption remains the most problematic factor, it displays a slight decline from its 2024 peak, suggesting some incremental improvements in governance. Similarly, the difficulty of inefficient government bureaucracy has slightly decreased. Government instability, on the other hand, has risen drastically compared to 2023 and 2024 (Figure 2), reflecting the political uncertainty surrounding the transition period due to the upcoming election. Notably, the instances of crime and theft witnessed a significant increase from 12.2 per cent to 19.6 per cent due to a lack of law enforcement activities and the erosion of capacity to control illegal activities at the end of the previous regime.

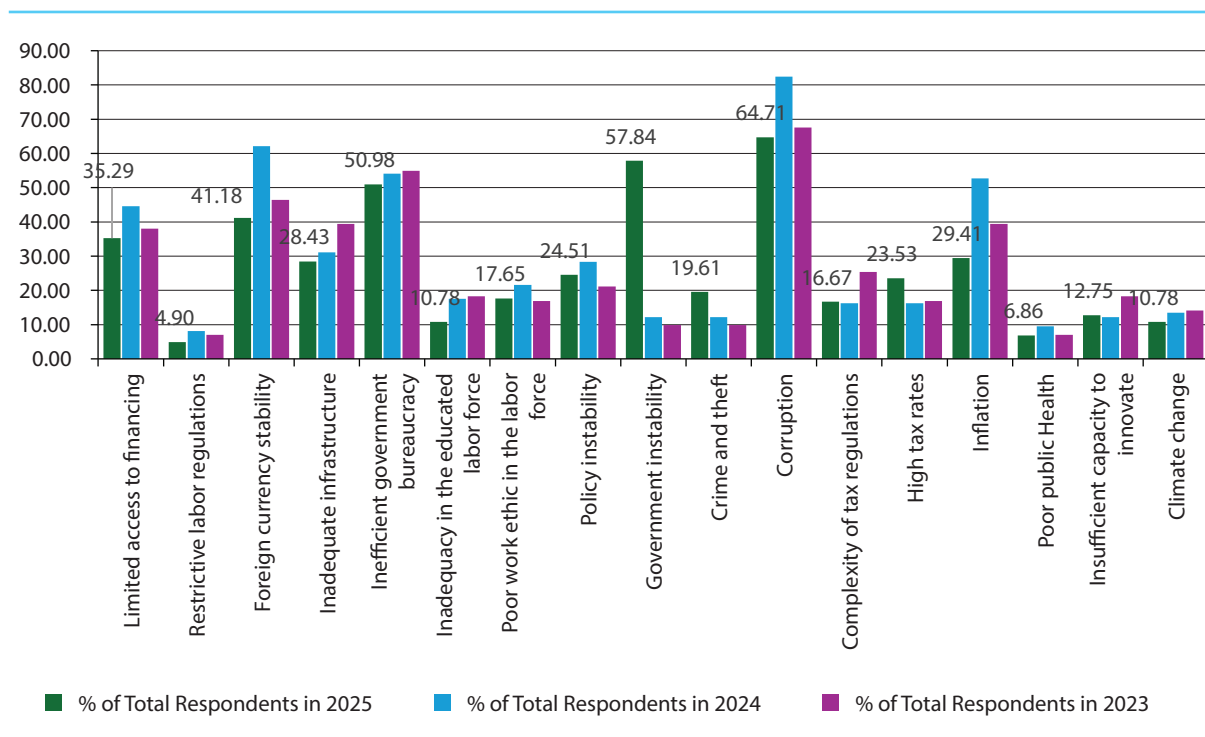
Tax-related factors such as rates and regulations display a declining trend. 23.5 per cent of respondents in 2025 perceive tax rates to be very high, which

makes conducting business costly. Similarly, there is a slight increase in the number of respondents agreeing that abiding by tax regulations is too complex and obstructive.

### B. Financial-sector Related Challenges

Finance-related barriers in the business climate display an improving trend overall, as a smaller share of respondents have chosen foreign currency stability, limited access to finance, and inflation as major challenges in comparison to previous years. Bangladesh's economy in 2025 went through strict monetary policy interventions to tackle inflation, foreign currency instability, and bank liquidity issues. Therefore, the decrease in the share of responses choosing foreign currency instability as a barrier may be attributed to the introduction of a market-based exchange rate earlier this year. Similarly, Bangladesh Bank's strict monetary policy measures have eased the inflationary burden on businesses, given the decrease in the percentage of respondents from 52.7 per cent in 2024 to 29.4 per cent in 2025 (Figure 2). Despite the decrease in the percentage of respondents to 35.3 per cent, with limited access to financing cited as a top barrier, the issue of access to finance remains

**Figure 2: Comparison of the Most Problematic Factors in Doing Business Over the Years**



Source: CPD RAS 2023-2025.

severe for businesses, especially Small and Medium Enterprises (SMEs) and start-ups.

### C. Infrastructure Challenges

Infrastructure-related concerns have shown marginal improvements<sup>1</sup> over the past three years. Infrastructure issues have improved modestly, as only 28.4 per cent of respondents in 2025 regard them as a major challenge, compared to 39.4 per cent in 2023 and 31.1 per cent in 2024 (Figure 2).

## 5. Business perception of emerging risks

The top risks businessmen this year have anticipated for the next 2 years are: (a) crime and illicit economic activity, (b) inflation, (c) economic downturn (recession, stagnation), and (d) geoeconomic confrontation. Topping the list with 46.1 per cent of respondents expecting crime and illicit economic activities to grow (Figure 3), this is attributed to the growing insecurity surrounding the poor state of law enforcement agencies in Bangladesh and the erosion of public trust in public institutions (Rizve, 2025). The consequences of crime and illicit economy would be severe for businesses as investor confidence will erode, leading to a decline in investments. Despite the moderate decline in inflationary pressure at present, 40.2 per cent of businessmen still expect the inflationary risk to persist. Geo-economic confrontation and economic downturns are tied in the third place as 33.3 per cent of businessmen perceive these two as emerging risks; such expectations can be due to the reciprocal tariffs imposed by the US against its major trading partners, including Bangladesh, taking full effect in the next two years and thereby, declining trade may result in an economic downturn.

### 5.1 Types of Emerging Risks

The risks mentioned in Figure 3 are wide-ranging across different areas. Therefore, for a disaggregated analysis of the emerging risks, they have been categorised into five types (Figure 4): (a) economic, (b)

societal, (c) environmental, (d) technological, and (e) geopolitical.

### Economic Risks

Among economic risks, crime and illicit economic activity holds the highest share of 25.4 per cent, followed by inflation (22.2 per cent) and then economic recession or slowdown (18.4 per cent). At the same time, businessmen expect a rise in household, public and corporate debt, which is likely due to the persistent inflationary pressure reducing real incomes. Therefore, individuals and businesses would need to borrow more to meet their consumption needs. Other economic risks perceived by executives include rising wealth and income inequality, a shortage of labour, asset bubble burst, etc.

### Societal Risks

Societal risk that is most widely expected to emerge in the next 2 years is the lack of public services and social protection (26.2 per cent), which may be due to the decline in budget allocation for public services for FY2025-26 (CPD-IRBD, 2025a). The other top emerging societal risks are rising unemployment (25.2 per cent) and inequality (21.5 per cent), which go hand in hand with businessmen's speculation about a potential economic downturn in the coming years.

### Environmental Risks

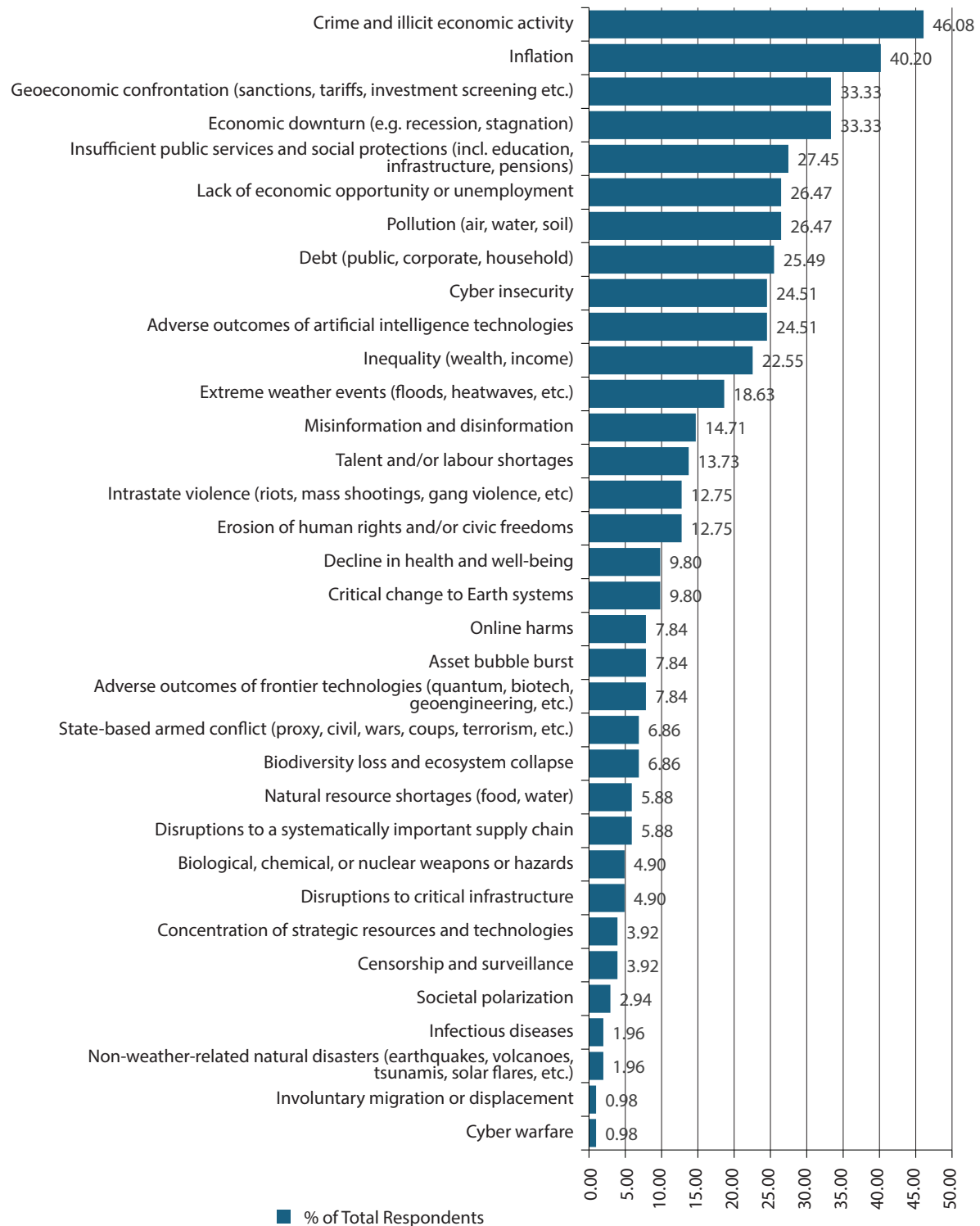
The top environmental risks for the upcoming years as identified by executives are pollution (38 per cent), extreme weather events (26.8 per cent) and critical change to Earth systems (14.1 per cent). These anticipations are a reflection of the current realities unfolding in Bangladesh, where rapid urbanisation and high carbon emissions are rapidly deteriorating air and water quality. At the same time, Bangladesh has been experiencing an increasing frequency of extreme weather conditions (i.e, heatwaves, floods, cyclones) each year, which is a visible manifestation of climate change.

### Technological Risks

Technological risks that are widely anticipated by businessmen within the next few years are cyber

<sup>1</sup>The interim government did not undertake any new mega projects; instead, it focused on completing or optimising the existing ones, such as modernising Chittagong Port.

**Figure 3: Top Risks in the Economy for the Next Two Years**



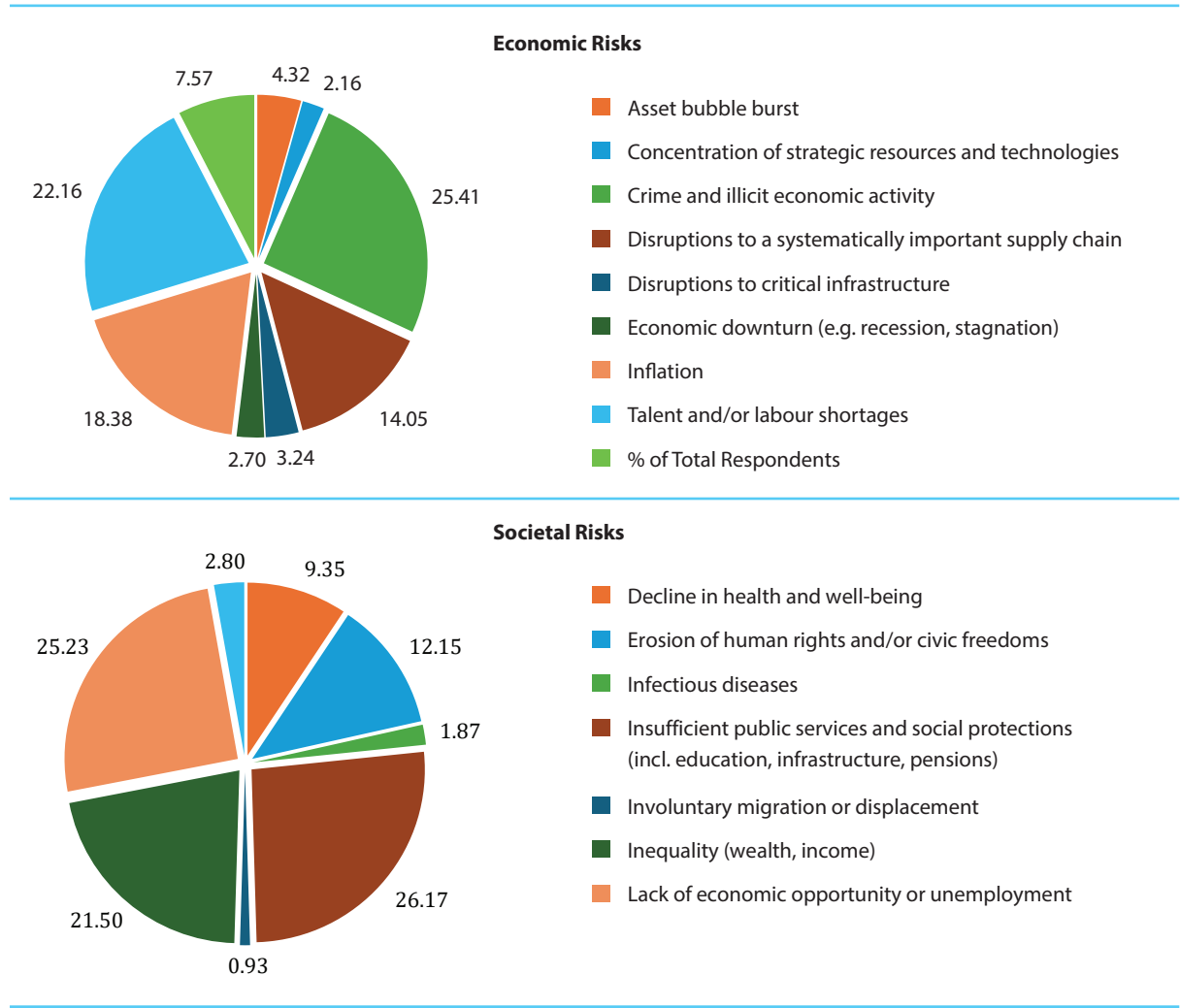
Source: CPD EOS 2025.

insecurity (29.1 per cent) and adverse outcomes of AI (artificial intelligence) technologies (29.1 per cent); such perception is attributed to the existing cybersecurity and AI-usage framework of Bangladesh that remains weak and underdeveloped in comparison to the global trends. Less frequently flagged technological risks include online harm, cyber warfare and adverse outcomes from frontier technologies.

**Geopolitical Risks**

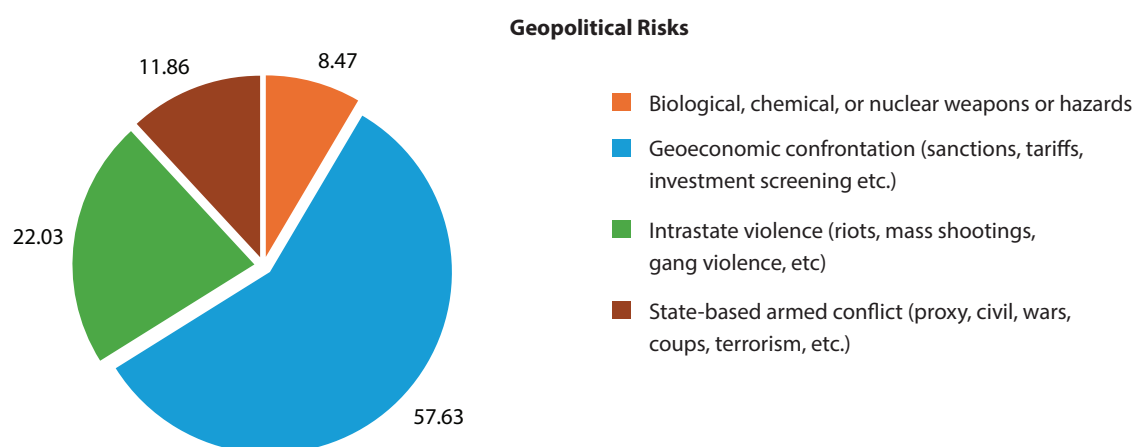
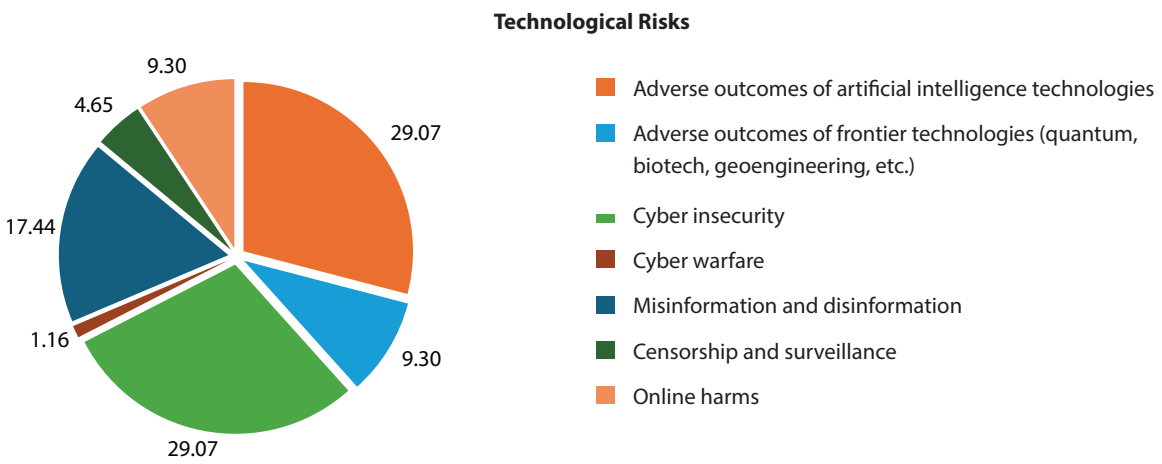
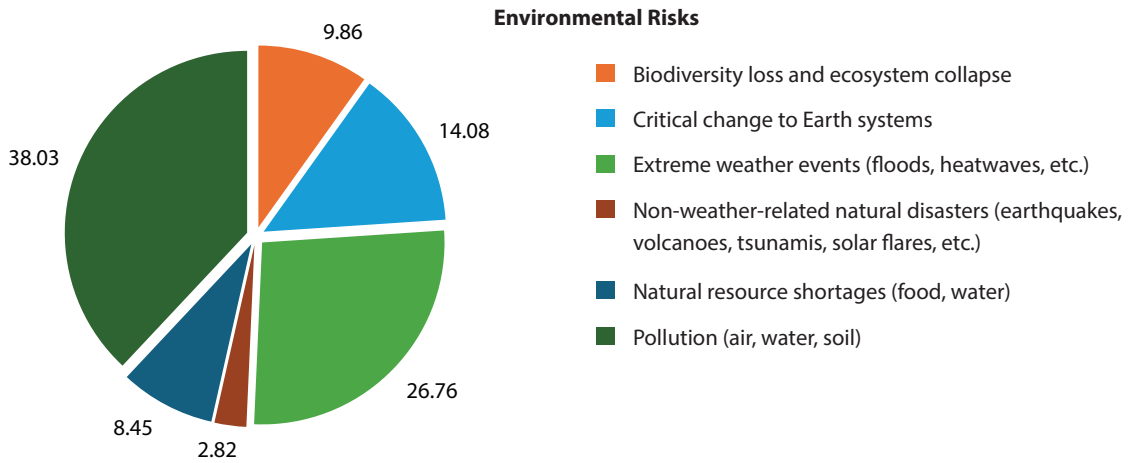
Geopolitical risks are primarily emerging due to tariffs, trade restrictions and other geo-economic confrontations, rather than intrastate violence, military conflicts among states and biological, chemical, or nuclear hazards as among geopolitical risks.

**Figure 4: Types of Emerging Risks**



(Figure 4 contd.)

(Figure 4 contd.)



Source: CPD EOS 2025.

## B. Performance Under Different Drivers and Supporting Pillars

### 6. Infrastructure

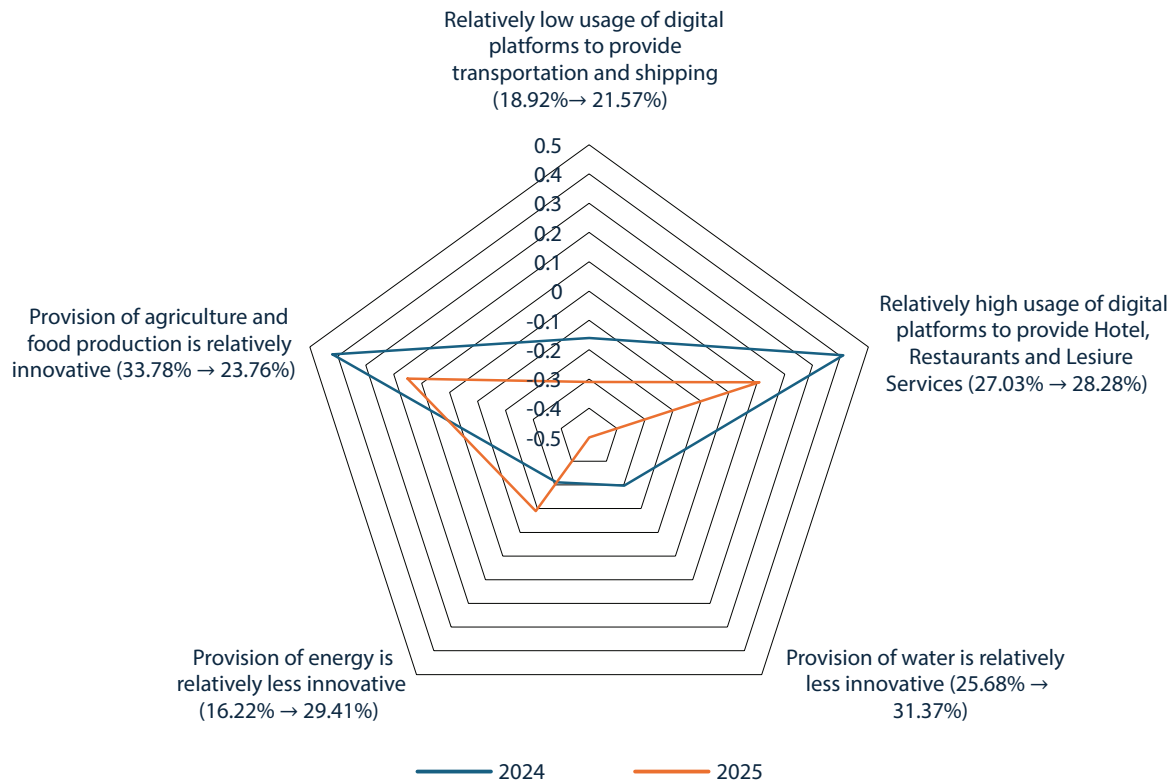
#### 6.1 Innovativeness

In terms of the extent of innovation in infrastructure, results show that respondents perceive most indicators as less innovative even in the wake of the Fourth Industrial Revolution (4IR). There is relatively less usage of digital platforms in offering transportation and shipping services (-0.31), and provision of essential inputs such as water (-0.5) and energy (-0.19) is also relatively less innovative. However, usage of digital platforms is relatively high in providing hotel, restaurant, and leisure services (0.11), and provision of agriculture and food production is relatively innovative (0.15) (Figure 5).

The performance of innovativeness in the physical infrastructure worsened for most indicators in comparison to last year. Perceptions regarding the usage of digital platforms in hotels, restaurants, leisure services (0.41 → 0.11), and transportation, and shipping services (0.16 → -0.31) have worsened. Moreover, views on the innovativeness in the provision of water (-0.3 → -0.5) and agricultural and food production services (0.42 → 0.15) have also worsened.

On the contrary, the extent of innovative provision of energy (-0.31 → -0.19) shows marginal improvements; such a change in perceptions can be attributed to policy reforms in the power sector. For example, the interim government has displayed a stronger stance on

**Figure 5: Executives' Perception of Infrastructure Supporting Innovativeness**



Source: CPD EOS 2025.

renewable energy transition as the Renewable Energy Policy 2025 was revised, which introduced more generous tax incentives to scale up the renewable energy share in the energy mix (Government of the People’s Republic of Bangladesh, 2025; Moazzem et al., 2025). Similarly, a Merchant Power Policy was implemented to enable private power producers to sell electricity directly to consumers and distribution companies, rather than exclusively through the Bangladesh Power Development Board (BPDB) (Government of the People’s Republic of Bangladesh, 2025). The introduction and revision of these policies create space for adopting new technologies and innovative market structures.

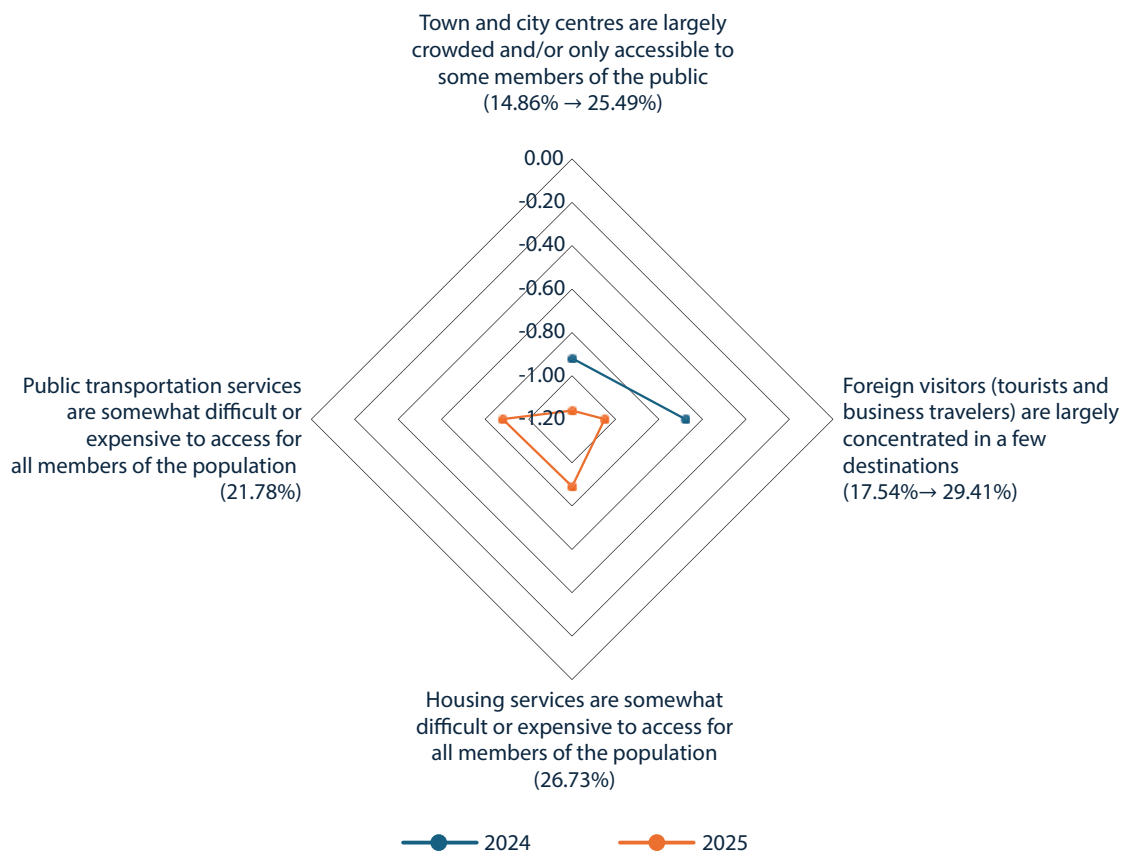
## 6.2 Inclusiveness

Equal and adequate access to infrastructure for all members of the population becomes difficult when key government institutions and economic activities

are concentrated in one or a few places. According to businessmen, towns and city centres in Bangladesh largely suffer from overcrowding (-1.16) (Figure 6), which contributes to urban congestion and growing inequality. Similarly, foreign tourists also remain relatively limited to a few destinations (-1.05); as a result, infrastructure development efforts tend to be allocated in those areas, while the less visited areas remain neglected and underdeveloped.

CPD-EOS 2025 survey finds that both housing services (-0.89) and public transportation (-0.88) are somewhat difficult or expensive to access for all members of the population (Figure 6). Housing and transportation prices in urban areas tend to be high, given that the demand outweighs the supply in the case of overcrowding. As a result, the lack of decentralisation in Bangladesh contributes to issues such as increasing congestion, inadequate housing conditions, and pressure on urban infrastructure.

**Figure 6: Executives' Perceptions of Infrastructure Supporting Inclusiveness**



Source: CPD EOS 2025.

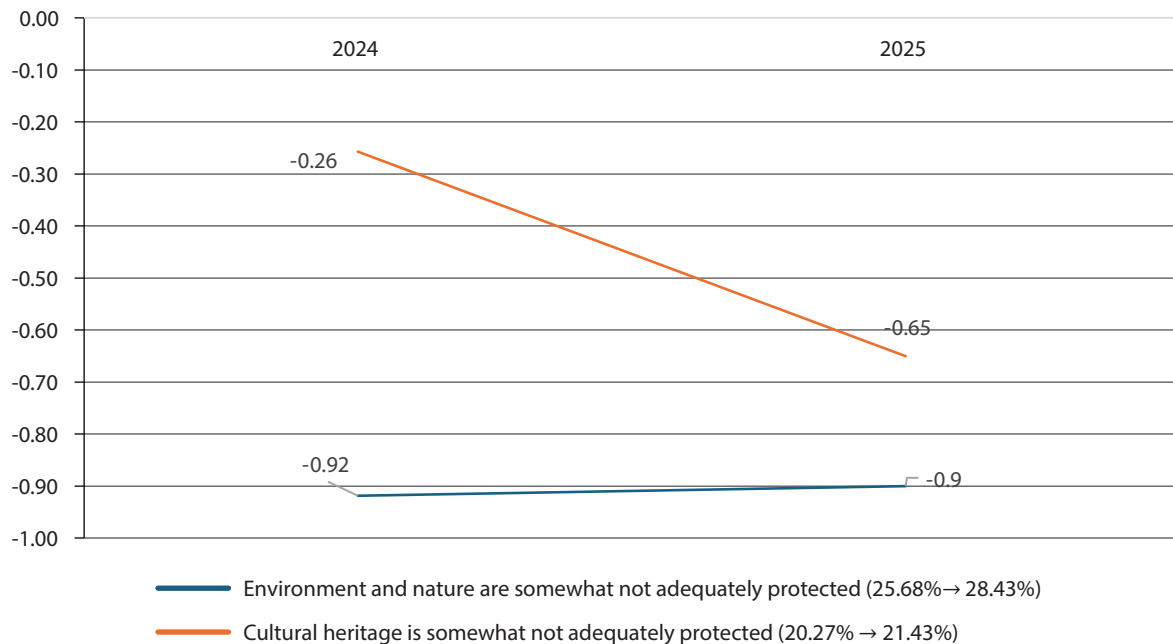
A year-on-year comparison of the towns and cities and foreign visitors' destination concentration sheds light on the worsening perceptions of the overcrowding of towns and cities (-0.92 → -1.16) and concentration of tourist destinations (-0.68 → -1.05). In the event of various reform initiatives undertaken by the interim government, a lack of decentralisation efforts and growing perils of urbanisation may be reflected in these worsening perceptions ('Political decentralisation ignored in reform agendas', 2025). The Local Government Reform Commission formed during the interim government's regime, however, recommended creating a decentralised local government civil service in the long run to empower the local government and tackle the issues of urbanisation (Antara, 2025).

### 6.3 Sustainability

On average, the executives surveyed generally believe that the environment and nature of Bangladesh are

somewhat inadequately protected (-0.9) as seen in Figure 7. Even though the general perception regarding environmental preservation is negative, in comparison to 2024, this year saw a slight improvement in environmental and nature protection (-0.92 → -0.9). Such improvements are likely a reflection of the various reform initiatives taken by the Ministry of Environment, Forest, and Climate Change under the Interim Government's supervision. After the interim government assumed power, there have been extensive efforts to preserve natural resources and proactive measures to combat the effects of climate change. For example, reform initiatives include a nationwide ban on polythene bags that was launched in November 2024, restricting entry to Saint Martin's Island to reduce plastic pollution and increasing afforestation measures, etc. Nonetheless, more effective, long-term structural reforms are required to adequately work towards environmental preservation (Bangladesh News Gazette, 2025).

**Figure 7: Executives' Perceptions of Infrastructure Supporting Sustainability**



Source: CPD EOS 2025.

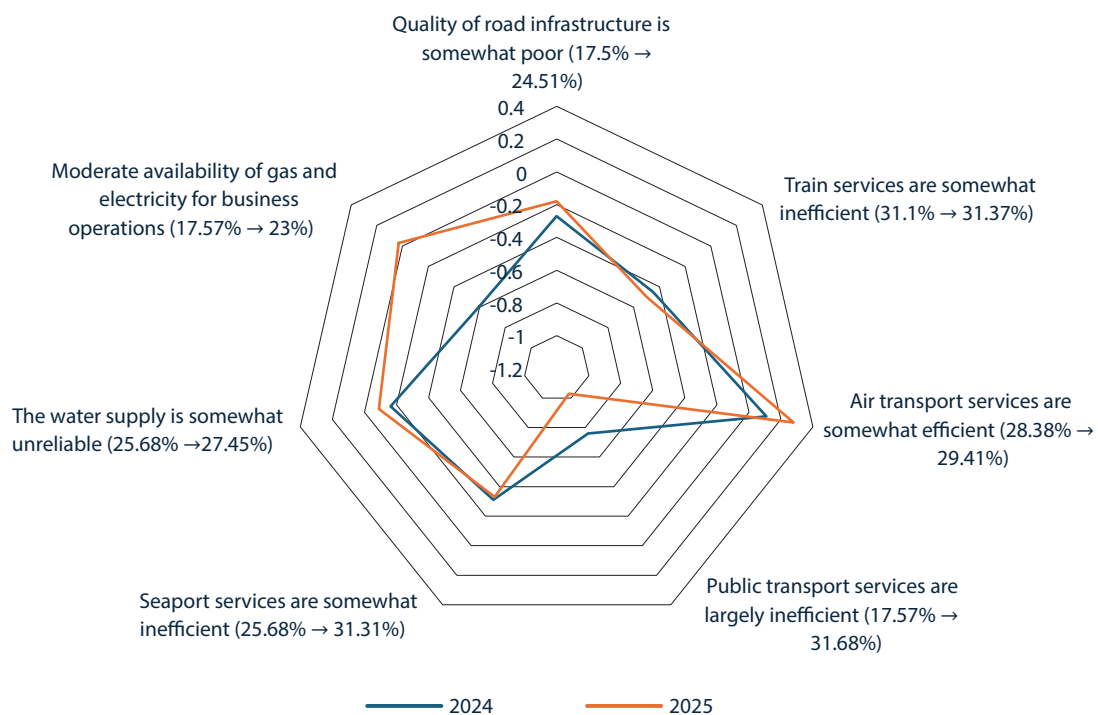
### 6.4 Resilience

The respondents’ perceptions of infrastructure-related indicators in 2025 illustrate mixed results (Figure 8). While most hard infrastructures such as road infrastructure (-0.18), train services (-0.5), seaport services (-0.33), water supply (-0.09) are somewhat poor quality, inefficient and unreliable, air transport services (0.28) stand out as somewhat efficient and public transport services (-1.03) are perceived as largely inefficient (Figure 8). As for gas and electricity availability for business operations, most responses are relatively skewed towards finding gas availability somewhat poor to neutral (0.03, neither good nor poor). Compared with the previous year, the quality of road infrastructure, efficiency of air transport services, water supply reliability, and availability of energy (electricity, gas, etc.) show improvement, while perceptions of train, public transport, and seaport services efficiencies have worsened.

Road infrastructure (-0.27 → -0.18) and air transport services (0.11 → 0.28) indicators likely improved partly

because the government prioritised transport and communication in the FY25 revised ADP, directing higher budget allocations towards it and resuming several stalled infrastructure mega projects into full force execution (‘Govt approves revised ADP prioritizing transport, communication’, 2025; Ahmed, 2025). Likewise, improved water supply reliability (-0.16 → -0.09) may be due to the interim government’s initiatives in restoring better canal flows, determining the water quality index (WQI), etc. (‘Interim gov’t takes extensive measures in water resources’, 2024). Moreover, improved perception of energy availability (-0.60 → 0.03) may be due to the interim government’s reform decisions regarding the power sector; such as, repealing the Quick Enhancement of Electricity and Energy Supply (Special Provisions) Act 2010, revising contracts with Independent Power Producers (IPPs) to eliminate the issue of capacity payment, restoring the independence and transparency Bangladesh Energy Regulatory Commission (BERC) and cancelling 31 letter of intent to purchase renewable energy issued during the previous government’s regime (Government of the People’s Republic of Bangladesh, 2025).

**Figure 8: Executives’ Perception of Infrastructure Supporting Resilience**



Source: CPD EOS 2025.

The railway sector observed short-term reforms, such as adjusting train schedules, the number of coaches for different routes, and an increase in sectional speeds (Government of the People’s Republic of Bangladesh, 2025). However, the effectiveness of these reforms was not reflected in the results, as perceptions of train services’ efficiency show a declining movement (-0.45 → -0.5). Similarly, seaport (-0.31 → -0.33) and public transport (-0.76 → -1.03) efficiencies also display a worsening opinion because key transport mega-projects remain delayed and over budget due to weak feasibility, corruption, and implementation of bottlenecks (CPD-IRBD, 2025a). There may be time lags for which the expected benefits from infrastructural reforms have yet to be materialised.

weaknesses, given that executives believe that all levels of the education system are somewhat inadequate in equipping its population with the skills needed for a competitive economy: primary education (-0.56), secondary non-vocational (-0.58), vocational (-0.36), and tertiary education (-0.42). Despite the poor performance of building adequate human capital for a competitive economy, companies are able to find employees with their desired skills from the local labour market more (0.45) and less from foreign labour (-0.24). Executives express that they are relatively satisfied with the skills of their current employees (0.36). Notably, companies are able to find skillful employees that are required for digital transformation (0.27), but the retention or attraction of talented and skilled employees remains somewhat less in the economy (-0.47) (Figure 9).

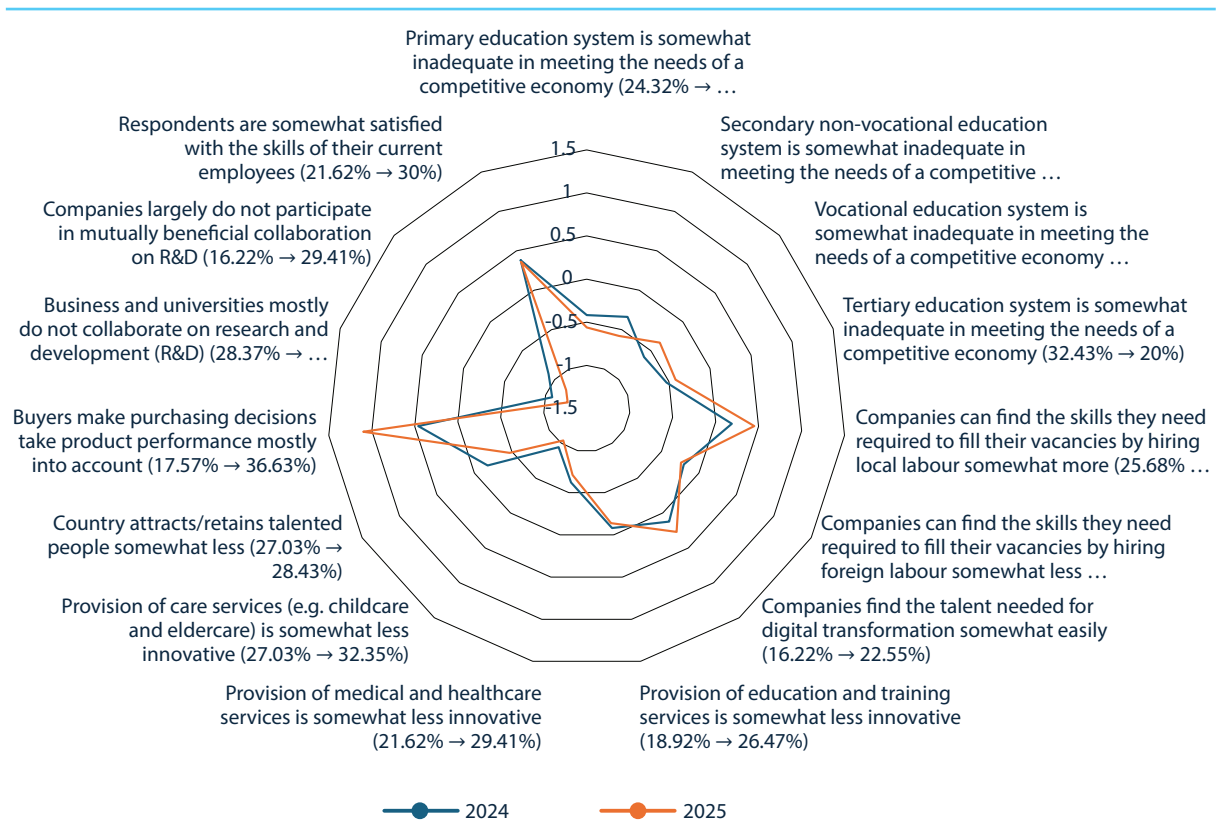
## 7. Human Capital

### 7.1 Innovativeness

The existing education system of Bangladesh and talent generation mechanism exhibit structural

The innovative measures in enhancing human capital are relatively limited as provision of education and training (-0.14), medical and healthcare (-0.71), and care services (-1.04) are deemed somewhat

**Figure 9: Executives' Perceptions of Human Capital Supporting Innovativeness**



Source: CPD EOS 2025.

less innovative by businessmen. Additionally, collaborative efforts on research and development among businesses and universities (-1.27), and even within businesses (-1.18) are largely non-existent. As a result, within the domain of innovativeness, human capital development still lags (Figure 9).

In comparison with the performance of the education system indicators in 2024, this year's results show mixed responses. For example, the adequacy of primary (-0.42 → -0.56) and secondary (-0.34 → -0.58) education systems in providing the necessary skills for a competitive economy is perceived as declining, but tertiary (-0.53 → -0.42) and vocational (-0.61 → -0.36) education systems, though inadequate in meeting industrial demands, have seen positive development. Critical structural issues have long plagued Bangladesh's education systems, such as an outdated curriculum, a lack of qualified teachers, among others. The declining perception of education standards in keeping up with the requirements of a competitive economy may be attributed to the limited budget allocation in the education sector in FY26. Even though the budget for education accounted for 12.1 per cent, this rate is below the 15 to 20 per cent allocation rate recommended by the UNESCO (CPD-IRBD, 2025b). On the contrary, the interim government's initiative to incorporate technical education alongside academic courses marks a positive move, as improved perceptions in tertiary and vocational education systems are observed (Government of the People's Republic of Bangladesh, 2025).

The availability and the development of talent in the market present an interesting picture, as companies are able to find skilled employees to fill in their vacancies by hiring from the local labour market to a greater extent (0.19 → 0.45) in comparison to foreign labour (-0.2 → -0.24). Talent needed to enable and enhance digital transformation is also available to some extent (0.12 → 0.27) in 2025. The findings suggest that businesses on average do not need to look much beyond the local market to find the skills they need, such improvement in perception may be due to the interim government's strong commitment to invest in skill development of Bangladesh's workforce through the implementation of a Medium-Term TVET Implementation plan for the next five years (Government of the People's Republic of Bangladesh, 2025).

Yet, the provisions of education (-0.08 → -0.14), healthcare (-0.62 → -0.71), and care services (-0.95 → -1.04) suffer from worsening innovativeness, which is accompanied by the economy's declining ability to retain or attract talented and skilled employees (-0.18 → -0.47). FY26's budget saw an overall reduction in the budget; thereby, the education and health care sectors observed a decline of BDT 2,971 crore and BDT 2,535 crore, respectively (CPD-IRBD, 2025a). As a result, these contractions likely constrained sectoral investments in innovation, thereby contributing to executives' worsening perceptions of the innovativeness of education, healthcare, and care services provision.

Perception towards the existence and efforts of collaboration on research and development (R&D) projects between businesses and universities (-1.08 → -1.27), and participation among businesses, has also worsened (-0.91 → -1.18). The lack of human capital enhancement measures is concerning since buyers' purchasing decisions are influenced by product performance to some extent (0.46 → 1.1), and product performance tends to be largely dependent on the availability of a talented and skilled workforce. The role of industry and university collaboration enables skill enhancement and the development of innovative goods or services. Skill gaps within the labour force are better addressed through such collaborative efforts; however, the lack of research grants/expenditure and enabling environment restrict the scope of adequate research and development engagements between universities and businesses (Siddiquee, 2024). Therefore, the worsening impression of research and development collaboration may be attributed to the macroeconomic challenges, such as inflation and banking sector liquidity crises, that accelerated after the fall of the previous government, resulting in reduced expenditure on research.

## 7.2 Inclusiveness

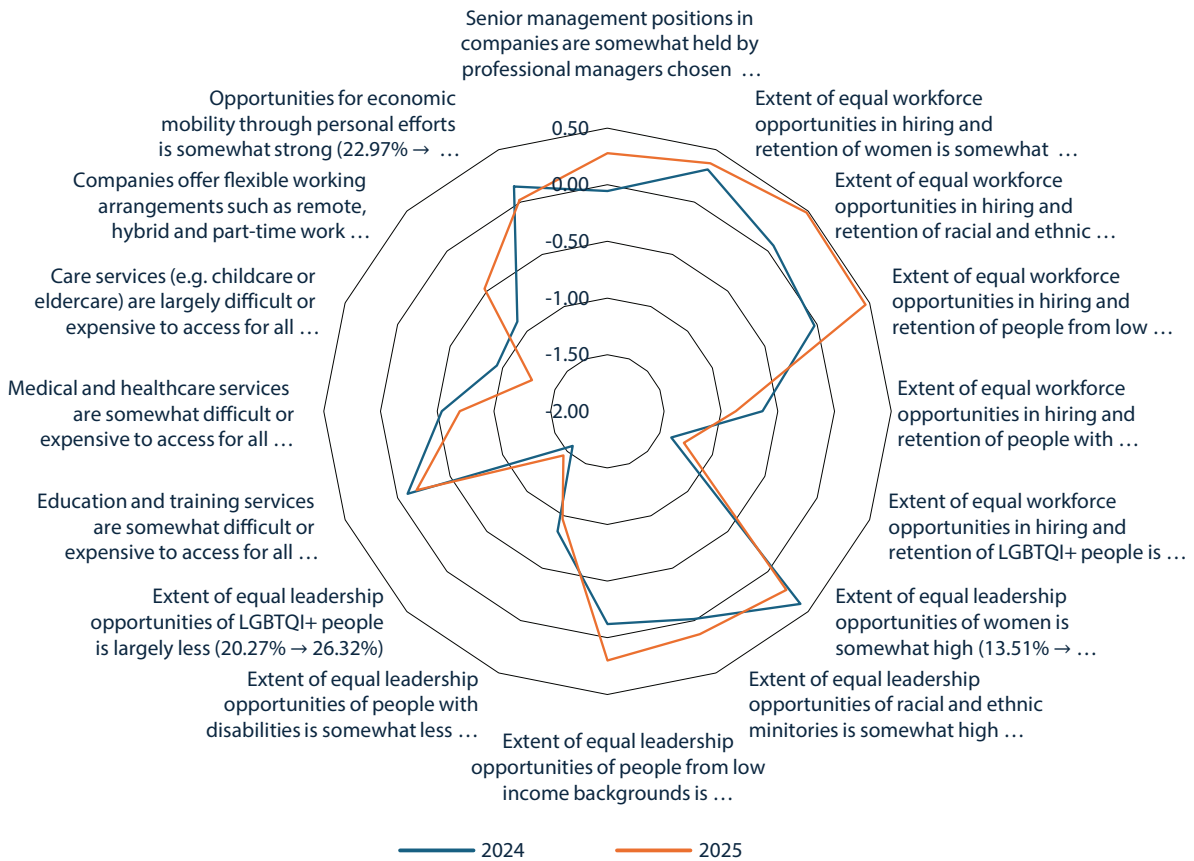
The respondents' perceptions of inclusiveness-related human capital indicators in 2025 reveal a mix of progress and persistent barriers. Some indicators, such as equal workforce/leadership opportunities across marginalised groups and access to education, healthcare, and care services, fall on the negative side of the scale, underscoring ongoing difficulties

in accessing those services and ensuring equal opportunities across different social groups. Access to care services (-1.28), healthcare (-0.7), and education and training (-0.18) remain somewhat difficult or expensive for many members of the population. Workforce inclusiveness, on the other hand, shows considerable weaknesses for some minority groups and positive results for others. For example, equal opportunities in hiring and retention for women (0.37), racial and ethnic minorities (0.48), and people from low-income backgrounds (0.46) are somewhat high, but are disproportionately limited for people with disabilities (-0.87) or LGBTQI+ individuals (-1.27). The leadership opportunities for these groups also mirror their opportunities in being hired (Figure 10).

(0.31 → 0.37), racial and ethnic minorities (0.07 → 0.48), and low-income backgrounds (-0.03 → 0.46) have improved, and senior management positions are seen as being held slightly more often by qualified professional managers (-0.05 → 0.28). Notably, marginal improvements are also observed in equal workforce opportunities for LGBTQI+ individuals (-1.39 → -1.27), as well as leadership opportunities for LGBTQI+ people (-1.57 → -1.45), racial and ethnic minorities (-0.01 → 0.13), and individuals from low-income backgrounds (-0.12 → 0.2). These upward shifts point to gradual progress in workplace inclusiveness and leadership diversity, which could be driven by the interim government’s move to increased budget allocation to social safety net programmes in FY26, particularly labour market programmes such as Promoting Gender-Responsive Enterprise Development and TVET Systems (ProGRESS), the Economic Acceleration and Resilience for NEET

Even so, several indicators in 2025 demonstrate modest improvements compared with the previous year. Perceptions of work opportunities for women

**Figure 10: Executives' Perceptions of Human Capital Supporting Inclusiveness (I)**



Source: CPD EOS 2025.

(EARN), Fund for Women Entrepreneurs, the Rural Mother Centre Programme ('Interim govt adopts data-driven strategy to boost jobs for marginalised groups', 2025). The interim government has also launched a Labour Information Management System to collect, store and manage data of workers that would allow targeted efforts to be given towards vulnerable and marginalised groups (Government of the People's Republic of Bangladesh, 2025).

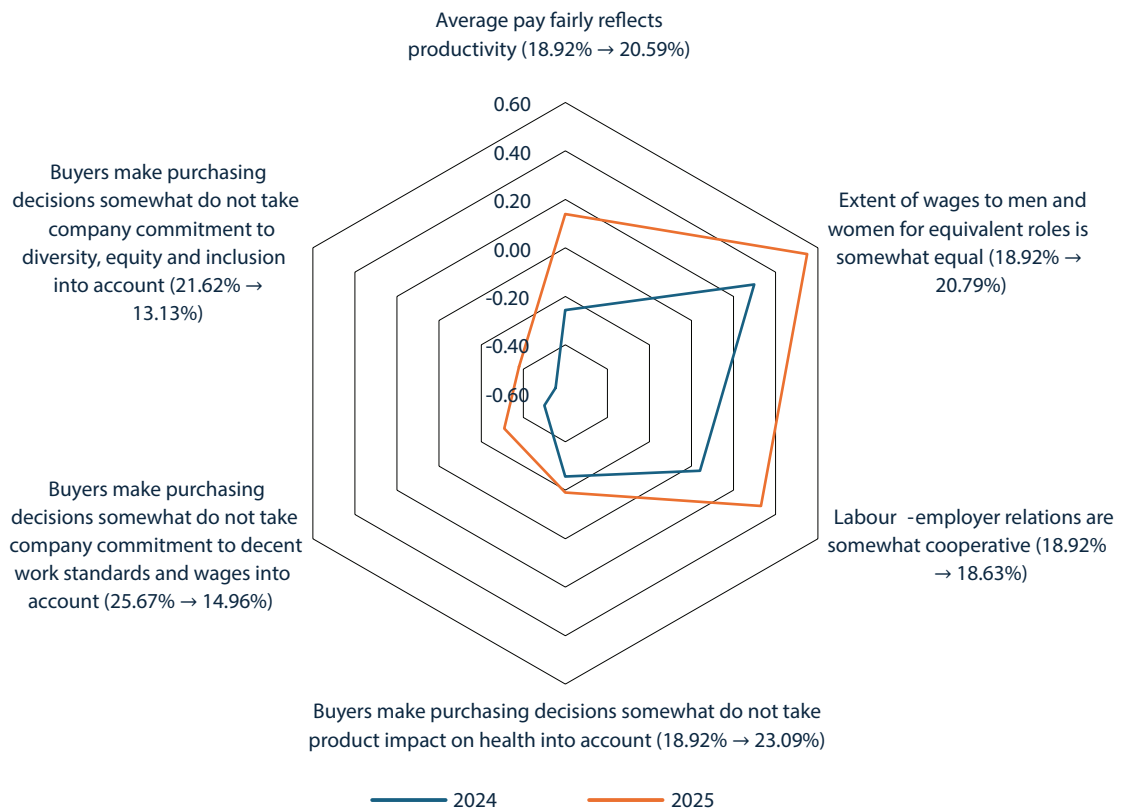
However, many indicators deteriorated between 2024 and 2025, particularly those relating to economic mobility, access to services, gender, and minority inclusion. Companies are perceived to offer fewer flexible working arrangements (-0.88 → -0.47), and access to education (-0.09 → -0.18), healthcare (-0.54 → -0.7), and care services (-0.95 → -1.28) has become more difficult for many households. These declining trends in accessibility of education, healthcare, and other care services may be a combined effect of

budget cuts in the education and health sectors, and the rising cost of living due to high inflation.

Equal workforce opportunities for people with disabilities (-0.64 → -0.87) have also declined, alongside reduced perceptions of women's leadership opportunities (0.41 → 0.23). These downward movements indicate widening barriers in gender and minority inclusion within the labour market. Similarly, even though opportunities for economic mobility through personal efforts (0.15 → 0.02) remain positive, a sharp decline in perception is observed in 2025. Perceptions of economic mobility have been grim due to the increasing income inequality, while job growth has been stagnant.

The second set of indicators in assessing the inclusiveness in Bangladesh's human capital aspects portray a more favourable outlook compared to the previous year, with several indicators shifting closer

**Figure 11: Executives' Perceptions of Human Capital Supporting Inclusiveness (II)**



Source: CPD EOS 2025.

to the positive end of the scale. Respondents view average pay as more reflective of productivity (-0.26 → 0.14), and wage equality between men and women for equivalent roles is perceived to have improved (0.3 → 0.55). Labour–employer relations also remain somewhat cooperative (0.04 → 0.33) (Figure 11). These trends could be explained by the anticipations surrounding the interim government’s initiatives that are more socially centric. The interim government upheld labour rights in the forms of reconstituting the Tripartite Consultative Council (TCC) which allowed for better cooperation and representation of labourers and employers, amending the Bangladesh Labour Act in accordance with international standards, and increasing the wage increment for RMG works from 5 per cent to 9 per cent (Government of the People’s Republic of Bangladesh, 2025; CPD-IRBD, 2025b).

On the other hand, indicators relating to buyers’ behaviour reflect a more negative perception as executives respond that generally buyers’ purchasing decisions somewhat do not take the health, well-being impact of the product (-0.26 → -0.19) or company’s commitment to decent wages, working standards, equity (-0.5 → -0.31) and inclusivity (-0.55 → -0.38) into account. Therefore, the practice of

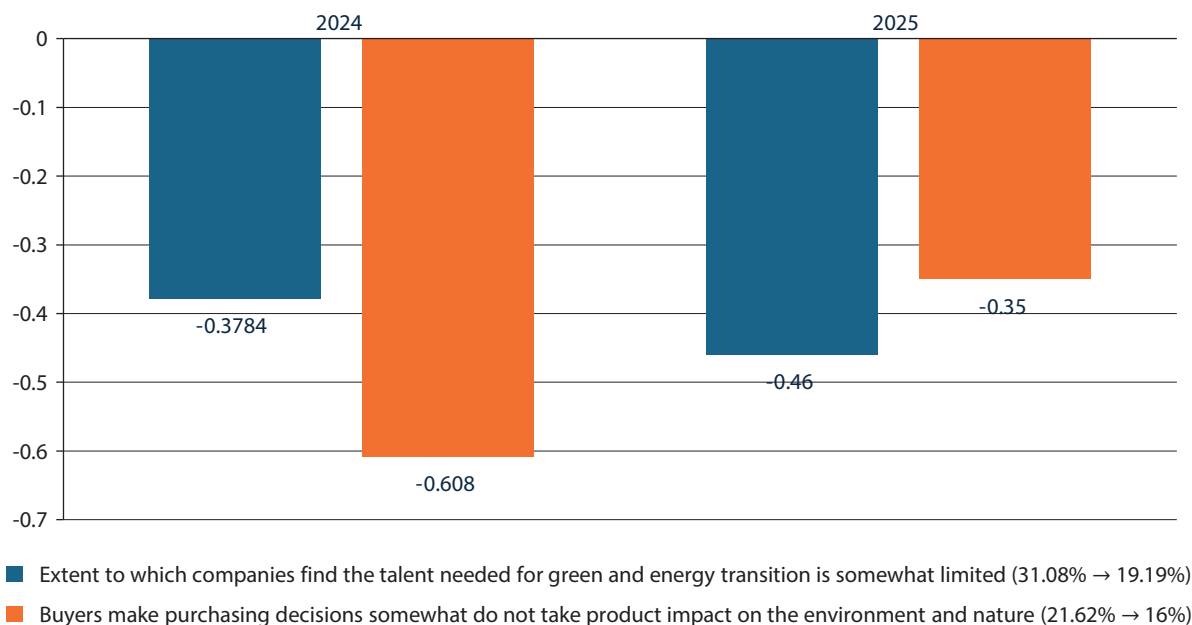
conscious consumption is largely absent, for which businesses may be less compelled to adopt an inclusive workplace approach.

### 7.3 Sustainability

Respondents’ perception of human capital development relating to environmental sustainability is more skewed towards below satisfactory as the pool of talent skilled in ensuring green and energy transition is fairly limited for companies to choose from (-0.46), and buyers rarely take environmental impacts into account when making purchasing decisions (-0.35) (Figure 12).

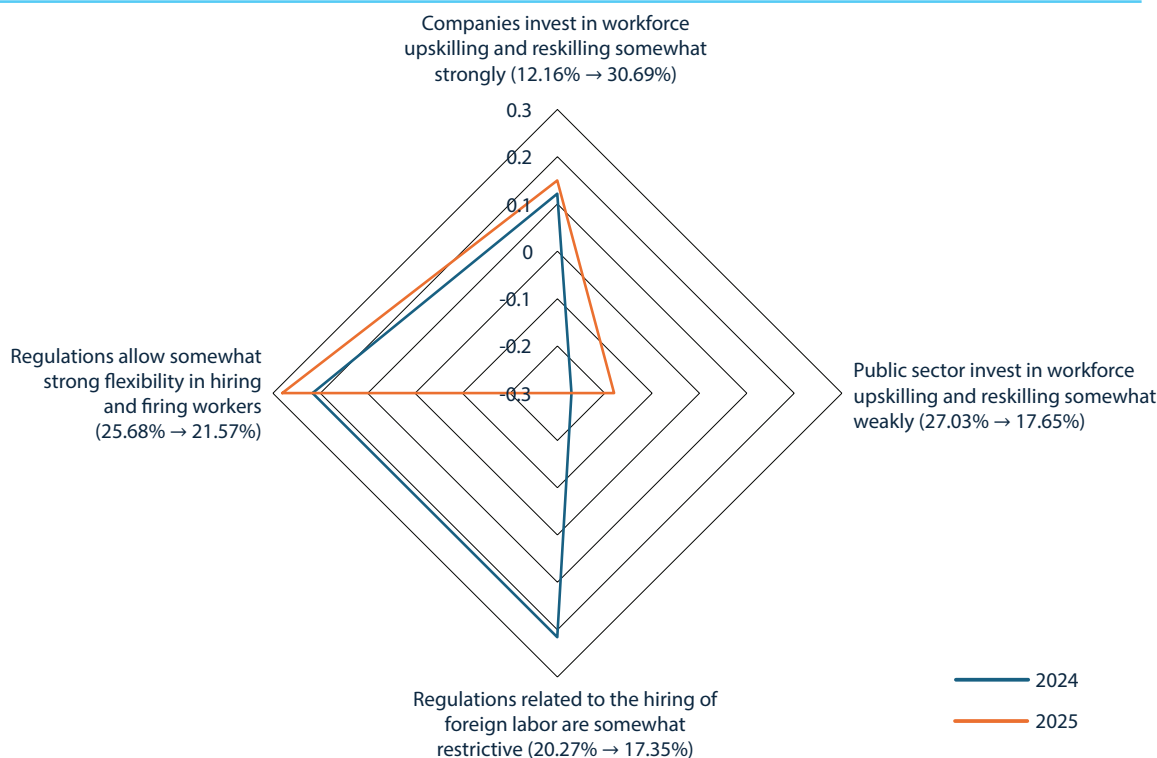
Compared to last year, executives observed that buyers are increasingly more aware of their purchasing decisions’ impact on the environment (-0.61 → 0.35), possibly because the interim government has been quite proactive about environmentally friendly measures, as portrayed through the nationwide initiative to ban plastic bags and anti-pollution drives, which have shifted consumers/buyers habit towards consuming more environmental friendly products (Jannat, 2024).

**Figure 12: Executives' Perceptions of Human Capital Supporting Sustainability**



Source: CPD EOS 2025.

**Figure 13: Executives' Perceptions of Human Capital Supporting Resilience**



Source: CPD EOS 2025.

However, the ability and pool of talent needed for green and energy transition have declined (-0.38 → -0.46), possibly attributed to the budget cuts in education in FY26 that have reduced the scope for equipping the workforce with skills needed for green transition (CPD-IRBD, 2025a).

### 7.4 Resilience

Human capital development and enhancement are essential in preparing the economy with the means of building resilience against economic crises and shocks. Executives responded that while companies tend to invest somewhat strongly in upskilling and reskilling the workforce (0.15), such practice by the public sector is somewhat weak (-0.18). In addition, regulations related to hiring foreign labour are somewhat restrictive (-0.3) and relatively more flexible in hiring and firing workers (0.28) in general (Figure 13).

The comparison of perceptions of human capital indicators affecting the resilience pillar between

2024 and 2025 shows improvements in companies (0.12 → 0.15) and the public sector (-0.27 → -0.18) investing in the upskilling and reskilling of labour force, which is demonstrated by the interim government's commitments to invest more in vocational and technical training through the medium-term TVET plan.

On the other hand, hiring and firing regulations for workers are perceived to be somewhat flexible (0.22 → 0.28), which may be partially due to the surplus of labour available in the labour market, but regulations towards hiring foreign labour have seemingly become more restrictive (0.22 → -0.3), as the interim government decided to no longer approve work visas of foreigners looking to work in Bangladesh, except for highly experienced professionals. The motivation behind these changes in regulations is an indication of the interim government's plan to boost local labour employment more (Abdullah, 2025).

## 8. Institutions and Governance

### 8.1 Innovativeness

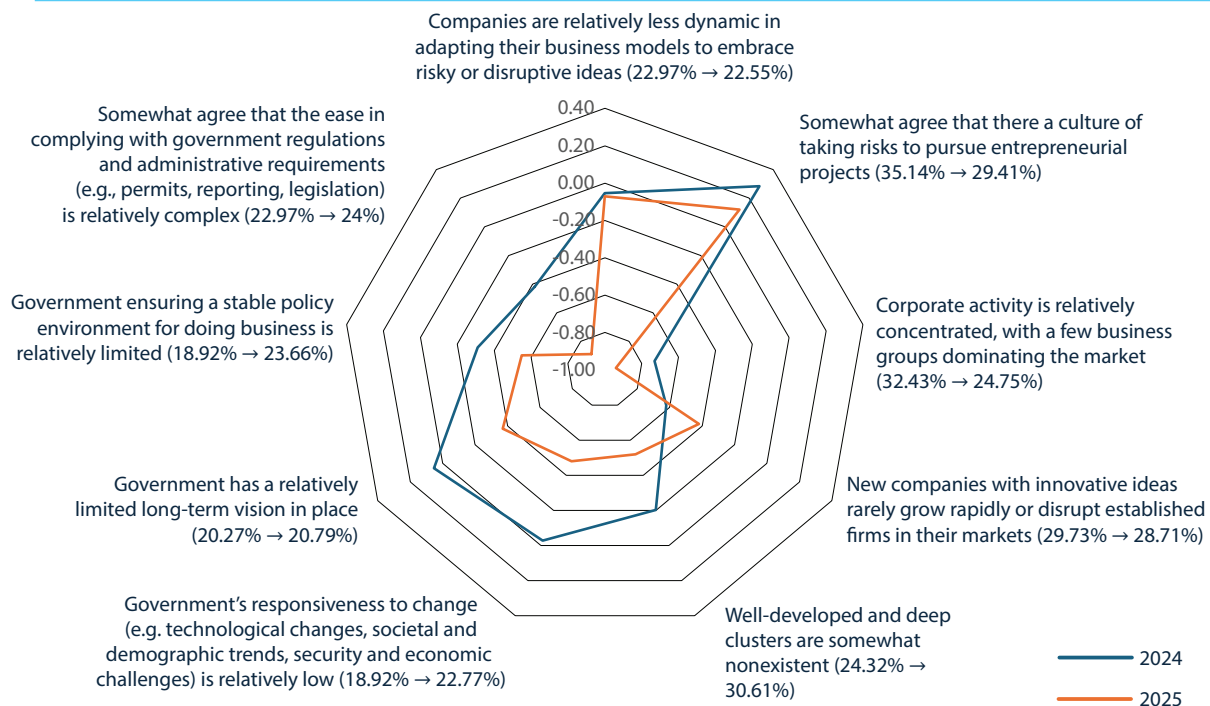
Businessmen’s perceptions of institutional conditions supporting innovativeness in 2025 reveal a predominantly negative landscape, with most indicators positioned on the inadequate or constrained side of the scale. Respondents continue to view the institutional environment as restrictive and unstable, particularly regarding the government’s responsiveness to change (-0.48), the long-term policy vision (-0.37). Moreover, there is a lack of government policy stability necessary for conducting business (-0.55), which is complemented by the relative complexity in complying with government regulations and administrative requirements (-0.89) (Figure 14).

Market dynamics also reflect structural limitations, such as corporate activity is viewed as relatively concentrated within a few business groups/giants (-0.94), well-developed, deep industrial clusters remain largely nonexistent (-0.52), and new

companies with innovative ideas still struggle to scale or challenge established firms (-0.42), and the limited practice of companies in adapting their business models to disruptive ideas (-0.07). These indicators signal towards persistent institutional bottlenecks for fostering innovation. However, the culture of taking risks to pursue entrepreneurial projects (0.12) lies closer to the positive side of the perception scale (Figure 14). These findings suggest that while systemic barriers may persist, entrepreneurial attitudes remain open to risk-taking behaviour.

Comparing results from last year shows that most institutional indicators have worsened in 2025. Perceptions deteriorated regarding the ease of complying with regulations (-0.42 → -0.89), government responsiveness to technological and societal changes (-0.027 → -0.48), and the stability (-0.31 → -0.55) and long-term orientation (0.05 → -0.37) of policy frameworks. The worsening perceptions of institutional stability and reduced long-term vision could be attributed to the interim government’s rule being short-term. The complexity of complying with regulations underscores the

**Figure 14: Executives' Perceptions of Institutions Supporting Innovativeness**



Source: CPD EOS 2025.

existence of overlapping agencies/institutions and inconsistent guidelines (Moazzem & Jafrin, 2024).

Respondents also expressed more declining views on market concentration (-0.73 → -0.94), the nonexistence of industrial clusters (-0.203 → -0.52), risk-taking behaviour for entrepreneurial projects (0.28 → 0.12), and the adaptability of business models in the face of risky or disruptive business ideas (-0.05 → -0.07). The only area showing marginal improvement is the ability of new firms with innovative ideas being able to grow rapidly and penetrate markets that may be dominated by well-established firms (-0.62 → -0.42).

### 8.2 Sustainability

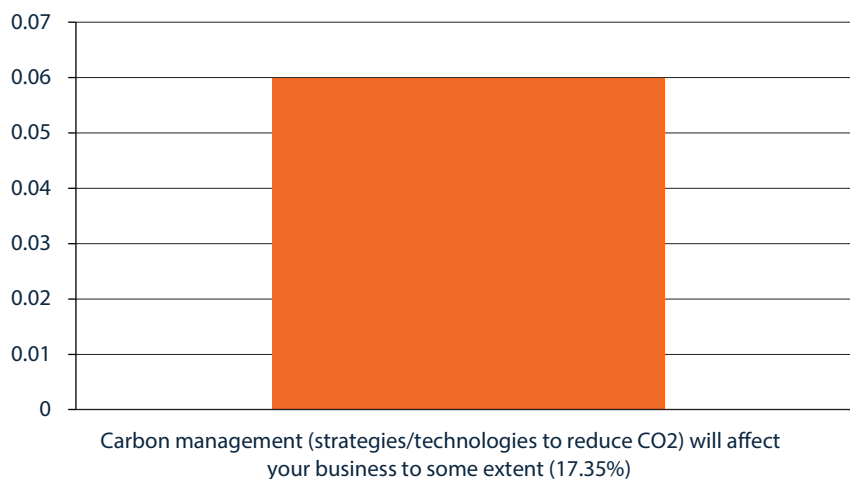
With the onset of climate change and the degradation of the environment, countries around the world have been increasingly adopting measures to reduce carbon emissions. Executives respond that adopting carbon management strategies or technologies will affect their business to some extent (0.06) (Figure 15). Business activities are bound to be affected by carbon management regulations that are an essential component of environmental compliance. Most export country destinations for Bangladesh are becoming increasingly conscious about ensuring a clean and green supply chain. For example, European Union’s Corporate Sustainability Due Diligence Directive (CSDDD) helps businesses that are green and

have robust carbon management systems maintain international competitiveness, while firms with high carbon emissions lose out on the competition. At the same time, challenges in adhering to the sustainability directives also remain as business entities in Bangladesh lack adequate training and support in meeting the strict environmental regulations set by the CSDDD (Razzaque, 2025).

### 8.3 Resilience

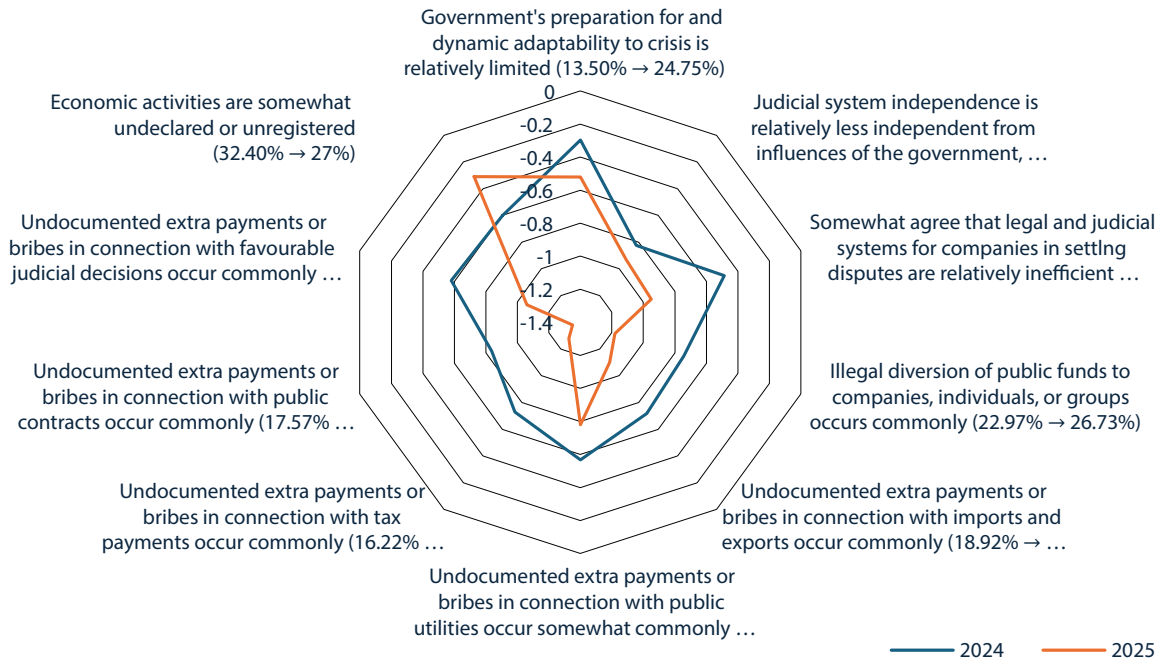
Perceptions on institutional resilience indicate a largely unfavourable environment, with most indicators being on the negative side of the scale. On average, most executives perceive the government’s ability and preparedness for crisis is relatively limited (-0.52). Moreover, a wide range of challenges appear prevalent, particularly the frequency of undocumented extra payments or bribes across various government functions, such as public contracts (-1.35), tax payments (-1.28), imports and exports (-1.1), public utilities (-0.78), and favourable judicial decisions (-1.06). Respondents also perceive illegal diversion of public funds as relatively common (-1.18), and judicial independence from external influence as weak (-0.93), with the legal and judicial systems viewed as relatively inefficient in settling disputes (-0.95). Economic activities, being somewhat undeclared or unregistered (-0.31) (Figure 16), further compromise the practices of good governance. These

**Figure 15: Executives' Perceptions of Institutions Supporting Sustainability**



Source: D RAS 2025.

**Figure 16: Executives' Perceptions of Institutions Supporting Resilience**



Source: CPD EOS 2025.

indicators collectively point to persistent governance vulnerabilities and a systemic lack of transparency.

indicate a worsening perception of businessmen on legal and judicial matters.

Compared with the previous year, most indicators have worsened. Despite the interim government's commitment to restoring institutional transparency and accountability, the perceptions of the government's preparedness and adaptability to crises (-0.3 → -0.52), judicial system efficiency (-0.49 → -0.95), and independence (-0.82 → -0.93) display a worsening state in 2025. The interim government undertook major reforms targeting the judicial system as well, such reforms include overhauling the Supreme Court Judges' appointment process to increase the independence of the judicial system from external influences (e.g. government, firms, individuals). Supreme Court Judges are appointed through the establishment of a Supreme Judicial Appointment Council, chaired by the Chief Justice based on merit. Similarly, specialised commercial courts are set in place to enhance the efficiency of resolving commercial disputes. (Government of the People's Republic of Bangladesh, 2025;). However, these reforms are yet to be fully materialised as findings

Perceptions of undocumented payments in connection with judicial decisions (-0.58 → -1.06), public contracts (-0.84 → -1.35), tax payments (-0.73 → -1.28), imports and exports (-0.72 → -1.1), and public utilities (-0.57 → -0.78) all deteriorated noticeably in 2025. Views on the illegal diversion of public funds also deteriorated (-0.74 → -1.18). Evidence suggests that despite several reform measures across taxation systems, etc. poor implementation and monitoring mechanisms reduce the effectiveness of the reforms broadly (MCCI-PEB, 2025). However, perceptions of undeclared or unregistered economic activities have improved (-0.6 → -0.31), which signals that the instances of reduced informal economic activities attributed to the reforms, such as introducing Labour Information Management System (LIMS) to register workers and factories and bring them under a formal monitoring system (Government of the People's Republic of Bangladesh, 2025). Overall, the findings highlight the interim government's inability to increase confidence

in institutional checks and balances mechanisms, which compromises institutional resilience.

## 9. Finance

### 9.1 Innovativeness

The respondents' perceptions of the financial sector indicators indicate a negative perception, as both innovative provision of financial services and long-term finance availability indicators are positioned below zero in the perception scale, highlighting persistent challenges in enhancing innovativeness in financial services. When comparing changes from 2024 to 2025, perceptions regarding the innovative provision of financial services (-0.27 → -0.36) and availability of long-term financing (-0.07 → -0.39) worsened (Figure 17). The worsening perception could be attributed to the financial system struggles that proliferated after the collapse of the previous government in 2024, with the number of Non-Performing Loans (NPLs) increasing and banks suffering from a liquidity crisis (CPD-IRBD, 2025c). In response, a strict monetary policy was administered under the newly appointed Bangladesh Bank governor during the interim

government regime, which increased the borrowing cost. As a result, financial channels faced constraints, and the availability of finance was limited.

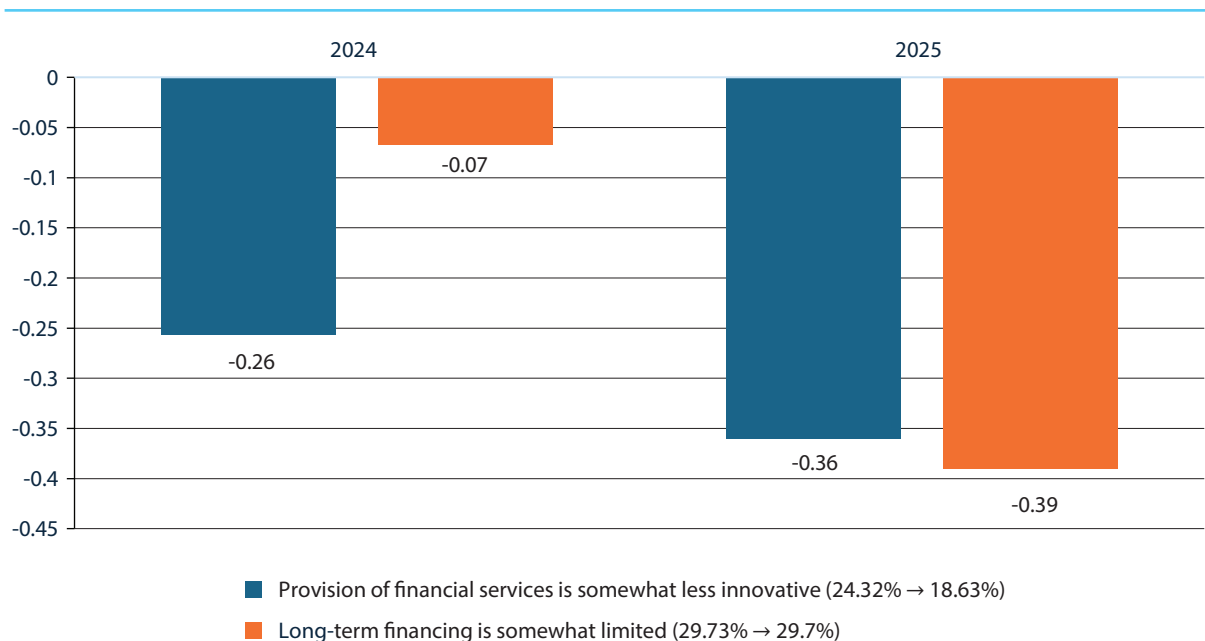
### 9.2 Inclusiveness

The indicators capturing executives' perception of financial system inclusiveness all fall below zero, suggesting that finance is not accessible to everyone in the population. For example, SMEs are less able to find their required funds from the financial sector (-0.45), start-ups with innovative but risky ideas are less able to acquire equity funding (-1.1) and in general, financial services are somewhat inaccessible to some members of the population (-0.52) (Figure 18).

### 9.3 Resilience

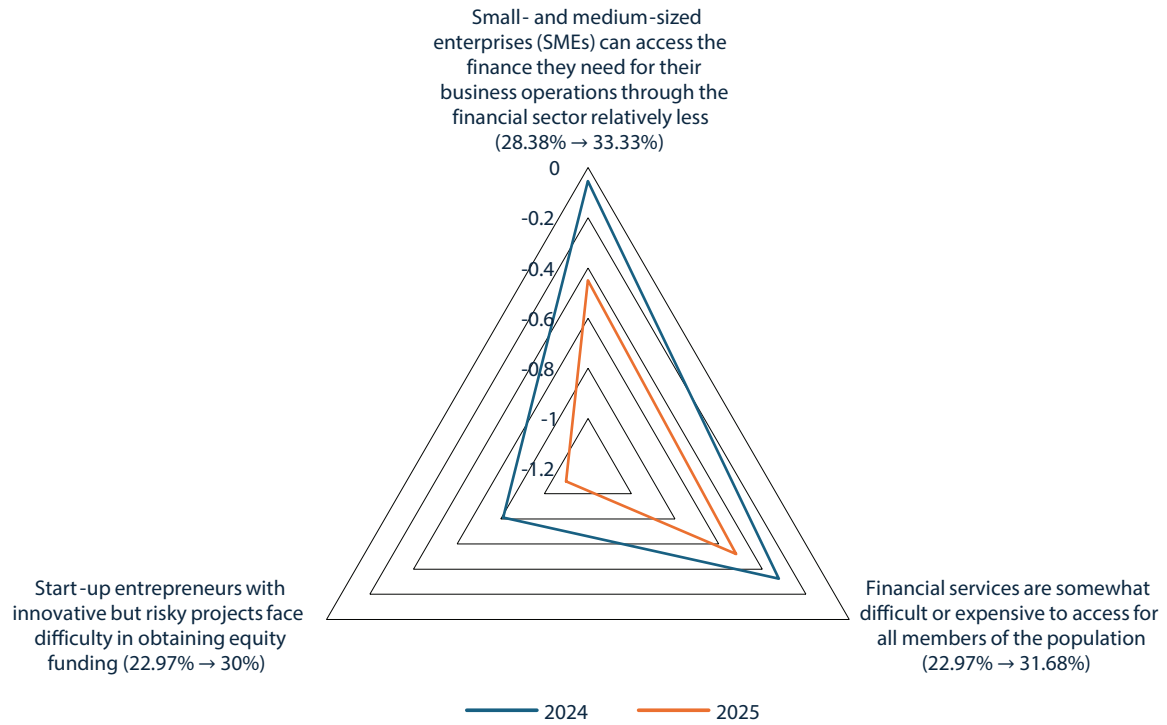
The structural weaknesses within the financial system compromise Bangladesh's immunity in the event of systemic shocks. Indicators with worsening perceptions, as responded by the executives, are that the financial system's ability to respond to crisis is somewhat weak (-0.62), Bangladesh Bank's supervision and monitoring quality is somewhat

**Figure 17: Executives' Perceptions of Finance Supporting Innovativeness**



Source: CPD EOS 2025.

**Figure 18: Executives' Perceptions of Finance Supporting Inclusiveness**



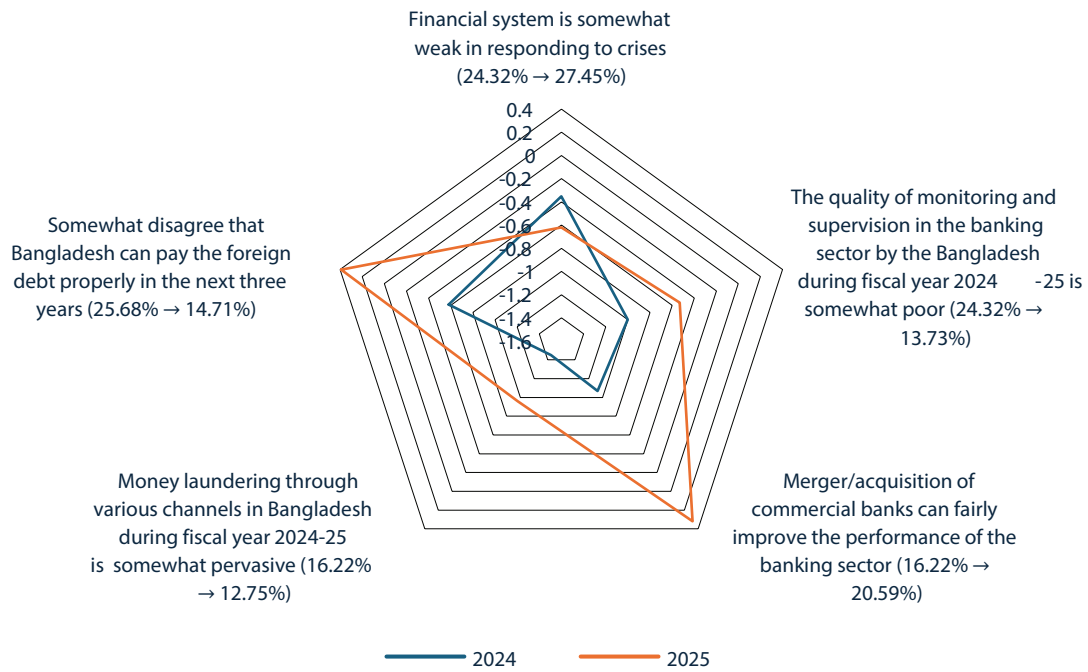
Source: CPD EOS 2025.

poor (-0.53), money laundering is relatively pervasive (-0.96), However, impressions surrounding the external debt repayment (0.39) and merger/acquisition of commercial banks are improving banking sector performance (0.32) are positive among businessmen (Figure 19).

Contrary to the perceptions of finance-related indicators under other pillars, executives view finance indicators ensuring resilience in a more positive light compared to last year. For example, the perceived severity of money laundering through various channels has declined (-1.45 → -0.96), quality of banking sector monitoring and supervision, even though it is still somewhat poor shows drastic improvements (-1 → -0.53). Indicators with the most significant improvement in perception are increased confidence in mergers/acquisitions to strengthen the banking sector (-1.07 → 0.32) and Bangladesh's

ability to pay off its external debt in the next three years (-0.58 → 0.39). The drastic improvement in perceptions can be attributed to the rigorous and stringent banking sector reforms, including the Bank Resolution Ordinance, where Bangladesh Bank temporarily takes ownership of failing or bankrupt banks, and is allowed to make decisions about merger or acquisition under this law. This move helps protect the depositors and restore faith in the banking sector (Government of the People's Republic of Bangladesh, 2025). Broadly, the interim government era saw a drastic improvement in the macroeconomic front in terms of remittance inflow, export earnings, which contributed to the growth of foreign reserves and improved Bangladesh's ability to pay off its mounting external debt (Hasan, 2025b). Nonetheless, executives' perception of the financial system's ability to respond to crises remains skeptical.

**Figure 19: Executives' Perceptions of Finance Supporting Resilience**



Source: CPD EOS 2025.

## C. Conclusion and Recommendations

### 10. Conclusion

Bangladesh's business environment underwent significant changes in 2025 following the transition from the previous regime to an interim government. The new administration faced an economy with longstanding structural weaknesses, governance gaps, and elevated political uncertainty. In response, the interim government introduced a set of reform initiatives focused on institutional strengthening, social welfare improvements, and macroeconomic stabilisation to ease the cost of doing business. However, survey findings suggest that while several reform initiatives may have been taken, their benefits have not been fully felt by the business community. Even though perceptions regarding macroeconomic stability, the energy sector, and human capital development show some improvement, structural weaknesses continue to restrict the country's prospects for innovative, inclusive, sustainable, and resilient growth.

The reform initiatives under the interim government during the FY25 period brought minimal relief to the business community. Most institutional and governance indicators, such as informal payments (bribes/extortions), ease of compliance, policy stability, and judicial independence, exhibit a worsening perception. In terms of financial accessibility, businessmen still consider long-term financing to be largely inaccessible; likewise, SMEs and start-ups' hurdles in attaining finance remain. For human capital development, the reform initiative lacked emphasis on the creation of human resources suitable for green jobs and research and development collaboration between industries and academia. Across all areas, the effective usage of digitalisation in reducing the cost of doing business is yet to be realised, as most businessmen consider the provision of transport and shipping, financial, healthcare, and education services to be less innovative due to the overall digital infrastructure being severely underdeveloped.

After the interim government has successfully passed the baton to the newly elected government, the responsibility for restoring business confidence and building a robust business environment falls on the new government's shoulders. As a result, the following recommendations are set forth:

### Recommendations

#### Governance and Institution

- Ministries concerned, including the Ministry of Commerce and Bangladesh Investment Development Authority (BIDA), should ensure effective functionality of a unified digital interface by integrating existing databases. Additionally, a unified document management framework should be developed by regulatory bodies (such as NBR, DIFE, RJSC, etc.) to prevent duplication of business-related documents required for licenses.
- The government should promptly initiate the process to establish a Tax Ombudsman and a Banking Ombudsman to enhance transparency and accountability in the business environment.
- Introduce mandatory regulatory impact assessments before major policy changes.
- Clear implementation guidelines and timelines should be published in consultation with private sector bodies such as the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the Dhaka Chambers of Commerce & Industry (DCCI), and the Metropolitan Chambers of Commerce and Industry (MCCI), for reforms to reduce policy uncertainty and enhance stakeholder engagement.
- The minimum value for commercial disputes currently mentioned in the Commercial Court Ordinance 2025 is BDT 50 Lakhs or higher. This value should be revised for SMEs given their disputes usually involve smaller amounts.

## Finance

- Financial institutions, under the guidance of the Bangladesh Bank, should innovate credit assessment models to boost credit access for SMEs and start-ups.
- Corporate bond market should be effectively developed through regulatory reforms and credit enhancement mechanisms.
- Public-private innovation funds should be enhanced by targeting high-potential startups.
- An AI-powered digital credit scoring system should be widely promoted to ensure better and faster financial accessibility, especially for SMEs.

## Infrastructure

- The Building Information Modelling (BIM) technology can be used in the construction management of roads and highways. The size of roads and highways should be determined through research.
- Ministries concerned, including the Ministry of Road Transport and Bridges, Ministry of Shipping, and the Ministry of Railways, should effectively collaborate and conduct pre-feasibility tests before implementing multimodal transport systems.
- The Ministry of Power, Energy and Mineral Resources (MoPEMR) should invest in robust infrastructure for a consistent power supply and ensure infrastructure policies are periodically reviewed to maintain relevance and efficiency.
- The Sustainable Renewable Energy Development Authority (SREDA) should work collaboratively with the Bangladesh Sustainable and Renewable Energy Association (BSREA) in facilitating and boosting renewable energy adoption among business enterprises.

- The MoPEMR should work with the NBR and Bangladesh Bank to establish a comprehensive framework to enable and incentivise renewable energy adoption among businesses.
- Interoperable digital platforms for logistics, payments, licensing, and tax filing system and database should be established and regularly updated so that information can be exchanged and accessed by relevant public offices at real time.
- To successfully fulfill the new government's pledge in building data centers in the country, the national digital infrastructure must first be strengthened by ensuring high speed broadband network reliability, especially within industrial zones and port areas.

## Human Capital

- Private sector industrial bodies, ministries concerned and other public authorities, including the Ministry of Education, Ministry of Commerce, and University Grants Commission (UGC), can jointly facilitate the establishment of innovation hubs within universities to facilitate joint projects and provide resources for start-ups.
- The National Skills Development Authority (NSDA)'s capacity should be increased, and industrial linkage should be strengthened to ensure that training programmes are regularly updated in line with market demand and consultation with private sector bodies, such as FBCCI.
- Introduce specialised training programmes for green technologies, renewable energy maintenance, and environmental compliance in university curricula to develop human resources for green jobs.

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Bangladesh's business environment in 2025 is shaped by a period of political transition, economic uncertainty, and ongoing reform efforts under the interim government. Based on findings from the Executive Opinion Survey (EOS), conducted in collaboration with the World Economic Forum (WEF), this report assesses the key constraints, emerging risks, and structural challenges facing businesses. Despite reform initiatives, persistent issues such as corruption, policy instability, bureaucratic inefficiencies, and limited access to finance continue to hinder business operations. At the same time, rising crime and illicit economic activity, inflationary pressures, and global geopolitical tensions are expected to further strain the business landscape. The report evaluates performance across innovativeness, inclusiveness, sustainability, and resilience, and offers policy recommendations to strengthen institutions and ensure a more stable and sustainable growth trajectory.



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**Centre for Policy Dialogue (CPD)**

House 40/C, Road 11 (new)

Dhanmondi, Dhaka-1209, Bangladesh

Telephone: (+88 02) 41021780-2

Fax: (+88 02) 41021783 E-mail: [info@cpd.org.bd](mailto:info@cpd.org.bd)

Website: [www.cpd.org.bd](http://www.cpd.org.bd)