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Doha Round in limbo!

Multilateralism at stake

Speaking for ICC Bangladesh

Bangladesh National Committee of ICC was established in 1994 with a view to bring world expertise to the local business and take priority issues of national concern to the global forum for expansion of trade and investment.

ICC Bangladesh is comprised of major Chambers of Commerce, Business Associations, Stock Exchange, Banks, Non-Banking Financial Institutions, Trans-national Companies, Law and Accounting Firms and large Corporate Houses having interest in international business.

ICC Bangladesh activities, therefore, include promotion of foreign trade and investment, trade policy reviews, harmonization of trade law and rules, legal reforms, updating businesses with the ICC rules and standards for cross border business transactions. It holds policy reviews, business dialogues, seminars and workshops on issues related to foreign trade and investment, market access as well as concerns of Bangladesh business at international conference, debates and dialogues including forums through ICC sponsored meetings of multilateral agencies.

The National Committee works closely with the government since its inception, in reforming laws and rules that govern business and liberalizing trade to integrate Bangladesh with the global market place. ICC Bangladesh, among others, has been actively engaged in following legal and policy reforms including: Information Technology (IT) Act, modernization of Arbitration Act, modernization of Tax Laws & Customs Act, introduction of ATA Carnet System in Bangladesh, development of Bangladesh Foreign Trade Institute (BFTI) and establishment of Bangladesh International Arbitration Centre (BIAC).

In 2000, ICC Bangladesh organized a 2-day ICC Asia Conference in Dhaka. Policy makers, business leaders, economists and professionals from twenty five countries in Asia, Australia, Middle East and Europe participated in the Conference.

In 2004, ICC Bangladesh organized International Business Conference on Global Economic Governance and Challenges of Multilateralism in celebrating its 10th Anniversary in Bangladesh which was the largest international event ever organized in Bangladesh attended by a galaxy of leaders including heads of governments & ministers from both developed, developing and least-developed countries and heads of multilateral organizations including WTO and EU. More than 500 participants from 38 countries (3 continents) participated in this event.

In 2005, ICC Bangladesh organized a Regional Seminar on Capital Market Development: Asian Experience, workshops on important topics like UCP, credit risk management, as well as business dialogue on topical issues related to trade and investment.

In 2006, like previous years, the National Committee organized a number of workshops and dialogues including workshop on Treasury Management, Factoring & Forfaiting and Transport Documents.

In 2008, the National Committee continued with its regular activities by arranging workshops on International Trade Payment Practices, International Trade Fraud and on International Trade Payment Methods. Besides, ICCB in collaboration with eBusiness School International of Ireland (eBSI) and with support from the International Finance Corporation (IFC), a private arm of the World Bank Group commenced a regular IFC, "FIT Initiative" (Finance of International Trade), an e-learning programme, to help skill development of professionals dealing with international trade. ICC Bangladesh was selected for the first time as one of the venues for hosting Certified Documentary Credit Specialist (CDCS) Examination, which was held in Dhaka on April 10, 2008. ICCB published the first ever ICCB Business Directory to serve as a guideline for prospective investors from both home and abroad.

Bangladesh

International Chamber of Commerce-Bangladesh

The world business organization

National Secretariat
Suvastu Tower (6th Floor)
69/1, Pantha Path, Dhaka-1205, Bangladesh
Tel: +880 2 8621942, 9676698, Fax: +880 2 8621027
E-mail: iccb@bdmail.net, Web: www.icc-bd.org

International Headquarters
38, Cours Albert 1er
75008 Paris, France
Tel: +33 1 49 532828, +33 1 49 532942
Fax: +33 1 49 532942

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Vice Presidents
Latifur Rahman
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Editor's Note

The Nexus Between Climate and Trade: the Approach of the WTO

Through the millennia, civilizations have faced innumerable challenges. Where they have been able to overcome such challenges, civilizations have prospered.

At no time has humankind collectively faced a graver danger than what we are witnessing now: slow, but inexorable, climate change. With climate change of barely a few degrees, there will need to be fundamental changes to life on this planet, as we know it today. Countries will go under the sea, massive population will become climate refugees, and the entire production processes will require adjustment. A global response to the crisis is an imperative, and should be our top priority on the international agenda. Perhaps there is still time for countries to act together and delay, or even reverse, the process of climate change; all must contribute.

Though WTO is not an environment agency, in the preamble of the Marrakech Agreement that established the WTO, sustainable development, the protection and preservation of the environment are recognized as fundamental goals of the WTO. As we learn more about ways of preserving the environment, we must devise ways in the WTO rules to help protect it.

If trade measures can help combat climate change, there is no doubt that a multilateral agreement on such measures may be helpful. During the Copenhagen Conference, several delegations made specific reference to trade measures as a means to achieving broader environmental ends.

The Doha Round of trade negotiations contain specific negotiating mandates relating to environmental goods and services. The basic idea is to devise ways of liberalizing trade in environmental goods and services, with the objective of helping the environment. Not much progress has been achieved in those negotiations. Perhaps the negotiators in the WTO are taking a mercantilist approach, and are seeking to advance their respective commercial interests. They must ignore their commercial interests, and concentrate on what will collectively help common environmental concerns, particularly in matters of climate change.

The 7th Ministerial Meeting of the WTO took place amid the changed economic conditions of global recession. While the multilateral trading system has weathered the storm, the process of responding to the crisis revealed that the WTO could be made more effective, by broadening its functions, to assume greater responsibility in the global trading system. When the Ministers and Senior Officials from the 153 members gathered in the WTO on November 30, Director-General Pascal Lamy stated that the single largest adjustment that WTO Members need to make is to conclude the Doha Round successfully, and soon.

A group of 22 countries, which includes key players such as Argentina, Brazil and India, has agreed to conclude an agreement on tariff reductions by September 2010. The LDC Group, which counts 32 countries among the WTO Membership, is also a significant player. The Dar-es-Salaam LDC Ministerial produced a declaration and a work program; however, not much has been achieved since then, to advance Bangladesh's interests, particularly in duty-free market access. The 7th WTO Ministerial, however, was not designed to produce an outcome that would influence the Doha Round negotiations.

The year 2009 will go down in history as a moment of great global insecurity; millions of citizens have lost their jobs, many more have seen their savings evaporate, and much of the development gains of the last decades have vanished. However, at the same time, we saw nations coming together as never before. The world was united to find a response to the global economic crisis. The multilateral trading system has also been tested; it has stood firm and showed its value. Completion of the Doha Round, while protecting the interests of the vulnerable, is vital to sustain meaningful multilateralism. Given goodwill and imagination, we should simultaneously be able to devise means to help the environment.

ICC Bangladesh News

ICC Roundtable on Climate Change

Public-Private combined effort stressed for mitigation and adaptation

ICC acknowledges the agreement reached in Copenhagen as a step towards a global low-carbon economy, pending the clear expression of commitments and mitigation actions, but is disappointed that the international negotiation process did not deliver a clearer and more ambitious agreement, said ICCB President Mahbubur Rahman in his welcome address at the ICC Roundtable Conference on Climate Change: Copenhagen Follow up and Role of Private Sector. While the heads of states have provided a basis towards the development of a meaningful agreement – particularly by providing about $30 billion of "fast start" funding for 2010-2012 for vulnerable developing countries and committing to mobilizing $100 billion a year by 2020 – a lot more remains to be done in 2010 to deliver a robust, legally-binding post-2012 framework agreement, he added at the Roundtable held in the Auditorium of the Dhaka Chamber of Commerce & Industry (DCCI) on December 30.



ICCB President Mahbubur Rahman (3rd from left) presiding over the ICC Roundtable on Climate Change: Copenhagen Follow-up. DCCI President Abul Kashem Khan (extreme left), Bangladesh Unnayan Parishad Chairman Dr. Q. K. Ahmed (2nd from left), IUCN Climate Change Asia Region Senior Adviser Dr. Ainun Nishat (3rd from right), ICCB Vice President Samson H. Chowdhury (2nd from right) and ICCB Board Member A.S.M. Quasem (extreme right) are also seen in the picture.

ICCB President Mahbubur Rahman observed that businesses have already taken substantial action to reduce greenhouse gas emissions and will continue to increase its efforts. It is the most important innovator and investor in clean technologies and can do more if provided with clarity, predictability and flexibility through a global framework agreement. The Copenhagen Accord allows for the use of markets which will help provide cost-effective means to intensify our actions and contribute to meeting the new commitments, he remarked.

It may be mentioned that as of October 2009, 187 states, excluding the United States, have signed and ratified the Kyoto protocol - the UN Framework Convention on Climate Change - aimed at combating global warming. Unfortunately, the U.S.A although a signatory to the Kyoto Protocol, has neither ratified nor withdrawn from the Protocol. The signature alone is merely symbolic, as the Kyoto Protocol is non-binding on the United States unless ratified.

Mahbubur Rahman further said that as per the latest estimates, "annual per capita greenhouse gas (GHG) pollution" in Bangladesh is 0.2-0.3 as against 1.3 in India, 3.2 in China, 15 in Europe, 20 in US, 20 in Australia, and an average 2 in the world. The people of Bangladesh are suffering the harsh effects of climate change, even though we are responsible for only one-fifth of one percent of global greenhouse gas emissions. Though the poorest countries did not contribute much to the problem of Co2 accumulation in the atmosphere, but according to Oxfam estimate the climate change adaptation is costing these countries $50 billion annually.

ICC Bangladesh has arranged this roundtable in order to identify the possible areas of cooperation between Public and Private sector for a well co-coordinated national strategy to combat Climate Change, ICC Bangladesh President said.

The Keynote speakers in the Roundtable were Chairman, Bangladesh Unnayan Parishad (BUP), President, Bangladesh Economic Association (BEA) and Chairman, PKSF, Dr. Q. K. Ahmed and Senior Adviser, Climate Change, Asia Region, International Union for Conservation of Nature (IUCN) Dr. Ainun Nishat. FEJB Chairman Quamrul Islam

Chowhdury, OXFAM Policy and Advocacy Manager Dr. Ziaul Haque Mukta and Ahmedul Hassan from Center for Environment Geography Information Service (CEGIS) attended the roundtable as Panelists.

Dr. Ahmed said that everybody at the Copenhagen Summit acknowledged that the humankind is facing the most dangerous risk of the time. He also said that although a legally binding agreement has not been reached, Bangladesh has achieved a lot, which will help us obtain financial and technological assistance in future. He also said that the country is not relying on the foreign assistance to fight the impacts of the global warming. A policy on Bangladesh Climate Change Strategy and Action Plan has already been formulated and government has allotted Tk.7 billion in the current budget for this purpose. He also believed that the Bangladesh Better Business Forum (BBBF) is a good initiative, which should be revived to utilize the Public Private Partnership (PPP) concept as the private sector has to work a lot in the fight against climate change.

Dr. Ainun Nishat made detail presentation on the Climate Change and briefed the business leaders on various aspects of Climate Change and prospective areas of investment. He mentioned that Bangladesh has to equip itself to better utilize the climate change fund. He stressed that the fund should be unconditional and vulnerable countries should get priority. It has also to be decided where the technology will be used and we have to start using our own fund.

The speakers observed that the COP-15 came up with some concrete actions to be taken before the next Conference to be held in Mexico in 2010. It was mentioned that Bangladesh played a major role in the COP-15 as the proposal of Bangladesh was accepted and incorporated as it is without any change in the COP-15 declaration.

With regard to the role of Private Sector, it was observed by all the speakers that businesses have lot of investment opportunities as there are scopes for adopting newer technologies developed by the developed world without any investment for innovation. It was also suggested that it would be more effective to include representatives from the private sector in the government delegations for future climate change conferences.

The roundtable was attended, among others by ICC Bangladesh Vice President Samson H. Chowdhury, ICC Board Members A. S. M Quasem and R. Maksud Khan, DCCI President Abul Kasem Khan, Bangladfesh Insurance Association Chairman A. K. M. Rafiqul Islam, FCA, Former Advisers to the caretaker government Rokia Afzal Rahman and Major General (Retd.) Ruhul Alam Chowdhury and a number of business leaders and professionals.

ICC Seminar on ATA Carnet System

Implementation stressed for integration into global economy

The expansion of world trade has led to a considerable growth of temporary exports and imports of all kinds of goods that play an important role in international trade. For that reason industrialists and traders need to display their products at trade fairs, exhibitions or similar events in other countries, because these events can offer them a valuable means for marketing their products abroad, said ICCB President Mahbubur Rahman while inaugurating the two-day ICC Workshop on ATA Carnet System: Passport to Global Trade held in the Auditorium of the Dhaka Chamber of Commerce & Industry (DCCI) on December 21.

While Bangladesh is a member of the World Customs Organization (WCO), the intergovernmental organization of customs is responsible for the administration of the most recent and comprehensive international Customs Convention governing temporary admission of goods under cover of "ATA Carnets", namely the "Istanbul Convention". However, Bangladesh is not yet a Contracting Party to the "Istanbul Convention" itself. As such Bangladesh and its national business community as well as its foreign trading partners are deprived of taking advantage of the benefits and facilities offered by ATA Carnets as "Passports for goods", ICCB President added.

The ATA Convention entered into force on 30th July 1963 i.e. some 45 years ago. Since then, the ATA Carnet has become the most important international customs document for the temporary duty-free admission of goods. Within these 45 years of operation the ATA Carnet procedure has weathered many implementation problems extremely well and has proved capable of adapting to a variety



ICCB President Mahbubur Rahman is seen presiding over the inaugural session of the ICC Workshop on ATA Carnet System. DCCI President Abul Kashem Khan (extreme left), Chairman of ICCB Standing Committee on Customs Regulations, Reforms & Modernisation R. Maksud Khan (2nd from left), ICC Asia Director Mrs. Lee Ju Song (2nd from right) and FBCCI Vice President Abu Alam Chowdhury (extreme right) are also seen in the picture.

of new international transactions, said Mahbubur Rahman.

ICCB President mentioned that to realize the significance of the accession to ATA Carnet System for Bangladesh ICC Bangladesh has organized this workshop as per its previous activities in support of trade development. The introduction of the ATA Carnet System in Bangladesh should have a positive impact on the country's foreign trade by ensuring that the local exporting firms are able to compete with those of other trading nations under equal terms on the world market. It should also facilitate Bangladesh's integration into the global economy.

He also observed that presently the ATA Carnet System is applied in the 66 countries including India, Pakistan and Sri Lanka. Besides, a number of countries in Asia (e.g. Indonesia, The Philippines and Vietnam) and Latin America (e.g. Argentina, Brazil, Mexico and Uruguay) are fairly advanced in the preparatory work involved in the accession to the System.

FBCCI Vice President Abu Alam Chowdhury, ICCB Standing Committee on Customs Regulations, Reforms and Modernization Chairman R. Maksud Khan and ICC WCF Carnet Advisor and ICC Asia Director Mrs. Le Ju Song also spoke during the inaugural session.

FBCCI Vice President emphasized the need for immediate implantation of ATA Carnet System by Bangladesh for better benefit of the business community.

R.M.Khan observed that adoption of ATA Carnet by Bangladesh is of utmost importance to attract investment in Bangladesh and further enhancement of exports.

ICC WCF Carnet Advisor Mrs. Lee mentioned that Bangladesh need to immediately sign the Istanbul Convention and Implement ATA Carnet. She said that India, Pakistan and Sri Lanka are successfully operating the ATA Carnet and are deriving the benefit for furtherance of business. ICC WCF would provide all possible assistance to Bangladesh for implementation of ATA Carnet,

A total of 40 participants from NBR, Ministry of Commerce, EPB, Bangladesh Bank, trade bodies, commercial banks and national companies attended the two-day workshop.

Bangladesh Business Environment Confidence Survey

Commerce Minister assured all-out co-operation to businesses

A new round of business confidence survey conducted by the International Finance Corporation (IFC), a member of the World Bank Group, reveals that while investment is flat in the third quarter of this year, the business confidence for the next quarter is up.

As part of its effort to promote business reforms, the Bangladesh Investment Climate Fund (BICF), managed by IFC, in partnership with the U.K Department for International Development (DFID) and the European Union (EU), surveyed about 800 businesses around the country to gauge their investment, employment, profitability, and overall performance for July-September quarter and their expectation for the October – December quarter. BICF conducts this survey on a quarterly basis to check the pulse of the business environment.

ICC-Bangladesh in co-operation with IFC-BICF organized a discussion on the survey report titled 'Business Confidence Survey Highlights 2009: A Reflection on Business Sentiments' in the Auditorium of the Dhaka Chamber of Commerce & Industry (DCCI)

on November 5. The survey report presentation brought together business leaders, prominent economists, key private sector players, civil society representatives, government officials and change-makers to share the results of the survey and stimulate discussions on how to broaden the appeal of business reforms.

ICC Bangladesh President Mahbubur Rahman, in his welcome address stressed the importance of conducting such surveys on a quarterly basis as the results will allow both the government and the businesses to draw up appropriate strategy for creating a favourable investment climate for attracting much needed both local and FDIs, for furtherenace of the development efforts of Bangladesh.

Mahbubur Rahman also emphasized that the Government should not only resume the activities of Bangladesh Better Business Forum (BBBF), Regulatory Reforms Commission (RRC) and other such bodies which the business community strongly feel that these institutions have made significant changes in creating a better investment climate in the country, but also take appropriate steps to make them stronger and more effective in the coming days.

Head of BICF James Crittle spoke on the occasion and said gauging the business confidence on a regular basis is fundamental for policy making to promote investment and growth and reduce poverty.

Aminur Rahman, Investment Policy Officer of IFC presented the survey findings and analyzed the results. The results highlights that the investment conditions for businesses vary across sectors, sizes, and locations. Service sector and small firms tended to have a better third quarter compared to manufacturing sector and large firms. On the other hand, overall firm performance tended to better in Khulna, Barisal, and Rajshahi compared to Sylhet, Dhaka, and Chittagong. Global financial crisis and lack of market demand for products are some of the key reasons of variation of businesses confidence within the country.

Commerce Minister Lt. Col. (Retd.) Muhammad Faruk Khan was present in the discussion as the Chief Guest and said that the survey result has perfectly indicated the business trend. He emphasized that this Govt. under leadership of Prime Minister Sheikh Hasina is ready to extend all-out cooperation to the businesses for improvement of electricity, gas, traffic movement as well as other business related issues. He disclosed that the government has taken a number of infrastructure projects including augmentation of power and gas supply and anticipated nuclear power generation. He also informed that 20 million cubic feet gas will be added to the pipeline very soon. Referring to the rent-seeking problem he said that the government is politically committed not to patronize any illegal practices. The Minister further said that the people of Bangladesh are very resilient and optimistic and as the global economy is rebounding, it is expected that the country would perform well in the fourth quarter.

Dr. Wahiduddin Mahmud, former Advisor to the Caretaker Government chaired the discussion session. On the findings of the survey he remarked that it is good news for the economy and in the process, it will lead to more employment opportunities and investment would increase at the last phase of this process. He said, the findings of the survey are of broad interest to those who wish to promote regulatory reforms and a better business environment in Bangladesh. But he cautioned that investment still remained far off expectation. He noted that shortage of gas and electricity and the global recession were the main reasons behind this stagnation.



Commerce Minister Lt. Col. (Retd.) Muhammad Faruk Khan (2nd from left) speaking as Chief Guest at the ICC-IFC BICF Business Confidence Survey Highlights-2009. Former Adviser to the Caretaker Government Prof. Wahiduddin Mahmud (3rd from left) chaired the event. ICCB President Mahbubur Rahman (centre), Head of IFC-BICF James Crittle (3rd from right), ICCB Vice President Latifur Rahman (2nd from right), ICCB Vice President Samson H. Chowdhury (extreme left) and DCCI President Zafar Osman (extreme right) are seen in the picture.

Panelists took part in the discussion included SME Foundation Chairman Aftab ul Islam, Director General, BIDS

Dr. Mustafa K. Mujeri, Chairman and CEO of Newage Garments Ltd. A.S.M. Quasem, Chairman of the ICCB Standing Committee on Banking Technique and Practices and Managing Director, Citibank N.A., Bangladesh Mamun Rashid, Former DCCI President Hossain Khaled, and Chairman, Policy Research Institute of Bangladesh Dr. Zaidi Sattar.

SME Foundation Chairman Aftab-ul Islam said the private sector should play their due role in reinvigorating the dying RRC. Chairman of Newage Garments Ltd. A. S. M. Quasem said that the IFC-BICF survey should be backed by facts. He said the RRC was performing well but has been totally abandoned. Former DCCI President Hossain Khaled said business constraints should be reflected in the survey as it is important to know what harnesses the prospects of new investment. Chairman of ICCB Standing Committee on Banking Technique and Practices and Managing Director, Citibank N.A. Mamun Rashid said the country needs to change business model but it is not happening. Chairman of Policy Research Institute of Bangladesh Dr. Zaidi Sattar said such survey should be home grown. BIDS Director General Mustafa K. Mujeri said, without policy support, there would be a gap between the expectation and emerging realities. DCCI President Zafar Osman, MCCI President Abdul Hafiz Choudhury, FCA, France-Bangladesh Chamber of Commerce and Industry President Alamgir M. Rahman, Canada-Bangladesh Chamber of Commerce and Industry President Masudur Rahman, Former DCCI President M. A. Momen and a large number of business leaders, bankers and other stakeholders attended the event.

Asia Economic Community Forum Conference in South Korea

ICCB President moderates session on Asian Economies under Global Crisis

The first Conference of the Asia Economic Community Forum was held in Incheon, Korea on November 11-13. The Asia Economic Community Foundation (AECF) organized the Forum with the theme of 'Creating One Asia Together'. The specific Conference themes of this year were -'Global Crises and Asia: Solutions and new paradigm', 'Global Financial and Economic Crisis: Grand Debate of 21st Century Capitalism', 'Global Hegemony Crisis: Grand Compromise among US, China and EU', 'Global Value Crisis: Grand Dialogue between Asia and the West'.



Group picture of the Delegates at the Asia Economic Community Forum held at Incheon, Korea. ICCB President Mahbubur Rahman is seen (7th from left) along with other delegates.

ICCB President Mahbubur Rahman joined the Conference. During the Conference he moderated the Asian CEO Exchange Session, the theme of which was 'Asian Economies under the Global Financial Crisis, Recovery? Or still Crisis: Perspectives from Business Leaders. KIF Research Fellow Lim, Hyoung-Seok, , presented the Keynote paper in the session. Group Executive Director of Farlim Group, Malaysia Mohamed Iqbal, ICC Srilanka Chairman Tissa Jayaweera, Chairman and CEO of Origin Agritech Ltd., China Gengchen Han and Korean-German Chamber of Commerce and Industry Secretary General Juergen Woehier took part in the session as panelists.

While moderating the session Mahbubur Rahman remarked that two powerful and unfolding global issues threaten to set back our progress –the global financial crisis and climate change. No country remains untouched from these two issues and our destiny is a shared destiny. So we must pull together to stay alive and work together to prosper. He said, 'Creating one Asia Together' is a very realistic theme in today's context. He expressed his impression that Asia has been able to tide over the global financial crisis much better than in many other parts of the world. He added that the preoccupation of the developed world with their own financial problems means that we have had to rely on ourselves to take our countries back on the path to rapid economic growth.

ICCB President attends Colloquium on International Arbitration in Washington

Adaptation of Arbitration to a changing world discussed

The 26th Colloquium on International Arbitration jointly organized by AAA International Centre for Dispute Resolution (ICDR), ICC International Court of Arbitration and International Centre for Settlement of Investment Disputes (ICSID) held on November 20 in Washington, USA.

ICCB President Mahbubur Rahman joined the Colloquium at the invaitation of ICC Court of Arbitration. International Finance Corporation-Bangladesh Investment Climate Fund (IFC-BICF) sponsored the participation of ICCB president. The colloquium had deliberations on how to adapt arbitration to a changing world. The issues like Institutional developments, Users' perspective on challenges facing the institutions in a changing world, The financial crisis and long term implications for arbitration as a method of dispute resolution, Human rights consideration in international arbitration, International arbitration to tackle corruption issues and Arbitration rules were in the discussion.

A number of internationally reputed personalities like Meg Kinnear, Secretary General, ICSID, Washington D.C., William K.Slate II, President and CEO, ICDR and AAA, New York, JudgeStephen M. Schwebel, Former President, International Court of Justice and John Beechey, Chairman, ICC International Court of Arbitration joined the colloquium and chaired the sessions.

Stanimir Alexandrov of Sidley Austin LLP, Washington, D.C., Henri C. Alvarez QC of Fasken Martineau DuMoulin LLP, Vancouver, Paris, Cherie Booth QC of Matrix Chambers, London, Mark A. Clodfelter of Foley Hoag LLP, Washington D.C., Mark W. Friedman of Debevoise & Plimpton LLP, New York, Jason Fry, Secretary General, ICC International Court of Arbaitration, Paris, Makhdoom Ali Khan, Senior Advocate, Supreme Court of Pakistan and former Attorney General, Carolyn B. Lamm of White & Case LLP, Washington D.C., Richard Naimark, Senior Vice President, ICDR, New York, Mohamed Abdel Raouf, Secretary General, Cairo Regional Centre for International Commercial Arbitration, Lucy Reed of Freshfields Bruckhaus Deringer LLP, New York Brigitte Stern, Proffessor, University of Paris I –Pantheon-Sorbonne, Albert Jan Van Den Berg of Hanotiau & Van Den Berg, Brussels and Nassib G. Ziade, Deputy Secretary General, ICSID, Washington D.C joined the colloquium as Panellists. The colloquium was attended by as many as 195 participants from around the world.

During his stay in Washington Mahbubur Rahman called on World Bank PSD Specialist John F. Speakman, International Centre for Settlement of Investment Disputes Secretary General Meg Kinnear, IFC Vice-President Rashad Kaldany and World Bank Alternate Executive Director Kazi M. Aminul Islam and discussed about operational activities and support of World Bank and IFC in Bangladesh.

DCCI-GTZ Seminar on Free Trade Arrangements

Pros and cons of FTA needs to be studied

The Dhaka Chamber of Commerce and Industry (DCCI) in collaboration with the German Technical Cooperation (GTZ) organized a Seminar on 'Free Trade Agreements: Implications for Business' at DCCI Auditorium on November 1. ICC Bangladesh President Mahbubur Rahman remarked that utilizing bilateral free trade facilities by many countries gained good results but in context of our economy we should discuss and study its pros and cons in more details. Mahbubur Rahman made the remark while presiding over the Seminar.



ICCB President Mahbubur Rahman (centre) presiding over the seminar. DCCI Senior Vice President M.S. Shekil Chowdhury (extreme left), FBCCI President Annisul Huq (2nd from left), DCCI President Zafar Osman (2nd from right) and Dr. Toufiq Ali (extreme right) are seen in the picture.

DCCI President Zafar Osman spoke on the occasion and mentioned that DCCI has taken initiative to consolidate some ideas on FTA in the form of a study accommodating inputs from sectoral representatives so that strengths and weaknesses of FTAs can be understood better.

Former Permanent Representative of Bangladesh to WTO Geneva Dr. Toufiq Ali gave a presentation on different aspects of FTAs in which he pointed out various theories and information relating to the issue of free trade agreements operative in various countries. A number of senior business leaders and professionals attended the seminar and took part in the open discussion.

Businesses seek Policy Support to face challenges

Observes ICCB President at BIAA Anniversary

ICCB President Mahbubur Rahman has sought policy support from the government as the business community is facing enormous challenges due to inconsistent policies, socio political development and stiff competition in the international market. He said this while he was speaking as the Special Guest at a function of Bangladesh Indenting Agents' Association celebrating the 30th anniversary of the Association on October 31.



ICCB President Mahbubur Rahman delivering his speech as the Special Guest in the 30th Anniversary of BIAA. Commerce Minister Lt. Col. (Retd.) Muhammad Faruk Khan was present in the function as the Chief Guest.

Mahbubur Rahman observed that Bangladesh Indenting Agents' Association established in 1980 has been actively functioning to safeguard the interest of the Indenting business as well as contributing to the national economy. The Association also keeps its members abreast of the updated information in view of the rapid changes of trade pattern due to globalization.

He further said that BIAA members might have some grievances in view of the rapid changes in the trade pattern globally and urge upon the Commerce Minister to look into the grievances that they have and formulate business friendly policies which in turn would safeguard the interest of the businesses.

The Regulatory Reforms Commission (RRC) formed for updating the century old rules and regulations of the country to infuse dynamism into governance, administration and the economy needs to regain momentum, ICCB President added. RRC was underpinned by a systematic process of public-private dialogue and this process has been supported by the Bangladesh Better Business Forum, (BBBF). He pointed out that RRC and BBBF over the last year and a half have initiated a number of positive steps which the businesses have found to be very useful. He earnestly hoped that the Government of Prime Minister Skeikh Hasina would not only continue the process but also further strengthen the system so that country could reap the benefit.

Mahbubur Rahman said that talks on Public Private Partnership (PPP) should not be rhetoric and it should mean business in real sense when talking about PPP framework. There should be such a policy on PPP so that the private sector can join the framework willingly and it should be open to all so that anyone can make contribution.

Commerce Minister Lt. Col. (Retd.) Muhammad Faruk Khan remained present in the function as the Chief Guest. He spoke on the occasion and said that the pre-shipment inspection (PSI) system has not been effective in the country. He opined for

preparation of a strong database to cancel the system as database will be needed for taxation.

On TIFA the Minister said, 'we have already made it clear to the USA that we would only sign the agreement if it serves the best interest of the country. We still need to discuss some issues.

Chairman of the Organizing Committee and Director BIAA Shahabuddin Khan and BIAA President Shabbir Ahmed Khan also addressed the function.

US Ambassador met business leaders at MCCI

Businesses suggest making TIFA public before signing

Bangladesh needs to sign Trade and Investment Framework Agreement (TIFA) to create scope for dialogue on getting duty-free market access to Washington, said US Ambassador James F Moriarty, while speaking during a meeting with the business leaders held at Metropolitan Chamber of Commerce and Industry (MCCI) on November 16. He added that US wants to increase its investment in Bangladesh and Dhaka wants duty-free access to Washington and TIFA can be a good platform where both the parties can discuss the issues.



A partial view of the meeting of business leaders with US Ambassador James F. Moriarty at the MCCI. Senior business leaders attended the meeting.

The Ambassador further said that US Trade Representative (USTR) office and the Congress are having discussion on better business relations with Bangladesh, but if Dhaka wants to put the negotiation on fast-track it needs to sign TIFA.

MCCI President Abdul Hafiz Chowdhury said Bangladesh is concerned about the duty rate imposed by the US on RMG products. He said poor countries in Africa are getting duty-free access and special treatment is given to Sri Lanka and Pakistan whereas Bangladesh being a least developed country is marginalized. MCCI President further said the provisions in the TIFA have not been made public and stakeholders are unaware about the content of the agreement. He urged the government to make the terms of the draft agreement public so that the stakeholders can have discussion on the issue.

ICCB President Mahbubur Rahman said TIFA is related to trade and investment and it is non-binding agreement that only commits parties to hold regular annual meetings. He exclaimed that he does not understand why there is so much debate about the issue as many countries in the world have signed the agreement. Sri Lanka , Pakistan and the Maldives signed the agreement and Bangladesh should not be left alone, he added.

One of the issues of the TIFA is child labour, and Bangladesh has improved substantially in the issue, he observed. Multilateral negotiations including the WTO discussions are not progressing and Bangladesh should opt for bilateral negotiation to move ahead, he added. Mahbubur Rahman suggested that WTO discussions in Seattle or Doha round are not moving ahead due to complexities and Bangladesh should emphasize on bilateral negotiations to increase trade relations with different countries. The Meeting was attended by a number of distinguished business leaders.

7th WTO Ministerial Conference in Geneva

ICCB President participates as Bangladesh Delegation

The 7th WTO Ministerial Conference was held in Geneva, Switzerland on November 30 – December 02. A 15 member Bangladesh delegation headed by Commerce Minister Lt. Col. (Retd.) Muhammad Faruk Khan attended the Conference.

The delegation pushed forward five major points in the Conference and pleaded for their acceptance. They were: Duty-free and quota-

free access to advanced nations to drive exports, Ways to recover from global recession and tackle its impacts on the domestic economy, Benefit for Bangladesh as a disproportionately affected country, Smooth export of human resources under WTO's MODE-4 or free movement of natural persons to the developed world and duty facilities and withdrawal of any restriction on export of food items to LDCs to avert any food crisis in poor countries.



A partial view of the 7th WTO Ministerial Conference held in Geneva. Commerce Minister Lt. Col. (Retd.) Muhammad Faruk Khan and ICCB President Mahbubur Rahman are seen attending the Conference.

The delegates also had several meetings on the sidelines with leaders of other LDCs, SAARC and BRIC leaders to harness economic, bilateral and multilateral trade benefits.

ICCB President Mahbubur Rahman joined the delegation and actively participated in the Conference. Other members of the delegation included Director General, WTO Cell Amitava Chakraborty, Tariff Commission Chairman Dr. M. M. Rahman, CPD Executive Director Prof. Mustafizur Rahman, FBCCI President Annisul Huq, BGMEA Director Arshad Jamal Dipu, WTO Cell Deputy Director Ms. Sharifa Khan, Tariff Commission Joint Chief Dr. Mostafa Abid Khan, BKMEA President Md. Fazlul Hoque, BTMA President Abdul Hai Sarker, BCI Former President Abdul Kader Azad. Ambassador of Bangladesh in Geneva Md. Abdul Hannan, Economic Minister Mutahar Hossain and Counselor Khandaker Muhammad Talha also attended the Conference locally.

Roundtable on US-Bangladesh Trade and Investment Relations

USA least interested in multilateral trade negotiation: observes ICCB President

A Round Table Conference on US-Bangladesh Trade and Investment Relations: Issues and Prospects was held at the Policy Research Institute (PRI) of Bangladesh on October 20, which was jointly organized by The Financial Express and PRI. Assistant US Trade Representative for South Asia Michael J. Delaney presented the Keynote paper.

ICCB President Mahbubur Rahman joined the Conference and exchanged views on the issue. He referred to Mr. Delaney who asserted that every action related to the policy should be transparent and all stakeholders must be involved. He stated that in this case, transparency is almost nowhere and stakeholders are not a party. It was also mentioned that USA has lost interest in the multilateral trade negotiation after Doha round of WTO. So they are more concentrating on the bilateral trade negotiation than multilateral trade. Besides, the initiative that is being taken by AFL-CIO is not very open and seems to be a non tariff barrier. So, Bangladesh should be involved both in the FTA and TIFA.

On the basis of discussion ICCB President said it is absolutely essential that stakeholders must be a party before we sign this framework agreement. If it is favourable for both these countries bilaterally, then this is a more advantageous position for both countries, so there is no reason for not signing the agreement, similar the case with FTA also. He remarks that US seems more inclined to bi-lateral trade relation ever since Seatle, Cancun, Doha Round. It is alleged that US is no more confident and enthusiastic about multilateral trade and by 2020 US would like to get out of WTO. He added that G-20 is increasingly taking a central role in trade negotiations and as such US seems to be not serious in concluding Doha Round.

Presided over by PRI Chairman Dr. Zaidi Sattar, the Roundtable was also attended and participated

by Federation of Bangladesh Chamber of Commerce & Industry (FBCCI) President Annisul Huq The Financial Express Editor Moazzem Hossain, former Adviser to the Caretaker Government Dr. ABM Mirza Azizul Islam, Transport Policy Adviser to Planning Commission Dr. M. Rahmatullah, CPD Executive Director Dr. Mustafizur Rahman, BFTI CEO Dr. M. A. Taslim, Nirman International Managing Director K. Z. Islam, former Ambassador to the UN Mission in Geneva Bar. Harun ur Rashid, DMD of Abdul Monem Ltd. ASM Mainuddin Monem and former FBCCI President Yousuf Abdullah Haroon; among others.

CDCS Certificates Award Ceremony

14 Bankers new CDCS Experts

Dr. Wahiduddin Mahmud, former Adviser to the Caretaker Government distributed certificates to the 14 bankers who successfully completed the Certified Documentary Credit Specialist (CDCS) Examination held in Dhaka on April 16, 2009 at a simple ceremony at DCCI auditorium on November 5. Dr. Mahmud congratulated the new CDCS Experts and expected that they would be able to provide better services to the clients and to the nation.

ICCB President Mahbubur Rahman while speaking on the occasion said that CDCS is an international standard qualification for documentary credit specialist. It is a professional certification that enables documentary credit practitioners to demonstrate specialized knowledge and application of skills required for competent practice. He hoped that the new CDCS experts would be able to contribute substantially to provide professionally skilled and improved services to their clients. A number of business leaders, senior bankers, professionals and journalists attended the Certificate Award Ceremony.

The bankers, who came out successful in the examination are: five from Eastern Bank Limited, two each from Islami Bank Bangladesh Limited and Standard Chartered Bank Limited and one each from AB Bank Limited, Bank Asia Limited, The City Bank Limited, Commercial Bank of Ceylon Limited and United Commercial Bank Limited. So far, a total of 24 bankers have become CDCS Specialists. ICC Bangladesh has been hosting the CDCS Examination since 2008. The ifs School of Finance, UK and ICC Hqs, Paris holds the CDCS Examination worldwide every year.



Former Adviser to the Caretaker government Prof. Wahiduddin Mahmud is seen distributing certificates to the new CDCS Experts. ICCB President Mahbubur Rahman is seen sitting in the dais.

Farewell to Standard Chartered Bank CEO Osman Murad

A farewell lunch for outgoing Standard Charted Bank CEO Osman Murad was hosted by ICC Bangladesh on October 8. ICCB President Mahbubur Rahman lauded the role played by Mr. Murad during his assignment for the development of the banking sector in Bangladesh as well as for promotion of trade and investment. With his departure, Bangladesh businesses would be missing a well wisher who has continuously tried to help create confidence among the investors for setting new ventures and thus help industrial development of Bangladesh. Mr. Osman Murad thanked the ICCB President and members of the business community as well those who were present at the lunch for extending their all out cooperation to him during his tenure in Bangladesh. Among others, ICCB Vice President Samson H. Chowdhury, former

Advisers to the caretaker Government Prof. Wahiduddin Mahmud and Mahbub Jamil, ICCB Executive Board Members A. S. M. Quasem, Aftab ul Islam, Masih Ul Karim, Waliur Rahman Bhuiyan, OBE, DCCI President Zafar Osman, BRAC Bank MD A. E. A. Muhaimen, Major General (Rtd.) Amin Ahmed Chowdhury, BB, PSC, Ms. Nihad Kabir, Bar-at-Law, Commercial Bank of Ceylon Ltd. CEO S. Prabagar, Warid Telecom Chief Executive Officer Muneer Farooqui, Warid Telecom General Manager Ashraful H. Chowdhury, The New Age Chairman Editorial board ASM Shahidullah Khan, Ambassador Dr. Taufiq Ali, Standard Chartered Bank Managting Director Ahmed Ali Shah and ICCB Secretary Ataur Rahman attended the function.



Group photograph of the guests at the farewell lunch hosted by ICC Bangladesh in honour of outgoing CEO of Standard Chartered Bank Osman Murad (sitting at the centre). ICCB President Mahbubur Rahman (3rd from right) and Prof. Wahiduddin Mahmud (3rd from left) are also seen in the picture along with other guests.

Ethiopian delegation visits ICCB

A delegation from the Ethiopian Chamber of Commerce and Sectoral Association visited ICC Bangladesh on December 20. The purpose of their official visit to Bangladesh, organized by IFC BICF (Bangladesh Investment Climate Fund), was to understand the Public Private Dialogue (PPD) process in Bangladesh. The delegation had a detail discussion with ICCB President Mahbubur Rahman. The visit was organized by the Bangladesh Investment Climate Fund (BICF). The delegation comprised of eight members including the President, Mr. Eyessuswork Zafu; Board members Gebrehiwot Egiziabher, Woldeamanuel Abiyo, Mohammed Abdulgani, Alemayahu Mequanint and Sintayehu Mulugeta; and Secretary General Gashaw Debebe.



Meeting with the Ethiopean Business Delegation is in progress. ICCB President Mahbubur Rahman presiding.

At the outset, ICCB President explained the structure of Bangladesh Better Business Forum (BBBF) and pointed out how much the PPD process brought both private sector and government representatives to the same platform to identify constraints to businesses and develop appropriate solutions. The President also praised BICF in assembling such forum and thereby facilitating the much needed dialogue. In addition, he also pointed out that such dialogues are driven by political will, which was dampened following the assumption of the newly elected democratic government. In response, the Secretary General, Mr. Gashaw Debebe of the Ethiopian Chamber explained how similar dialogues were also commenced in their own country and how they failed due to political will. All the members of the delegation agreed that the scenario was very much similar and praised

Bangladesh's progress with PPD. Among other discussions, the President of ICCB also elaborated on the structure of ICC itself and how it functions in more than 120 economies. The delegation acknowledged the positive contribution of ICC in the PPD process in Bangladesh.

Afgan Business Delegation called on ICCB President

A business delegation from Harakat Afghanistan, during their visit to Bangladesh called on ICCB President Mahabubur Rahman at ICCB secretariat on October 15.

ICCB president Mahbubur Rahman briefed them about Bangladesh Better Business Forum (BBBF) and the process of Public Private Dialogue (PPD) in Bangladesh. He also explained the activities of ICC Hqs. in Paris and ICC Bangladesh.



ICCB President Mahbubur Rahman is presiding a meeting with the Afgan Business Delegation at ICCB Secretariat

It may be mentioned that Harakat is a facility similar to BICF, based in Afghanistan and funded by DFID. The purpose of the visit was a study tour. Many of the staff at Harakat are new to the area of Investment Climate Reform and wish to learn from Bangladesh and in particular, Bangladesh Investment Climate Fund, and its stakeholders, to build their capacity and knowledge. Harakat senior management and selected board members met various stakeholders to learn about experiences in Bangladesh, implemented projects and lessons learnt. This world help them greatly to improve their project techniques or replicate similar projects in their own country.

Russian Ambassador called on ICCB President

Assures support for installation of Nuclear Power Plant

H. E. Dr. Gennady P. Trotsenko Ambassador of the Russian Federation to Bangladesh called on ICCB President Mahbubur Rahman at the ICCB Secretariat on October 27. They discussed on bilateral trade and cooperation between Bangladesh and Federation of Russia. The Ambassador said that Russia is ready to provide support for installation of nuclear power plants in Bangladesh to help the country overcome the on-going power crisis. In this regard he informed that a delegation from Bangladesh has already visited Moscow. ICCB President thanked the Ambassador for visiting ICCB and hoped that Federation of Russia will extend necessary assistance to Bangladesh overcoming the energy problems. Mahbubur Rahman briefed the Ambassador about the activities of ICC Hq , Paris and ICC Bangladesh. They also discussed on mutual areas of cooperation for promotion of trade. Mr. Salavat Aklaev, Third Secretary of the Embassy of Russain Federation and ICC Bangladesh Secretary Ataur Rahman were also present on the occasion.



ICCB President Mahbubur Rahman is seen discussing with the Ambassador of Russian Federation to Bangladesh H.E. Dr. Gennady P. Trotsenko at the ICCB Secretariat.

Seminar on Business to Business Promotion held in DCCI

The Embassy of the Kingdom of the Netherlands and the Dhaka Chamber of Commerce and Industry (DCCI) jointly organized a seminar on 'Business to Business Promotion by the Netherlands for Private Sector Development' on December 14 at DCCI Auditorium.

International Chamber of Commerce- Bangladesh (ICCB) President Mahbubur Rahman chaired the seminar.



ICCB President Mahbubur Rahman (centre) presiding over the seminar. DCCI Director R.I. Khan (extreme left), DCCI President Zafar Osman (2nd from left), The Netherlands Ambassador Alphons J.A.J.M.G. Hennekens (2nd from right) and DCCI President (elect) Abul Kasem Khan (extreme right) are also seen in the picture.

Speaking on the occasion DCCI President Zafar Osman hoped that the Private Sector Development Programme of the Kingdom of Netherlands government would play a significant role in strengthening and promoting bi-lateral trade and investment between the two friendly countries.

Ambassador of the Kingdom of Netherlands Alphons J.A.J.M.G. Hennekens also joined the seminar and said that the Netherlands government would help improve the private sector of Bangladesh.

Paul Schoenmakers, an Officer of the Netherlands Agency for International Business & Co-operation gave a detailed presentation on 'Investing in Bangladesh with the Netherlands'.

DCCI President (elect) Abul Kasem Khan, Director R.I. Khan and a number of business leaders attended the seminar.

Ambassador of Republic of Korea visits ICCB

2008 trade volume exceeded US$ 1.2 billion

H. E. Mr. Suk-Bum Park, Ambassador of Republic of Korea to Bangladesh called on ICCB President Mahbubur Rahman at ICCB Secretariat on October 22. They discussed on bilateral trade and cooperation between Bangladesh and Republic of Korea. The Ambassador mentioned that trade between the two countries is increasing, with trade balance in favour of Korea. Against a trade of US$1 billion during 2008, the trade volume has already exceeded US$1.2 billion. The export from Bangladesh to Korea is only about US$150 million. Ambassador Park assured the ICCB President that he would try to increase more export from Bangladesh to his country. With regard to recruiting Bangladesh workers he said that his country would prefer to have government to government arrangement for taking manpower



ICCB President Mahbubur Rahman is seen presenting ICCB Publications to the Ambassador of the Republic of Korea to Bangladesh H.E. Mr. Suk-Bum Park. Counselor and Chief of Mission Doo-soon Park, Resident Representative of Korea Business Centre (KOTRA) Han-Il Kim and ICCB Secretary Ataur Rahman are also seen in the picture.

from Bangladesh. ICCB President Mahbubur Rahman assured the Ambassador of extending full cooperation for promotion of trade between the two countries. ICC Bangladesh President briefed the Ambassador about ICC activities of both ICC Hq , Paris and ICC Bangladesh. ICCB President informed the Ambassador about holding a Conference on Energy for growth in Dhaka during the early part of 2010 in order to assist the newly elected Government in developing a workable strategy for resolving the energy crisis having a negative impact on investment in Bangladesh. The Ambassador welcomed the idea and said that he will extend all possible cooperation to ICCB. Counselor and Chief of Mission Doo-soon Park, Resident Representative of Korea Business Centre (KOTRA) Han-Il Kim and ICCB Secretary Ataur Rahman were also present.

Spanish Ambassador meets ICC Bangladesh President

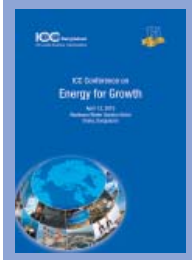
Mutual areas of cooperation discussed

H. E. Mr. Arturo Perez Martinez, Ambassador of Spain to Bangladesh called on ICCB President Mahbubur Rahman at the ICCB Secretariat on November 8. They discussed on bilateral trade and cooperation between Bangladesh and Spain. The Ambassador mentioned that at present yearly trade between the two countries is around Euro550 million, out of which export from Bangladesh to Spain is around Euro 500 million. ICCB President thanked the Ambassador for visiting ICC Bangladesh and for assuring his full cooperation for promotion of trade between the two countries. ICC Bangladesh President briefed the Ambassador Martinez about the activities of ICC Hq , Paris and ICC Bangladesh. To develop arbitration facilities, the ICC President Mahbubur Rahman informed the Ambassador about the establishment of the Bangladesh International Arbitration Centre (BIAC) by the three leading chambers of the country, namely the Dhaka Chamber of Commerce and Industry (DCCI), the Metropolitan Chamber of Commerce and Industry (MCCI) and the ICC Bangladesh. ICC Bangladesh Secretary Ataur Rahman was also present during the meeting.



ICCB President Mahbubur Rahman (centre) discussing with the Spanish Ambassador H.E. Mr. Arturo Perez Martinez (right). ICCB Secretary Ataur Rahman (left) is also seen in the picture.

ICCB UPCOMING EVENTS



ICC Conference on

Energy for Growth

Venue: Radisson Water Garden Hotel Dhaka
Date: 13 April 2010

Workshop On

International Trade Fraud : Prevention, Control & Remedies

Venue: Bangabandhu International Conference Centre, Dhaka,
Date: 28 February, 2010
Venue: The Peninsula, Chittagong,
Date: 1 March, 2010

For further information and registration please contact:
Secretary, ICC Bangladesh, Suvastu Tower (6th Floor)
69/1, Pantha Path, Dhaka-l205.
Tel : 8621942, 9676698, Fax ; +88 8621027, email: iccb@bdmail.net

Bangladesh Economy

Bangladesh has high potential of becoming a leading economy in the 21st century: States Goldman Sachs outlook on post-global meltdown

Bangladesh figures in a group of countries that are emerging from the shocks of global economic crisis better than the developed world, US investment bank Goldman Sachs finds in a research. The research report released on December 4 says Bangladesh has performed "broadly in line with expectations".

Also, Bangladesh is one of the 11 countries that have a high potential of becoming a leading economy in the 21st century along with Brazil, Russia, India and China (BRICs), Goldman Sachs says in the report styled "Long-Term Outlook for the BRICs and N-11 Post Crisis". The other 10 countries that constitute N-11 (Next Eleven) as dubbed by Goldman Sachs are Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, the Philippines, South Korea, Turkey and Vietnam.

The bank has recently chosen these states, all with promising outlooks for investment and future growth. Goldman Sachs used macroeconomic stability, political maturity, openness of trade and investment policies, and the quality of education as criteria. The N-11 paper is a follow-up to the bank's 2003 paper on the four emerging BRIC economies.

"Bangladesh was the only country in the BRIC and N-11 where macro stability components improved. Like others, it also benefited from higher mobile penetration, while political conditions took a step back," says the Goldman Sachs report. It is now possible that China will become as big as the US by 2027, and the BRICs as big as the G7 by 2032, while China, Brazil, India, Indonesia and the Philippines appear to be performing best. "Bangladesh, Egypt, Korea, Nigeria, Turkey and Vietnam form a second group of countries that have performed broadly in line with expectations," says the report.

On an individual country basis, all of the BRICs and seven of the N-11 countries--Bangladesh, Egypt, Indonesia, Iran, Nigeria, Philippines and Vietnam--contributed more to world growth in 2007-2008 than from 2000 to 2006. Between 2007 and 2009, Mexico, Russia and Turkey saw the deepest downturns in the two groups. These three countries saw their economies shrink in 2009. "China, India, Indonesia and Bangladesh experienced only relatively mild slowdowns," the report says.

Stock markets in Mexico, Korea and Bangladesh declined notably less amid the global economic meltdown. Since the rebound in equity markets, some markets have recovered substantially. Brazil and Mexico are almost back to their previous peaks. Bangladesh has recovered all its losses, says Goldman Sachs, adding that China and Russia have only regained around half of their respective all-time highs.

"Global credit crisis and recession have tested the resilience of our GES (Growth Environment Score)," which is designed to measure the strength of a country's sustainable growth, Goldman Sachs says. Brazil, China, Indonesia and even Bangladesh have shown less vulnerability to the crisis.

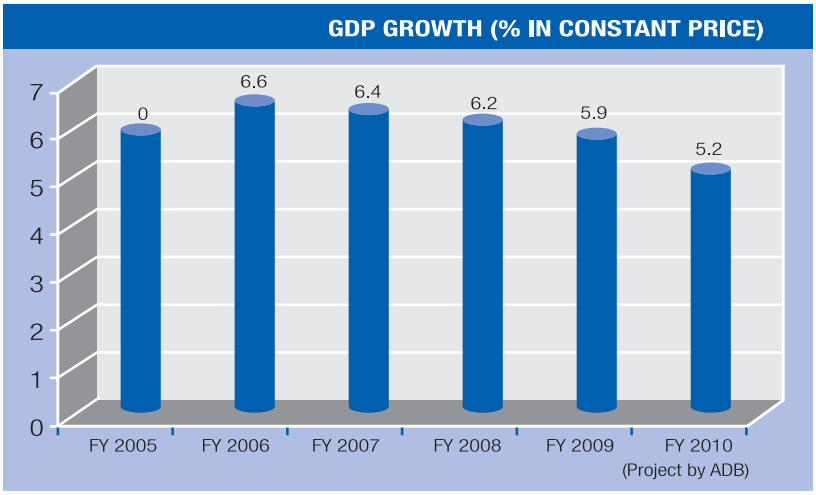
All the BRIC and N-11 countries, with the exception of Bangladesh, have given back a large share of the gains made in the macro stability category, as a result of higher inflation, rising external debt and deteriorating government deficits. Political conditions have also suffered in some places. All the countries that rank relatively highly in terms of their GES are expected to recover faster. These include Brazil, Korea, Mexico, Russia, Turkey and Vietnam.

"On the other hand, those places where our GES remains significantly below the developing-country average are likely to see a very modest acceleration. Bangladesh, Nigeria and Pakistan reflect this," says the Goldman Sachs report.

Impact of the global economic crisis on the Bangladesh economy : ADB

Asian Development Bank on December 17 projected Bangladesh's GDP growth at 5.2 percent for 2010, fearing continuous fallout from the global economic turmoil. ADB's forecast for this fiscal year is less than the government projection that economic growth may cross 6 percent. The country recorded GDP growth at 5.9 percent last fiscal year. ADB also projected a slowdown in agriculture and industrial growth. The agriculture sector growth rate, according to the ADB report, is expected to slow down to 4.1 percent in FY2010 from 4.6 percent in FY2009. ADB projected 5.5 percent growth in the services sector in FY2010, which was 6.3 percent in FY2009. Pointing to last year's adverse climate and low prices of agricultural produce and poor

infrastructure, including gas and power scarcity, ADB suggested Bangladesh put all efforts in improving its investment climate, upgrading infrastructure, reducing power and energy shortages and accelerating economic reforms.



Effects of the Global Economic Crisis

On industrial growth, it said adverse effects of the global economic slowdown are expected to dampen export sector growth in FY2010, which, in turn, will hit domestic industrial production. It also said the deficiency in power, gas and other basic infrastructure are the major supply-side bottlenecks of growth in industry, expectedly 6 percent in FY2010.

The report also pointed out that slowdown in imports will affect the transport sector. The telecommunications sector is likely to be moderate following a robust growth last fiscal year. Banks and insurance companies will continue to be affected by sluggish investment activities, the ADB said.

First-round effects.

The direct impact of the global economic crisis on the Bangladesh economy was transmitted through international trade and remittances with virtually no impact on the financial sector.

Financial Sector

The financial sector did not experience any major disturbance from the global financial meltdown because of its limited linkages with the international financial system. Bangladeshi financial institutions had limited exposure particularly to toxic mortgage-based assets and thus did not sustain any losses of consequence due to the global financial crisis.

The domestic economy did not experience liquidity crisis as the commercial bank-dominated financial sector in Bangladesh was not directly affected by the international crisis. Deposit growth and credit demand remained healthy, and asset quality was not adversely affected by the first round impacts of the crisis. Further, no adverse impacts were visible on the availability of trade financing for Bangladeshi exporters and importers.

International Trade

Export growth began to decelerate rapidly after a very strong first quarter of FY2009. Almost all non-garment and garment (readymade garments and knitwear) exports registered a sharp slowdown. This is attributable to the drop in external demand and decline in prices set in motion by the global economic crisis.

From the beginning of the second quarter of FY2009 (October–December 2008), export growth decelerated sharply once the economic crisis in the industrial countries, which are the major destinations of Bangladeshi exports, took hold. During the last three quarters of FY2009 (i.e., from October 2008 to June 2009), overall export growth year-on-year was only 1.4%, a steep decline from 23.7% in the same period a year earlier. By the end of FY2009, while the growth of garment exports was still respectable at 15.4%, non-garment exports (mainly frozen foods, leather, and jute) had declined by 5.6%.

Based on the recent performance for garment and nongarment exports and the decline (5.6%) in the import of capital machinery and textile raw materials during FY2009, a further sharp slowdown in export growth in the remainder of FY2010 cannot be ruled out.

Remittances

Workers' remittances are still growing, but the pace of growth has decelerated though with some volatility. The number of workers leaving Bangladesh for work abroad has fallen sharply, while the number of people returning home has risen significantly. The growth of workers' remittances slowed from 43.5% in the first quarter of FY2009, to 15.5% during January–June 2009. The growth rate in remittances declined to 9.5% in March and 7.6% in April 2009, before rising again to 22.6% in May and 22.0% in June. Beginning in FY2010, the growth rate showed some volatility, falling to 7.9% in July 2009, rising sharply to 29.5% in August, falling again to 11.8% in September 2009, before rising to 40.5% in October 2009.

Second-round effects.

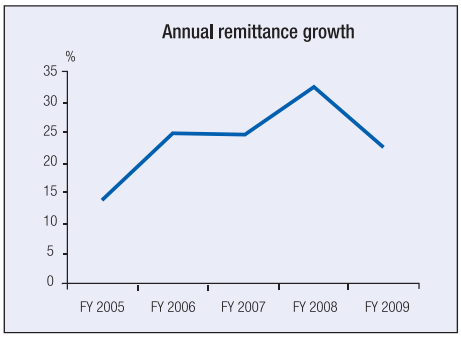
The marked slowdown in export and remittance growth in FY2009 had its effects on the broader domestic economy through inter-sectoral linkages. The contribution of exports and remittances to

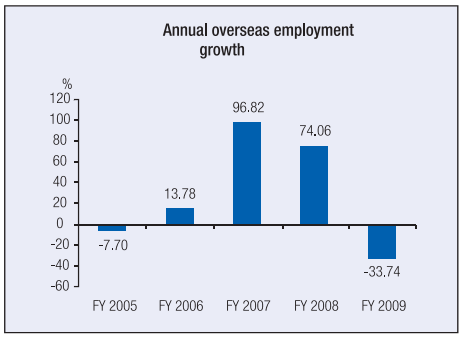
domestic growth has been immense. Innumerable households spread all over the country are directly benefiting from remittance inflows with significant impacts on poverty reduction. Remittances are also responsible for a significant part of expanding domestic demand.

On the other hand, the domestic manufacturing sector depends heavily on export sector developments and thus on the performance of the global economy. As global economic activity is unlikely to pick up before the end of 2009, demand (both domestic and foreign) for goods made in Bangladesh is expected to remain subdued because of the slower growth in remittance inflows and lower demand for exports, which in turn will lead to slower manufacturing growth.

Growth in government tax revenue also slowed significantly as a result of lower imports and slower domestic economic activity. Revenue collection recorded a surplus relative to target in the first quarter of FY2009, but, thereafter turned into a rising deficit. Encouraged by the record growth in tax revenue in FY2008 (27.4%), the government set an ambitious tax revenue target of Tk545 billion ($7.9 billion) for FY2009. It believed that the targeted revenue growth of 15.5% would not be difficult to achieve given the recent impressive performance.

But actual revenue growth in FY2009 was only 10.7%, far lower than the 27.4% growth in FY2008. With the global economic crisis beginning to affect Bangladesh, from October 2008 onward, all major taxes registered slower growth. The pattern is expected to continue well into FY2010, constraining the government's ability to meet essential spending on infrastructure and social sectors, including on social protection and social safety net programs (SSNPs).





Despite recession foreign exchange reserve and remittance marked milestone in 2009

Foreign Exchange reserve increased from US$1b to US$10b in 10 years

Foreign exchange reserve and remittance marked an important milestone in Bangladesh economy in 2009, despite the development partners' glum forecasts in the face of global recession. In ten years, foreign currency reserve grew from $1 billion to cross the $10 billion mark this year for the first time.

Also remittance was about to touch the $10 billion mark last fiscal year, and is expected to cross the milestone this year. The country pulled in $1 billion remittance in November, which is highest ever for a single month. The average inflow throughout the year paints a rosier picture.

A few years ago, Bangladesh received remittance of $2 billion to $3 billion annually. The amount crossed $5 billion in fiscal 2006-07. The remittance inflow was $9.68 billion in the last fiscal year with a growth of 22.42 percent. In the first five months of the current fiscal year the remittance growth was 24.48 percent.

Manpower export has dropped drastically in recent times - around 981,000 people went abroad in fiscal 2007-08 and the figure dropped to 650,000 in 2008-09. In the first four months of the current fiscal year, manpower export went down by around 47 percent and stood at 150,000. Despite a fall in manpower export, remittance inflow increased, surprising many observers.

Both foreign exchange reserve and remittance were broadly immune to the global recession that has been lingering for around two years now. Surprised at the successes, experts also cautioned the government against any inflationary pressure that may be caused by the achievements in remittance and foreign exchange reserve.

Boosted by a surge in remittances, Bangladesh's overall balance of payments surplus reached US$1334 million in September, the first four month of the current 2009-10 fiscal year, according to central

bank data. The current account surplus surged to US$1416 million compared to US$308 million of the same period a year ago.

The overall balance of payments (BoP) surplus of the South Asian country was 217 million U.S. dollars during the same period of the previous fiscal year 2008-09 (July 2007 - June 2008), according to the statistics of the Bangladesh Bank (BB). For robust growth in remittances, the BB data showed, flow of net foreign direct investment, which stood at US$170 million against US$301 million of the corresponding period of previous fiscal, also contributed to keep current account balance remain healthy. The central bank data showed the financial account balance stood at a surplus of US$51 million against the deficit of US$125 million in the same period in last fiscal year.

The BB data showed the country's remittance inflow grew 15.89 percent to US$2708.10 million in September, which also helped offset the impact of the trade shortfall. According to the central bank data, the country's overall trade deficit stood at US$738 million in September period from US$1310 million of the corresponding period of the previous fiscal.

The country's import payment was US$4614 million in during July-September'10 period while earnings from exports stood at US$3876 million. Following the larger surplus in overall balance of payments. Foreign exchange reserve in November crossed $10 billion for the first time and on June 30 the amount was $7.47 billion. The amount was $10.29 billion on December 22. On the same day last year the amount was $5.80 billion. The main reasons behind the increase in foreign exchange reserve are a decline in import and the boost in remittance. Normally import increases every year but the trend is negative now.

Balance of payments : FY05 to FY09

(Value in million US$)

Items	FY06-07	FY07-08	FY08-09	FY-09 (July-Sept)	FY-10 (July-Sept)
Trade balance	**-3458**	**-533 0**	**-4708**	**-1310**	**-738**
Exports f.o.b (including EPZ)	12053	14151	15583	4399	3876
Imports f.o.b (including EPZ)	-15511	-19481	-20291	-5709	-4614
Services	**-1255**	**-1525**	**-1621**	**-637**	**-325**
Receipts	1484	1891	1832	391	473
Payments	-2739	-3416	-3453	-1028	-798
Income	**-905**	**-994**	**-1361**	**-186**	**-343**
Receipts	244	217	95	56	10
Payments	-1149	-1211	-1456	-242	-353
Current transfers	**6554**	**8529**	**10226**	**2441**	**2822**
Official transfer	97	127	72	5	7
Private transfer	6457	8402	10154	2436	2815
Of which : Workers remittances	5979	7915	9689	2337	2709
Current account balance	**936**	**680**	**2536**	**308**	**1416**
Capital account	**490**	**576**	**451**	**64**	**95**
Capital transfer	490	576	451	64	95
Financial account	**762**	**-457**	**-808**	**-125**	**51**
i) Foreign direct investment (net)	793	748	941	301	170
ii) Portfolio investment	106	47	-159	5	-23
iii) Other investment	-137	-1252	-1590	-431	-96
Errors and omissions	-695	-468	-121	149	-228
Overall balance	**1493**	**331**	**2058**	**396**	**1334**

Source : Bangladesh Bank

Compiled by : ICCB Research Cell

Bangladesh leads South Asia in fighting hunger

Ranks 13 among 29 vulnerable nations

Bangladesh has ranked 13th among 29 vulnerable countries in terms of combating hunger by successfully reducing its rate over the last few years. Scoring 41 points in the global scorecard on hunger situation, Bangladesh has outpaced its two neighbouring countries--India (22nd) and Nepal (19th).

Marking the World Food Day, ActionAid International on October 16 published the scorecards in its UK based research titled 'Who is Really Fighting Hunger.' "Bangladesh has made a good progress in reducing the number of chronically food insecure citizens-from 40 million to 27 million-over the last decade," said the research report.

It, however, said Bangladesh has the third highest number of hungry people in the world after India and China partly because of its large population. The report also said that though Bangladesh has improved the status of nutrition of the under-five children in the last two decades, it still has a long way to go to combat malnutrition. In order to reduce the vulnerability of rural poor, the report suggested finding out a permanent solution to the annual monga (near famine situation).

Brazil topped an anti-hunger scorecard followed by China where 58 million people have more to eat but India earned low marks in the ActionAid index, reports AFP. ActionAid said 30 million more people in India, listed at number 22 after countries like Ethiopia and Lesotho, had slipped into the hungry category since the mid-1990s. Less than nine percent of China's population now go hungry with 58 million people no longer undernourished, edging the Asian giant into second place on the developing state table.

However, the World Summit ((November 16-18) on Food Security is taking place at a time when food security challenge gets bigger with the number of hungry people hitting an all-time high of 1.02 billion since 1970, the earliest year for which comparative statistics are available. Over a decade after the world nations pledging for halving the incidence of hunger by 2015, FAO estimates show, in real terms, the number of hungry people rose by over 150 million from less than 850 million during 1990-92 to over a billion this year.

As per FAO statistics for 2009, of the 1.02 billion hungry people, Asia and the Pacific is the home to the largest concentration of 642 million hungry people, followed by Sub-Saharan Africa with 265 million, Latin America and the Caribbean with 53 million, Near East and North Africa 42 million and developed countries sharing a little pie of 15 million only.

The Washington-based food policy think tank IFPRI, however, insists people to look at the hunger figure in a different way. Releasing "Millions Fed" - a compilation of 20 proven successes in agricultural development - ahead of this week's food summit, the International Food Policy Research Institute (IFPRI) stated on November 12 that the proportion of the world's population that has remained hungry has declined dramatically.

With the world leaders converging at a three-day World Summit (November 16-18) on Food Security in Rome gave a new momentum to the fight against hunger, Bangladesh commits to eradicate domestic hunger by becoming food self-sufficient by 2013 and making food available to the vulnerable.

Stocks pass dynamic days during the year 2009

Market capitalization to GDP increased from 18.75 per cent to 30 per cent

Bangladesh's stock market went through a boisterous year that witnessed some landmark achievements. Although a bearish trend dominated the market in the first quarter and investors called to mind the 1996 debacle, the next two quarters were smooth sailing on the government's efforts to keep the market stable. However gloom presided over the last quarter as investors began losing confidence because of government intervention.

From January 1 to December 27, the benchmark index of Dhaka Stock Exchange went up by 1,668 points, or 59 percent. Grameenphone, which alone added some 700 points in the indices, backed the jump. Total market capitalization that was Tk 1,046,780 million on January 1, 2009 reached Tk 1,881,730 million on December 27-- an 80 percent jump. As of December 27, market capitalization to GDP (gross domestic product) ratio was around 30 percent, which was 18.75 percent on January 1.

Fear over the 1996 debacle was the main reason behind the market's bearish trend until early March. The government then entered the scene and assured that the bad time is over. Leading mobile phone operator Grameenphone (GP) began share trade on November 16 as the largest-ever issue with 1,350 million shares worth Tk 10 each. On debut, GP alone added more than 700 points in the key index of Dhaka Stock Exchange. The GP shares also added more than Tk 200,000 million to market capitalization.

Regional News

Emerging East Asia—A Regional Economic Update by ADB

Asia poised for growth this year, but risks remain

Massive stimulus spending throughout the region will power stronger-than-forecast growth in developing Asia this year and next, the Asian Development Bank said on December 15 in it's review on the regional economy. ADB has predicted a growth of 4.5 percent in 2009 and 6.6 next year after a better-than-expected recovery in the September quarter, as against the bank's earlier forecast of 3.9 and 6.4 per cent respectively. However, it added that there were still some threats.

ADB Chief Economist Jong-Wha said Asian nations have pumped huge amounts of money into their economies to fight the global downturn, China leading the way with almost 600 billion dollars of boosting measures.

India is expected to grow 7.0 percent this year, a percentage point higher than previously forecast, while China's growth estimate is unchanged from its September forecast of 8.2 percent this year, and 8.9 percent next year.

The Chief economist noted that there was "a moderate improvement" in the major export market economies of Europe, Japan and the United States that had helped the region recover. But while China's growth would continue to steam ahead next year "the speed of that upturn will depend on the performance of the global economy." "The recovery in the G3 (Europe, Japan and US) is still soft and there are a number of downside risks," he said.

"Asia is now leading the recovery from the global recession, but the big question is if this kind of rebound will lead to sustained recovery in 2010," ADB said. Developing Asian economies comprise 44 developing member countries of the ADB, plus Brunei, an unclassified regional member.

The report noted that among the risks were a short-lived recovery in developed economies- which are key markets for Asian exporters -- premature policy tightening and a slower pick up in private demand.

It noted that among others, oil-rich Dubai's debt crisis "was a reminder of the bumps on the road to recovery." "These existing and emerging problems could hamper and even derail the recovery in emerging East Asia," the report said.

Highlights :

- Beginning the second quarter of 2009, economic growth in emerging East Asia rebounded strongly, with domestic demand picking up as confidence returned.

- Inflation across the region remained muted in the second half of 2009 despite the recovery beginning to take hold.

- Balance of payments across the region improved in 2009 as current account surpluses increased and capital inflows returned to the region.

- Stock markets emerging East Asia continued to rebound in the second half of 2009, though still below early 2008 levels.

- Almost all currencies in the region appreciated against the US dollar in the second half of 2009 with strong capital inflows and an improved regional economic outlook.

- Movements in bond yield curves in emerging East Asian markets were mixed in the second half of the year with changes generally small.

- With recovery in its early stages and inflation low, authorities have continued to maintain an accomodative stance in monetary and fiscal policy.

- Emerging East Asia's banking systems weathered the financial storm well, showing strong profits, ample capital cushions, and improved prudential oversight.

Outlook and Risks

- Large and timely liquidity support, unprecedented monetary easing and substantial fiscal stimulus have helped advanced economies begin to emerge from the worst global downturn since the Second World War.

- Emerging East Asian economies have performed better than anticipated this year thanks to swift policy responses and an improved external environment; GDP is now expected to grow 4.2% in 2009 and 6.8% in 2010.

- Major downside risks to the outlook include (i) a short-lived recovery in developed economies, (ii) policy errors such as premature policy tightening, (iii) a slower-than-expected pick up in private demand, and (iv) destabilizing capital flows.

Policy Issues

- Emerging East Asia now faces the challenge of converting economic rebound to sustained recovery.

- With the global recovery tentative, monetary policy should remain accommodative where feasible, with a watchful eye on inflation and asset prices.

- Fiscal stimulus must continue, where there is room, to bolster domestic demand.

- Stimulus exit strategies must

be planned carefully—if done too soon, recovery may be at risk; if too late, fiscal deficits and monetary expansion could become unsustainable and inflationary.

● Emerging East Asia must play a constructive role in reshaping the global economic architecture through its expanded influence in global forums such as the G20.

● It is time to take regional cooperation to the next level, in trade, finance, and economic surveillance.

Regional Surveillance for Economic Stability

● With the multilateralization of the Chiang Mai Initiative, the need for effective regional surveillance in East Asia has taken on a more immediate, yet evolving, purpose.

● Regional surveillance by an objective regional institution should create a more effective crisis prevention mechanism.

● Most importantly, an effective regional surveillance mechanism can help bring East Asian policy dialogue—and cooperation in general—to the next level.

● An effective regional surveillance mechanism for East Asia should (i) clearly define the purpose of surveillance; (ii) coordinate with other multilateral and regional institutions; (iii) use objective indicators for analysis; (iv) ensure the surveillance unit's independence; and (v) report results directly to senior policymakers.

● For regional surveillance to grow stronger, enhanced capacity to conduct surveillance is needed along with an appropriate institutional mechanism to carry it out.

Nobel laureate Prof Muhammad Yunus addresses Indian Lok Sabha and Rajya Sabha Members

calls for visa-free South Asian Union by 2030

Nobel laureate Prof Muhammad Yunus on December 9 called for creating a well-functioning and visa-free South Asian Union by 2030. In the union, he envisages, there will be a common flag, alongside the national flags of the member countries, a common currency, and a large area of common domestic and international policies. In a lecture delivered at the joint meeting of the members of Lok Sabha and Rajya Sabha of India in the Central Hall of Indian Parliament, Yunus also pushed forward a number of targets for the South Asian leaders.

He said the first career choice for every child growing up in South Asia will not be to work for some company but to launch his or her own enterprise. "Let's dream that by 2030 we'll create a robust financial system to provide easy access to financial services to every single person," Yunus said. He urged a range of creative and effective social businesses working throughout South Asia to solve social problems.

Yunus hoped South Asia will set up a reliable state-of-the-art healthcare system that will provide affordable services to all people. Quite upbeat on the region, he said: "Let's dream that by 2030 we'll make South Asia the first poverty-free region of the world. Let's prepare to challenge the world to find a poor person anywhere in South Asia.

"Do all these dreams sound impossible? If they do, that means they are likely to come true if we believe in them and work for them. That's what the history of the last 50 years teaches us."

The Nobel laureate delivered the speech in honour of academician and parliamentarian Prof Hirendranath Mukherjee, better known as Hiren Mukherjee, whose commitment to social justice spanned over 60 years until his death in 2004. Yunus's lecture revolved around the role of social business and also social stock markets in making the "dreams" come true.

Among the distinguished listeners of Prof Yunus were Prime Minister Manmohan Singh, Congress party President Sonia Gandhi and Vice-President Hamid Ansari who is also the chairman of Rajya Sabha, and Lok Sabha Speaker Meira Kumar. As soon as Yunus ended his scripted speech, there was the loudest round of applause from the lawmakers and leaders.

The Indian Premier described Prof Yunus as a great visionary and said India has much to learn from him as he had applied his brilliance in reducing the poverty of millions.



Climate change summit accepts US-backed agreement but deal is not legally binding

Copenhagen climate change summit delegates have recognised a US-backed agreement on climate change. The decision follows a US-led group of five nations - including China - tabling a last-minute proposal that US President Barack Obama called a 'meaningful agreement'.

It came as delegates began to fear the summit would end without a meaningful resolution being reached. On December 19 morning the conference said it 'takes note' of the accord - and said the document setting out the deal would specify a list of countries which agreed with it, as some nations were still adamant they would not accept it. The deal includes references to keeping temperature rises to no more than 2C and provisions for finance to help poor countries fight global warming.

At one stage of negotiations, the conference threatened to descend into farce as the Sudenese delegate said the US-led proposal would condemn Africa to many deaths from global warming and compared it with the Holocaust - a statement which was roundly condemned by others including the UK's Climate Change Secretary Ed Miliband.

The deal does not include any targets for cutting greenhouse gas emissions. The fudged deal - backed by Britain, America, South Africa, India, Brazil and China - came after a day of bitter rows and divisions in which the United Nations talks came close to collapse.

On December 18 night, President Obama said the deal was an 'unprecedented breakthrough' and that countries would add firm commitments next year. But its flimsy nature was exposed when he admitted targets put forward by countries 'will not be by themselves sufficient to get to where we need to get by 2050'.

The deal includes a pledge to limit the rise in global temperatures to 2C - seen as the cut-off point for averting catastrophe - and a pledge to spend £67 billion a year on helping poor countries tackle global warming by 2020.

The agreement said they had agreed to 'listing their national actions and commitments, a finance mechanism, to set a mitigation target of two degrees Celsius and to provide information on the implementation of their actions through national communications, with provisions for international consultations and analysis under clearly defined guidelines'.

But it has no long-term global targets for emissions cuts or a timetable to turn the agreement into a legally-binding treaty.

Prime Minister Gordon Brown said the agreement was 'a vital first step' but accepted that a lot more work was required to turn it into the legal treaty he had originally wanted to secure at the summit. He said: 'This is the first step we are taking towards a green and low carbon future for the world, steps we are taking together. First steps are difficult, but they are also necessary.' The British Prime Minister said China opposed turning the proposals into a treaty 'for the wrong reasons: clinging to their version of what they think international organisations should not do'.

Mr Brown had offered to hand over £7.5 billion in extra cash to developing countries to sweeten the deal. He also offered to cut Britain's carbon emissions by an eye-watering 42 per cent - 10 times the level offered by the United States.

But in a further humiliation Mr Brown was not included in a list of world leaders personally thanked by Barack Obama for their contribution to the talks. The 11th-hour deal followed two years of negotiations and a fortnight of intensive talks aimed at saving the planet.

Meanwhile, conservation charity WWF said that the EU should have moved unilaterally to strike a more meaningful deal, instead of making it conditional on ambitious offers from others.

7th WTO Ministerial Meeting

LDC's and Developing Countries adopts informal position paper

The 7th Ministerial Meeting of the WTO took place amid the changed economic conditions of global capitalism and the end of the most debt- and speculative capital-driven episode in its history. In the Meeting Trade Ministers from 153 countries gathered in the WTO headquarters on November 30. The group of 22 countries, which includes key players such as Argentina, Brazil and India, has agreed to conclude an agreement on tariff reductions by September 2010. The LDC Group also played a significant role under leadership of Commerce Minister of Bangladesh Muhammad Faruk Khan, MP.

It is mentionable that the Dar-es-Salaam LDC Ministerial produced a declaration and a work program though not much has been achieved since then to advance Bangladesh's interests,

particularly in duty-free market access. Even though, developing countries constitute the majority of the WTO's 153 members and account for at least 80 percent of the world's population. But to this day, the institution has shown itself to be politically and structurally incapable of responding to their diverse development priorities.

The two separate informal declaration taken by the Ministers from the LDCs and Developing Countries after extensive discussion are reproduced below:

Informal declaration of LDCs' Duty free quota free market access

"Developed country members facing difficulties in providing duty free and quota-free market access to all products originating from all LDCs, shall grant enhanced and commercially meaningful market access within the 97 per cent of products coverage, defined at the tariff line level, by early 2010"

"Enhanced and commercially meaningful market access" covers products of export interest to individual LDC.

Disproportionately Affected Countries (DAC)

"The outcome of the NAMA modalities shall ensure that the core principle of special and differential treatment shall be made operational by granting all LDCs more preferential treatment than non-LDCs".

The LDC Coordinator brought to the attention of the Group that there is an opportunity for the LDCs to submit their comments on the implementation of the Hong Kong Decision on DFQF market access to the US Ways and Means Trade Sub-Committee as recommended when the DAC study was being presented by the Consultant. The Way and Means Committee is responsible for legislation concerning taxes, trade (including international trade) and social issues. This committee invited comments from stakeholders/ groups, NGOs, etc. regarding preferences. So, the submission will be a follow-up of another one which was submitted as LDCs Group in 2007 on DFQF market access.

Some members of the Group sought further time to examine the submission. Suggestions were made that since some LDCs were not on board at this stage, the submission could be done by those LDCs who wished to be part of it. The meeting agreed that those who intended to cosponsor the submission should submit their names to the LDC Group Coordinator. The Delegation of Tanzania would take appropriate action in this regard.

Declaration of the Informal Group of Developing Countries

We, Ministers of the informal Group of Developing Countries met in Geneva on 30 November 2009 on the occasion of the 7th WTO Ministerial Conference, to coordinate positions and assess the ramifications of the rapidly changing international trading environment on our countries' interests;

We remain deeply concerned about the far reaching impact of the global economic and financial crisis, which originated in developed countries, on our economies, We emphasize the utmost importance to resist temptations of protectionism in different forms at this difficult juncture;

We underline the need for a strong, open and fair, rules-based multilateral trading system to combat protectionism and help promote recovery, growth and development, and reiterate the importance we attach to the WTO as the main tool of this system. Principles of multilateralism, inclusiveness, transparency, predictability, non discrimination and equity must remain the way to ensure safeguarding trade openness, integration and economic growth, and allow the effective participation of developing countries in the WTO and in world trade;

We reaffirm our support and solidarity to accessions of all developing countries, and stress that acceding countries should not be asked to undertake commitments that go beyond their level of development and current WTO rules. We consider that in a rules-based trading system, only commercial, technical and legal considerations should be the only deciding factors in every accession process.

We underscore the need for the successful conclusion of the Doha Development Round, as early as possible, in accordance with its development mandate to ensure confidence in the WTO and address the trade and trade-related needs of developing countries. We are disappointed that political commitments to seek an ambitious and balanced conclusion to the Round in 2010 are not yet translated into concrete flexible negotiating positions, and call on developed countries to show the required leadership to advance the negotiations;

We reiterate within this context our objection to any reinterpretation or changes to, or deviations from, the existing agreed mandates and principles in the negotiations. We furthermore oppose any form of selective re-sequencing of issues, or reopening of stabilized parts of the draft modalities, and stress that the negotiations must preserve and build on progress achieved in the last 8 years, and that the negotiating process must remain multilateral and fully transparent, with a bottom-up approach;

We are united in our commitment to advance the DDA negotiations, and pledge to closely coordinate and cooperate to ensure that Development remains the core of any outcome. We are furthermore determined to maintain our solidarity in promoting and supporting South¬-South trade, economic cooperation, and investment flows.

ICC Headquater

ICC International Court of Arbitration mourns the death of its Former Chairman Dr. Robert Briner

Dr. Robert Briner, a former Chairman of the ICC International Court of Arbitration, died on 3 December 2009.

Dr Briner became Chairman of the Court in January 1997. He oversaw the introduction of the 1998 Rules of Arbitration and their application in daily practice during the following nine years and, as the Court's ambassador, travelled unrelentingly to widen the knowledge and understanding of ICC Arbitration throughout the world and develop the Court's external relations.

Within the Court and its Secretariat, Dr Briner is remembered with affection and admiration by those who had the pleasure and privilege of working with him. His combination of strong leadership with great humanity and open-mindedness endeared him to his colleagues and staff, for whom he always had a personal word of encouragement and support.

The present Chairman of the Court, John Beechey, paid tribute to "a great President of the ICC Court, a celebrated lawyer and a fine man, who will be greatly missed by his many friends around the world".

Outside the Court, Dr Briner had a highly distinguished career as an arbitrator and counsel, both within his native Switzerland, where he practised with the firm Lenz and Staehelin, and beyond. His career included several years with the Iran-United States Claims



Tribunal, which he presided between 1989 and 1991.

During recent months, Dr Briner had withdrawn from his professional activities due to illness, which he faced with great stoicism and serenity, surrounded by his wife and family.

ICC disappointed by climate accord

ICC acknowledges the agreement reached in Copenhagen as a step towards a global low-carbon economy, pending the clear expression of commitments and mitigation actions, but is disappointed that the international negotiation process did not deliver a clearer and more ambitious agreement.

While the heads of state have provided a basis towards the development of a meaningful agreement – particularly by providing about $30 billion of "fast start" funding for 2010-2012 for vulnerable developing countries and committing to mobilizing $100 billion a year by 2020 – a lot more remains to be done in 2010 to deliver a robust, legally-binding post-2012 framework agreement.

COP15 COPENHAGEN
UN CLIMATE CHANGE CONFERENCE 2009

"Business is seeking predictability to help plan its future global investments and the Copenhagen Accord has started that process," said ICC Secretary General Jean Rozwadowski. "But there is major work ahead in setting out detailed elements, in particular those aimed at making the monitoring, reporting and verification processes operational."

Throughout the two week meeting of the UN Framework Convention on Climate Change (UNFCCC) in Copenhagen, business has contributed ideas and solutions at events like the Copenhagen Business Day and Bright Green Exhibition to address the climate challenge.

Business has already taken substantial action to reduce greenhouse gas emissions and will continue to increase its efforts. It is the most important innovator and investor in clean technologies and can do more if provided with clarity, predictability and flexibility through a global framework agreement.

The Copenhagen Accord allows for the use of markets which will help provide cost-effective means to intensify our actions and contribute to meeting the new commitments.

"Going forward we feel there is a greater need than ever for business to work with governments to help rapidly advance the decisions to establish the terms and procedures that will give business the predictability that it requires," said Mr Rozwadowski. "We hope to see the creation of more innovative ways for the UNFCCC to benefit from business expertise and actions."

UN urges business to become more relevant in climate debate

Yvo de Boer, Executive Secretary of the UN Framework Convention on Climate Change, challenged business to make itself more relevant to the international climate change debate and to offer clear products to address climate change, which he said business had so far failed to do, beyond a national level.

Speaking during the opening session of the Copenhagen Business Day, organized by ICC and the World Business Council for Sustainable Development (WBCSD), in partnership with the Confederation of Danish Industry, Mr de Boer's provocative remarks sparked intense discussion and debate for the rest of the day among the 300 or so leaders from companies, governments, inter-governmental and non-governmental organizations who had gathered at the event on the sidelines of the UN Climate Change Conference taking place in Copenhagen in December 7-18.

Panellists and speakers at the day-long event included Jeremy Hobbs, Executive Director, Oxfam; Muhtar Kent, Chairman and CEO, Coca Cola; Gerard Mestrallet, Chairman and CEO, GDF Suez; Paul Polman, CEO, Unilever; James Rogers, Chairman, President and CEO, Duke Energy Corporation, and others.



Among the subjects discussed were how business is leading action on climate change on many fronts, including business practices, strategic planning, research and development and project implementation. The event focused on moving ahead to identify what needs to be scaled up or transformed and to discuss the policies, funding, and life-style changes that are needed to make a successful impact.

Laurent Corbier, Chair, ICC Commission on Environment and Energy and Vice-President of Sustainable Development and Continuous Improvement at Areva, emphasized during the discussions that ICC serves as the focal point for business and industry and is in a strong position to continue feeding business positions into the UN process on climate change. With its large worldwide network and consultative status with the UN, ICC holds a unique position as the official representative of business from both developed and developing countries.

ICC is maintaining a highly visible and active presence at the UN Climate Change Conference with a large delegation of business people and many events both inside and outside of the official conference venue.

ICC encourages private sector investment to reduce emissions

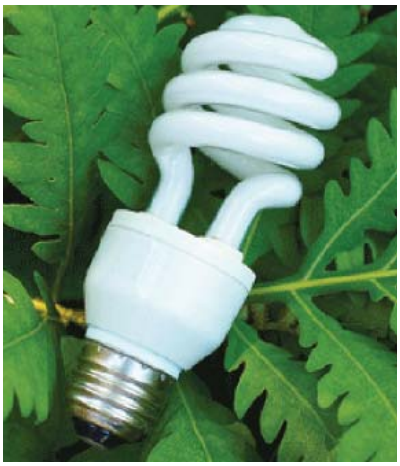
ICC hosted a side event on finance and climate change in Copenhagen to discuss concrete examples of the enabling frameworks needed to catalyze private sector investment in order to achieve deep long-term emissions reductions, including the reform and development of new market mechanisms.

Brian Flannery, Vice Chair of the ICC Commission on Environment and Energy, opened the discussion by saying that we face two world energy problems: significant increase in energy demand in the decades to come, and a need to improve the access to energy at affordable prices. About 2 billion people worldwide have no access to commercialized energy today. He added that the key considerations are the predictability of finance, the sources of it, how the institutions and governments will manage it, and how to make it sustainable.

Russell Mills, Global Director, Energy and Climate Change Policy, Dow Chemicals, stated that ultimately climate change is about managing resources in the most efficient manner.

Andrei Marcu, Head of Regulatory Affairs, Mercuria Energy Trading, presented the role of markets particularly focusing on the carbon market. Mr Marcu said that much funding is necessary and that public financing alone would not be sufficient; this is why a framework is needed to channel private money. He underlined the success story of the two main mechanisms, the Clean Development Mechanism and the emissions trading, which have fulfilled their ambitions and delivered more than expected.

Kaveh Zahedi, Climate Change Coordinator, United Nations Environment Programme,



agreed that the challenges are extraordinary, plentiful and complex, that the funds needed are staggering and added that it is the entire economy and infrastructures that must shift. He emphasized the importance of environment policy, and that the readiness for investment was fundamental to enable countries to absorb the funding and make sure it was put to its best use.

ICC is presenting a wide range of business solutions through other activities in Copenhagen, including co-organizing the Copenhagen Business Day on 11 December with the World Business Council for Sustainable Development and the Confederation of Danish Industry. The Business Day will demonstrate first-hand how global business is leading action on climate change.

ICC-Ifo poll shows economists see new opportunities in low carbon economies

The vast majority of economists polled in a worldwide survey believe the transition to a low-carbon economy will bring about new opportunities for many businesses in their country, and think clear and transparent guidelines would help companies innovate and invest in technologies designed to meet the challenges of climate change.

The poll, conducted among 1,026 economic experts in 86 countries in October, was part of the quarterly ICC and Ifo Institute for Economic Research World Economic Survey.

Asked whether the transition to a low carbon economy will bring new opportunities to businesses in addition to cost reductions, 78% of respondents in Western Europe either agreed strongly or agreed with the statement. The figures for the other regions were as follows: Asia (71%), South Africa (69%), Near East (68%), Central and Eastern Europe (66%), Commonwealth of Independent States (CIS) (64%), North America, which comprises Canada and the United States (63%), and Central and Latin America (62%). Only 60% agreed or strongly agreed in Oceania.

A second question asked the economic experts whether they believe that transparent guidelines would help businesses in their country innovate and invest in environmentally-friendly technologies to meet the challenges of climate change. The response was overwhelmingly positive in all regions of the world.

Oceania led the way with 100% of respondents saying they



agreed or strongly agreed that transparent guidelines would lead to innovation and investment. Asia was second with 91%, followed by 89% in both Western Europe and North America, 87% in Central and Latin America and in South Africa, 86% in Central and Eastern Europe, 82% in the CIS countries and 80% in the Near East.

ICC Institute of World Business celebrates its 30 years

The ICC Institute of World Business Law was created 30 years ago to foster wider knowledge and development of international business law and practices, thereby helping to create a bridge between lawyers and businessmen through trainings and think tank activities. Given that a large portion of international commercial disputes arise from the doubtful wording of contracts, Professor Pierre Lalive, founder of the ICC Institute and currently its

Chairman Emeritus, thought costly legal procedures could be avoided if better cooperation was established between lawyers and businessmen in the early stages of negotiating a contract.

Thirty years later, the Institute has more than fulfilled its mandate, acting as a think-tank working closely with the ICC International Court of Arbitration and ICC policy commissions. Once a year, the Institute holds its Annual Meeting where some of the world's leading legal experts gather to share knowledge and expertise on a chosen topical issue. One of the aims of this conference is to create doctrine, the result of which is now compiled and published annually in the series: Dossiers of the Institute.

To celebrate its three decades, the ICC Institute this year returned to the theme discussed at its first annual conference - multiparty arbitration. While the Institute has many training programmes, one of its most important is the PIDA programme, which was originally designed to provide training in international commercial arbitration and international contracts for lawyers and professionals from developing countries and transitional economies. In addition to English and French, there is now a Spanish and Portuguese version of the arbitration programme, as well as an advanced level version.

In 2007 the ICC Institute of World Business Law Prize was launched to contribute to the understanding and progress of international commercial law around the world and to encourage those engaged in focused research on legal issues affecting international business.

Denis Mouralis, France was named the 2009 Prize Laureate for his outstanding work on Arbitration Confronted to Parallel Proceedings. Also impressed by



the quality of the work, the jury gave a special mention to Mathieu Maisonneuve, also of France, for his excellent thesis on The Arbitration of Sport Disputes.

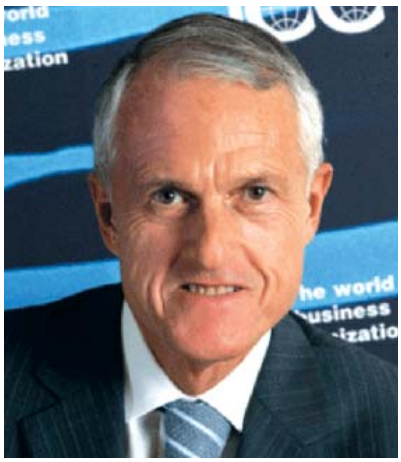
The Institute Council is made up of 40 eminent lawyers and legal practitioners from around the world. In addition, Associate Members selected from academia and professionals in legal practice from around the world disseminate information and support Institute activities on a regional basis.

Yircali re-elected as Chair of the World Chambers Federation

The ICC Executive Board has approved the re-election of Rona Yircali for a third term as Chair of the World Chambers Federation (WCF).

Mr Yircali's re-election came at a Board meeting in the Indian capital last week as part of the 90th anniversary celebrations of the world business organization effectively confirmed the decision made by WCF General Council in New York last October, which unanimously supported a new three-year mandate for Mr Yircali.

The ICC Board also approved the election of Peter Mihok as WCF Deputy Chair. Under the new governance structure



established by the WCF General Council, Mr Mihok will become WCF Chair at the end of Mr Yircali's term. Mr Mihok has served as one of WCF Vice Chairs since 2002, working closely with both Mr Yircali as well as with Avijit Mazumdar, WCF's past and honorary Chair during their respective terms.

In his presentation to the ICC Executive Board, Mr Yircali cited the 6th World Chambers Congress held in Kuala Lumpur last June as one of the major achievements of the closing year. More than 1,000 delegates attended the Congress despite the global recession.

He also cited the important progress made in the negotiations with Mexico and Brazil with a view to having the two countries adopt the ATA Carnet System. Mexican Customs is scheduled to appoint a National Guaranteeing Organization shortly to manage the programme in that country.

Looking ahead to 2010, Mr Yircali said he hoped to increase the involvement of chambers and their profile in key ICC policy areas, implement the election process for the WCF General Council, launch the 2011 World Chambers Competition, and create an on-line e-library of capacity building and training materials available to chambers.

ICC Institute of World Business Law names Prize Laureate

Mr Mouralis will receive a prize of €10 000 for demonstrating excellent legal writing and making an outstanding new contribution in the field of international commercial law – including arbitration.

The competition jury, made up of a select number of ICC Institute of World Business Law Council members, gave a special mention to Matthieu Maisonneuve, also of France, for his thesis on The Arbitration of Sport Disputes.

Mr Mouralis, the prize laureate, said he will use the prize money to finance further research in the field of international arbitration and to take part in seminars and conferences. Mr Maisonneuve, who won the special mention from the jury, said he chose his subject because he was looking for an original and legally relevant topic.

The thesis presented showed a remarkable mastery of comparative law and foreign languages, with most thesis citing authorities from three or more different jurisdictions.



The prizes were announced at a ceremony in Paris following the annual meeting of the ICC Institute of World Law.

ICC Research Foundation unveils results of trade studies

Against the background of the worst global economic recession in living memory, ICC's Regional CEO Forum, entitled "Globalization and Inclusive Growth", brought together thought leaders from business, government and academia to engage in interactive discussions on the prospects for recovery, the lessons that have been learned from the crisis, and the resulting policy changes affecting business that governments are preparing.

The Forum was also the occasion for the ICC Research Foundation to present the findings of the three projects it commissioned this year. Project leaders from the World Trade Organization, Harvard Business School, and the Swiss-based IMD global business school introduced and led discussions on: trade and employment, the future of market capitalism, and rethinking sustainable growth.



Speaking in his opening address about rising unemployment and increasing poverty around the world, Victor K. Fung, Chairman of the International Chamber of Commerce and Group Chairman of Li & Fung Group, said: "We can expect the social dislocations that have come about as a result of the Great Recession to be with us for some time. And with unemployment comes the increasing threat of protectionism."

The Forum also marked the culmination of ICC's 90th anniversary celebrations, which began in February in Geneva with the launch of the ICC Research Foundation as a way to further strengthen ICC's thought leadership. Anniversary events were also held in Paris, Kuala Lumpur, and New York, including a special celebration at the United Nations, with which ICC has closely collaborated since its founding.

ICC announces new rules for demand guarantees

ICC on December 4 announced a revised version of the Uniform Rules for Demand Guarantees (URDG) destined to apply to hundreds of billions of dollars of demand guarantees securing

monetary and performance obligations in a wide array of international and domestic contracts.

The revised rules, the first in 18 years, were formally adopted by the ICC Executive Board at its meeting in New Delhi and will enter into force on 1 July 2010.

The URDG have gained increasing worldwide acceptance over the years. They were adopted by the International Federation of Consulting Engineers in their model guarantee forms and later incorporated by the World Bank in all of its unconditional guarantee forms. The rules have also been endorsed by the United Nations Commission on International Trade Law, and national lawmakers have used them as a model for independent guarantee statutes.

Comprising 35 articles, the URDG rules set out the liabilities and responsibilities of the parties at each key stage of the lifecycle of the guarantee. The changes include innovative treatments of payment contingencies and more precise language for determining whether a presentation made under a guarantee or counter-guarantee, whether paper-based or electronic, is a complying presentation. These changes are expected to curb the rate of rejection of demands and increase the certainty of the instrument.

In international sales, whereas a documentary credit assures the exporter of being paid upon the presentation of complying documentation showing that shipment is made, a demand guarantee provides protection to the importer against non-performance, or late or defective performance, by the exporter.

Global congress says stopping counterfeiting and piracy will help economy

Top government officials, business leaders and senior law enforcement authorities on December 3 urged national and international political and business leaders to more fully engage in the battle against counterfeiting and piracy as one element of economic recovery efforts.

The call for increased action came at the close of the Fifth Global Congress on Combating Counterfeiting and Piracy at a time when the economic crisis has exacerbated a problem estimated to cost the global economy US$250 billion annually.

The international event, held in Cancun, Mexico, from 1-3



December, brought together more than 800 delegates from 80 countries to share proposals for reducing the impact of fake goods, identify more innovative solutions and build upon successful strategies already in place.

The Fifth Congress was hosted by INTERPOL and the Mexican Institute of Industrial Property with support from the World Customs Organization (WCO), the World Intellectual Property Organization (WIPO), ICC through its BASCAP initiative, the International Trademark Association (INTA), and the International Security Management Association.

The Organization for Economic Cooperation and Development presented updated data indicating the international trade in counterfeit and pirated goods has increased to more than US$250 billion, almost 2% of world trade, up from US$200 billion in 2007.

ICC highlights getting Internet policy right boosts economic growth

To spur economic recovery and drive growth, there must be awareness among world leaders to the advantages of getting Internet policy right.

Speaking at a recent ICC Business Action to Support the Information Society (BASIS) workshop, held in partnership with the government of Lithuania, panelists determined that leaders were not fully aware of the long-term benefits and job creation potential of the Internet and other information and communication technologies (ICTs).

Desiree Miloshevic of the Oxford Internet Institute gave insight into the effects of the recent economic downturn on Internet Governance

and its process according to initial findings of the Oxford Internet Institute Policy Forum discussion paper: The New Economic Context of Internet governance. The survey includes case studies such as the US stimulus bill, which had played a role in job creation and boosted interest in the sector.



Herbert Heitmann, Chair of ICC's Commission on E-Business, IT and Telecoms, and Chief Communications Officer at SAP moderated the workshop. Mr Heitmann concluded the workshop by saying that though the workshop had highlighted many promising examples of highly flexible regulations stimulating economic growth there was clearly a lot more that could be done to bring other sectors into the loop.

ICC holds highly successful conference on Latin American arbitration

More than 300 practicing lawyers, corporate counsel, arbitrators, mediators, academics and other professionals doing business in Latin America and the Caribbean took part earlier this month in a highly successful seminar on arbitration in the southern hemisphere.

Participants at the 1-3 November seminar in Miami heard from numerous distinguished guests, including Fernando Peláez-Pier, the President of the International Bar Association; Fernando Mantilla-Serrano, Partner with Shearman & Sterling LLP in France and Member for Colombia at the ICC International Court of Arbitration; and José Emilio Nunes Pinto, Partner with José Emilio Nunes Pinto Advogados in Brazil.

One of the main features of the two-day event was a mock case on the scope of international arbitration law and the validity of an arbitration agreement, with those in assistance having the opportunity to discuss and comment on the presentation.

A panel on the cases of Brazil and Mexico was told that the two countries have developed the adequate legal framework and positive environment required for arbitration. Some emerging arbitration centres, including Colombia, Argentina, Peru and



the Dominican Republic, are also developing these features.

ICC Court of Arbitration President John Beechey said, in this context, that the Court is finding new ways to insure that process remains reliable, relevant and efficient.

The next conference will be held in Miami 7 to 9 November, 2010

Global economic index rises again, but problems remain

Reflecting more favourable economic conditions for the coming six months but also a more positive assessment of the current situation, the World Economic Climate Indicator rose significantly in the fourth quarter for the third consecutive time following the sharp drops of last year.

The indicator, published by the International Chamber of



Commerce (ICC) and the Ifo Institute for Economic Research, rose to 90.4 points from 78.7 points in July, with the economic climate improving in all major economic regions, most significantly in Asia.

The report said economic expectations are optimistic almost everywhere, with the exception of several countries in Central and Eastern Europe, but serious problems remain before

the global economy will begin to expand again without government stimulus packages.

Unemployment was the foremost difficulty cited by the 1,026 economic experts polled in 86 countries during the month of October, followed by insufficient demand and public debts. While the extensive governmental economic programs have so far played a crucial role in combating global recession, mounting public debts leave a narrow scope for additional fiscal stimuli, the experts said.

The ICC-Ifo report also said the euro was seen as being overvalued by more of the experts questioned than in the previous survey. In addition, a further weakening of the US dollar on a worldwide average is expected in the coming months.

Those questioned also expect a moderate increase in consumer prices in the next six months, in sharp contrast to the previous four reports, where a decline of consumer prices was forecast. Those surveyed expect an inflation rate of 2.5% on a worldwide scale for 2009 compared with 5.4% last year.

With the economy strengthening and consumer prices rising at a moderate level, the study forecast a tighter monetary policy in North America but said the economic outlook remained too fragile in most other areas of the world for any immediate interest rate increases.

The climate indicator improved in the United States and Canada due to higher expectations and a more upbeat assessment of the present situation, which nevertheless remains at a low level. Capital expenditures, private consumption, and exports are expected to pick up strongly in the first half of 2010. With household spending apparently expanding, imports should increase in the near term even though insufficient demand remains the number one problem in the United States.

In the euro area, the economic climate index improved but the current economic situation remains very weak in all euro area countries except Cyprus. Economic expectations for the next six months are particularly optimistic for Italy, Germany, the Netherlands, and Portugal and to a lesser extent for Austria, France, Finland, Belgium, Slovenia and Slovakia. Sluggish recovery is forecast for Spain and Greece while further economic weakening is expected in Ireland.

In the United Kingdom, current economic performance is regarded as weak, but consumer spending is expected to start rising early next year and business investment is expected to stabilize.

The Asian continent has shown the strongest growth, with the economists surveyed optimistic that the economy in the region will gain further momentum in the first half of 2010. “China’s economic stimulus package has succeeded in generating domestic demand that has boosted its imports, stimulating not only the region but also the global economy,” the report said.

Conditions are particularly favourable in India, Vietnam and Indonesia, where capital expenditures and private consumption are expected to revive in the next six months. The present situation in South Korea was assessed as much better than in the previous survey, but still below the satisfactory level.

The current economy was given extremely low marks in Japan and Taiwan. “In both countries the surveyed economists named insufficient demand and unemployment as the most important economic problems at present,” the report said. “However, the economic expectations in both countries point to economic recovery.”

In Latin America the economic indicator bounced back in October, with economic expectations for the next six months improving considerably, pointing to a strengthening of the regional economy in the first half of next year. The climate indicator also improved in South Africa, but only because of optimistic economic expectations as the current economic situation remains downbeat.

Impact of low carbon economy

An ICC special question revealed that most experts believe the transition to a low carbon economy can bring major opportunities to businesses in their countries. In Western Europe, 78% of those questioned saw business benefits in the transition, followed by Asia (71%), the Near East (68%), Central and Eastern Europe (66%), and North America (63%).

The ICC-Ifo World Economic Survey has been conducted since 2001. ICC’s alliance with Ifo combines the Munich-based institute’s expertise in polling and analysis with ICC’s unrivalled business network, which includes many of the world’s biggest multinationals as well as companies of every size in every business sector.

ICC chairman expresses concerns on economic growth; protectionism

ICC Chairman Victor K. Fungon November 13 expressed concern over the sustainability of the current economic recovery and warned against an increase in protectionist moves that he said will only prolong the current downturn.

Speaking to a group of leading businessmen at the Asian Pacific Economic Cooperation CEO Summit in Singapore, Mr Fung said the global trading system was under a rising number of threats, notably the continuous stream of protectionist measures being enacted by countries around the world, most recently by the United States and China mutually imposing trade sanctions on various products.

The ICC Chairman emphasized that protectionism must be avoided, particularly in times of crisis. "In 2009 we heard many pledges – particularly at G20 summits – not to resort to protectionism. And then countries went ahead and resorted to protectionism."

He cited a study by the non-partisan Global Trade Alert that found that G20 members were responsible for 172 of the 280 trade blocking measures enacted



between November 2008 and September 2009. In other words, a G20 country launched a trade barrier every three days.

Mr Fung challenged global leaders to seek multilateral and consensual means to resolve disputes as opposed to using trade as a proxy.

Mr Fung also reiterated calls for a rapid conclusion of the Doha Round of trade negotiations, saying he was "surprised that Doha is still unresolved eight years after its launch."

He recalled that the G20 leaders have consistently expressed their support for a successful conclusion to the talks numerous times over the years, most recently at their summit in Pittsburgh in September.

Turning to the global economy, Mr Fung said that the government stimulus plans in the United States, Western Europe and China had not yet produced a long-term recovery but brought the world economy to the point where we can begin to think about creating long-term growth. "The heavy lifting is just beginning", he concluded.

Vietnam urged to adopt ATA Carnet System

ICC urged early implementation of the ATA Carnet System in Vietnam, calling it an indispensable marketing tool to help businesses develop their exports and ensure their smooth participation in overseas trade fairs and exhibitions.

ICC Asia Director Ms Lee Ju Song told a workshop held in the Vietnamese capital earlier this month that adopting the ATA Carnet System would also help Vietnam to speed up its regional integration as well as create a more conducive business environment.

At the conclusion of the two-day workshop, the Vietnam Chamber of Commerce and Industry (VCCI) and Vietnam Customs endorsed an early



implementation of the ATA Carnet System in the country.

Commerce Secretary: US must reform visa, export control policies

In remarks at a dinner honouring ICC's 90th anniversary, US Commerce Secretary Gary Locke said on October 8 that the United States must improve its business visa process and export control policies, which he argued were hampering America's global competitiveness.

The dinner at New York's Waldorf Astoria Hotel commemorating ICC's founding in 1919, was organized by the United States Council for International Business (USCIB), which serves as ICC's American national committee. More than 300 high-level business executives attended the event.

The day's events also featured a lunch at the United Nations, presided by UN Secretary General Ban Ki-moon. He recalled the long and special relationship between ICC and the UN, from ICC's support for the UN Charter in 1945 to its active involvement in many UN agencies and programmes and its role as a founding partner of the Global Compact. The Global Compact sets forth 10 universal principles that address human rights, labour, environmental stewardship and anti-corruption.

In his remarks at the dinner, the US Commerce Secretary called for an overhaul of the export control system currently in place in the United States, proposing that the need for dual-use export licenses be eliminated for US allies and partner nations. He also supported fast-track procedures to review such licenses to other countries that do not pose concerns regarding the proliferation of technology with military applications to unfriendly nations.

Reflecting on the current precarious state of global economic recovery, ICC Chairman Victor Fung, who is also chairman of the Hong Kong-based Li & Fung Group, reiterated ICC's longstanding call for governments to complete the Doha Round of global trade talks.

Christiane Amanpour, senior international correspondent with CNN, was also a featured speaker at the dinner. She noted that both global business and the journalistic community sought to illuminate the sources of conflict so that these may be overcome.

Second ICC Young Arbitrators Forum Global Conference to be held in Brazil

The second ICC Young Arbitrators Forum (YAF) Global Conference in Rio de Janerio 11-13 December will focus on investment arbitration, cross border insolvency, and international arbitration.

Participants will also discuss whether companies are willing to compromise during an economic crisis. While global companies prefer a quick resolution to their disputes, are they truly ready to compromise, and do lawyers really know how they can get the best deal for their clients?

Now into its second year, the ICC YAF organizes multiple events for young arbitration practitioners in different regions of world. The 1st Global Conference was held in Barcelona in June 20

The weekend conference will include a mix of academic training and networking opportunities with lawyers, in-house counsel, and ICC staff in a relaxed atmosphere in one of the world's most fascinating cities

Young as well as more experienced speakers will focus on different topics such as cross-border insolvency and international arbitration. Eduardo Silva Romero, Partner, Dechert, France, together with Timur Aitkulov, Partner, Clifford Chance, Russia, will present and analyze the developments of the substantive principles related to investment arbitration.

A panel composed of an in-house counsel Martim della Valle from Companhia de Bebidas das Américas, Legal Counsel, Brazil, and an experienced practitioner, Klaus Sachs, Partner, CMS Hasche Sigle, Germany, will debate the question "Who really wants to settle the disputes."

The discussion will focus on issues inter alia of the options available for settling disputes, the point of no return for a settlement, and the impact of the current economic crisis on dispute settlement.

Participants will have the chance to engage discussion on a topic of their choice that they will first introduce to the audience. They will also be able to attend two interactive master classes held by Philip Capper, Partner, White & Case UK, and Luiz Olavo Baptista, Partner, Baptista Advogados Associados S/C, Brazil, who will provide some insights of their own extensive experience in international commercial arbitration.

As an added bonus those attending the seminar will be able to enjoy scheduled social activities such as a football match on the beach, an introductory class to Samba dancing, and a tour of the famous Sugar Loaf Mountain overlooking the city.

News from WTO Hqs. in Geneva

7th WTO Ministerial Conference

Ministers show 'political energy' for ending Doha Round

WTO ministers ended their two-and-a-half-day Geneva conference on 2 December having declared that they want to try to conclude the Doha Round talks quickly and agreeing to extend "moratoriums" on electronic commerce and intellectual property.

Political energy for Doha Round

Although this conference was not designed for negotiations, almost all ministers said they wanted the Doha Round talks to achieve an agreement soon, a large number them calling for this to be done by the end of 2010.

These calls were made in formal plenary meetings and in informal working sessions.

"Ministers reaffirmed the need to conclude the Round in 2010 and for a stock-taking exercise to take place in the first quarter of next year," the conference chair, Chilean Finance Minister Andrés Velasco, told delegations when he summed up the meeting for delegations.

"There was support for asking senior officials to continue to work to map the road towards that point. Gaps remain on substance and there was wide acknowledgment of the need for leadership and engagement on the remaining specific issues over the coming weeks."

He also stressed: "There was strong convergence on the importance of trade and the Doha Round to economic recovery and poverty alleviation in developing countries. The development dimension should remain central to the Round and particular attention should be paid to issues of importance to developing countries."

WTO Director-General Pascal Lamy told a press conference afterwards that the desire ministers expressed to conclude the Doha



Round quickly has provided the "political energy" to organize work for the coming months.

This work "roadmap" will be drawn up when senior officials from members' capitals come to Geneva in mid-December, with the aim of setting the tasks for the first quarter of 2010.

The date of the end of the first quarter arises because if members can agree on "modalities" — the formulas and other outlines that form the blueprint for the final agreement in agriculture and non-agricultural market access — by that time, they could reach a final agreement by the end of the year. Several ministers repeated their desire to see the talks end by then.

Asked whether this is realistic, Mr Lamy said "my view is that it's perfectly do-able," but whether or not it will be achieved is up to the members.

Decisions

"Moratoriums" are agreements not to take certain actions. In electronic commerce, the ministers are agreeing not to charge import duties on electronic transmissions. Since the last time they met in Geneva in 1998, the ministers have agreed not to impose the duties from one Ministerial Conference to the next. The latest decision extends the moratorium further until the next meeting, which they have decided to hold in 2011.

A similar extension was agreed in intellectual property. Members agreed not to bring "non-violation" cases to the WTO dispute settlement process — "non-violation" is shorthand for the technical question of whether there can be legal grounds for complaint under the WTO's intellectual property agreement, even when the agreement has not been violated.

Members also agreed to hold the next Ministerial Conference in 2011. It instructed the General Council — which comprises all members at the level of ambassador — to hold consultations on the election of officers (chair, three vice chairs, etc) for the 2011 meeting. And it

acknowledged a report from the General Council on the activities of the various councils and committees.

Working session: WTO's contribution

Earlier in the day, they held a second working session, this time on "the WTO's contribution to recovery, growth and development". (A summary of the first working session is here.)

Comments covered a wide range of topics, but many speakers welcomed the WTO Secretariat's recent series of reports monitoring governments' trade measures, particularly since the current financial crisis broke out.

Several speakers saw this monitoring as a new and useful development in the WTO's role. They said this is useful both as a means of making information available, and for countries to exercise peer pressure on each other to avoid a damaging protectionist reaction to the economic crisis.

The reports show that "the system has held fast," one minister said.

They noted that the measures governments have introduced are within their commitments and in many cases include further liberalization. Some also welcomed the fact that some of the reports have been prepared in cooperation with other international organizations.

Many speakers also described the swift conclusion to the current Doha Round negotiations as an essential stimulus package that does not draw on governments' budgets and a further insurance policy against protectionism. Several repeated their call for an agreement in the Round by the end of 2010.

A few described an additional reason for wanting to conclude the Round quickly. They said the WTO should move on to newer issues such as climate change. A number, from both developed and developing countries, also called for stronger Aid-for-Trade and related activities to help developing countries adjust to economic circumstances and benefit from the Doha Round's outcome.

Among the other topics mentioned were: trade and social issues; increasing dialogue with civil society, strengthening third-party rights in disputes, sharpening the WTO's analytical ability to look at value-added aspects of trade, the role of services liberalization in development and the impact of sectoral stimulus packages; non-tariff barriers such as product standards; tackling private sector standards such as "food miles" and "carbon miles"; regional trade agreements; technology transfer; trade finance; promoting equity; investment and competition policy; speeding up membership negotiations and making them more transparent.

The comments followed a suggestion from the conference chairperson, Chilean Finance Minister Andrés Velasco, that members discuss: the WTO's monitoring and analytical function; "coherence" (i.e., international organizations working together) and international governance; institutional and systemic issues such as how to improve the way the WTO functions and to ensure that it is transparent for farmers, businesses and parliamentarians; and other questions such as the "tremendous challenge of climate change".

At the end, the chair thanked Switzerland and Geneva on behalf of the ministers for making the conference possible.

Ministers call for speedy Doha Round deal

Ministers from WTO member governments said on 1 December 2009 that the eight-year-old Doha Round negotiations should be concluded quickly, several of them calling for a political push early in the year so the talks can end in 2010.

They were speaking in a working session on the "Review of WTO activities, including the Doha Work Programme" on the second day of the Geneva Ministerial Conference, when they also discussed regional trade agreements, Aid for Trade, countries' negotiations to join the WTO and some other topics.

The four subjects were suggested in an opening statement by Director-General Pascal Lamy, in a session that was chaired by the Conference chair, Chilean Finance Minister Andrés Velasco.

Doha Round: more than stock-taking?

On the need for action over the coming months, some delegates such as Australia and Pakistan went further than their colleagues in arguing that ministers' involvement in early 2010 should be more than simply to take stock of the situation. These members said ministers should get down to bridging the gaps on outstanding political questions.

Some delegations also said a "roadmap" for future work will be needed. Some speakers envisaged this as a possible outcome of a week of meetings of senior officials from members' capitals, already scheduled to take place in Geneva in the week of 14 December.

This would continue the sequence of monthly senior officials' meetings set up in response to the urging of a group of ministers who met in New Delhi in September. Sessions of the various negotiating groups have also been organized around these senior officials' meetings.

The result has given the negotiations some structure, but some delegations such as India

said the topics discussed have only been technical and therefore have not moved the substance of the negotiations forward.

Doha Round: bridging the gaps

India called for discussions on "headline" issues, such as cotton, domestic support in agriculture, and "mode 4" in services (when the supply of a service involves workers going into the consuming country).

Singapore referred to seven issues that Mr Lamy recently highlighted as politically difficult subjects that need to be settled: in agriculture the special safeguard mechanism for developing countries, resolving conflicting proposals over tropical products and products currently enjoying preferences in richer markets, and cotton; in non-agricultural market access (NAMA) bilateral testing of the implications of various flexibilities, and free trade in individual sectors; services; rules, including fisheries subsidies; and intellectual property.

"The days of only nice statements should be over," said EU Agriculture Commissioner Mariann Fischer Boel.

Several ministers or officials also repeated the positions that their countries have held for some time.

Ministers generally acknowledged that quite a lot has been achieved in the Doha Round since the last Ministerial Conference in Hong Kong in 2005. Most, but not all, referred to 2010 as the deadline or target for concluding the Round and indicated that the pace of the negotiations would have to accelerate if members were to achieve that.

Minister Rita Lau of Hong Kong, China, urged her colleagues "to exercise maximum flexibility in the Doha Round" in the coming months.

Many countries said that the drafts on agriculture and non-agricultural market access circulated by the negotiating groups' chairs in December 2008 should remain the basis for negotiation and that the development dimension should be retained at the heart of the Round.

Doha Round: kick-off questions

At the start of the session, Mr Lamy said: "The longer it takes to conclude the negotiations, the longer the WTO's insurance policy to guarantee stability and predictability of market access to governments and traders alike will remain unsubscribed."

He added: "The amount of progress that has been made since the last Ministerial Conference, in 2005, is quite impressive."

Mr Lamy asked: "How do we translate this political will into concrete action? How do we organize ourselves to tackle the last few remaining issues, bridge the last gaps, paving the way for a successful conclusion of the Round?

"We already have a meeting of senior officials scheduled for December here in Geneva. Isn't it time to agree on a calendar of future meetings and to take a deep breath and push for this last stretch?"

Regional trade agreements

Speakers broadly agreed that the proliferation of bilateral or regional trade agreements was a concern for the multilateral trading system. They said members need to ensure that the two approaches to trade liberalisation continue to support each other, although different speakers had different views about how to do this.

Some supported putting a mechanism in place which would ensure the eventual convergence of the two approaches. However, some rejected the idea of converting the benefits offered in regional agreements into the multilateral system.

Some suggested that the new WTO transparency mechanism — information compiled and distributed on various agreements — had worked quite well but that it could still be improved.

Accessions

Several ministers representing current members said they wished to see negotiations to become members streamlined so that neighbouring countries with which they trade actively could join the WTO. They were particularly keen to see this happen for least-developed countries. Five observer governments negotiating membership or waiting to negotiate — Sudan, Iran, Algeria, Ethiopia and Montenegro — called for their accessions talks to conclude as quickly as possible.

Speakers broadly agreed that accession is important for broadening and strengthening the WTO. But views differed on how to advance these: through closer collective attention (the "multilateral" part of the membership talks) or through the usual practice of giving priority to bilateral discussions.

Aid for trade

Speakers also recognized that providing market access for developing countries and least-developed countries is not enough. They said Aid for Trade is important to address supply-side constraints and other bottlenecks. Several called for donors to live up to their commitments.

Other comments

Canadian Trade Minister Stockwell Day said it is important to remember that there are some good stories to tell on trade as well. As an example, he cited the fact that the share of global trade held by least-developed countries has more than doubled from 0.6 per cent to 1.1 per cent since 2000.

Director-General's Opening statement at
The 7th WTO Ministerial Conference

Director-General Pascal Lamy, in opening the Seventh WTO Ministerial Conference on 30 November 2009 in Geneva, urged members to follow the proverb "unity is strength", and expressed the hope that "we come out of the next few days stronger, more united and with clear determination to conclude the Round in 2010."

Director General's opening statement

The WTO system can be an important plank in the platform for recovery. Getting trade moving again and keeping trading opportunities open is vital to the progress of all our members, especially the poorest. This is why we have worked hard with other stakeholders on trade finance to counter shortfalls in liquidity which imperil the trade of developing countries.

The value of the WTO dispute settlement system has also been highlighted by the crisis. The ability to resolve trade disputes peacefully, without resorting to uncontrolled retaliation, is a huge asset that our forebears lacked in previous economic crises.

You are united in the belief that trade can contribute to sustainable development in the widest sense. That it can generate growth. That it can help provide decent jobs. That trade can be a powerful tool for developing countries to fight poverty.

And the WTO is more than a forum for agreeing on market opening and rules. It is also about ensuring that our existing rules and agreements work properly. It is about settling our disputes peacefully. It is about furthering coherence with other policy priorities, starting with climate change. It is about making the case for more open trade. It is about capacity building.

The single largest adjustment we need to make is to conclude the Doha Round successfully and soon. This is not just about its economic benefits, it is also about our collective ability and determination to preserve and strengthen the global public good,



which is the multilateral trading system.

There is more than eight years' work on the negotiating table. This is already a major storehouse of assets. It contains trade-offs that you have all fought hard for, compromises you have crafted, interests you have protected. Of course, the final balance needs to be found, and there is still hard negotiating ahead. Time is running out, and it is not credible at this stage to see issues in isolation from the work and the achievements of the past eight years.

Lamy praises Copenhagen efforts, calls for more to be done

Director-General Pascal Lamy, on 21 December, said that "during the (Copenhagen) conference the issue of border measures was raised. The WTO membership, like the UN Members in Copenhagen, is divided on this matter. But what I can say is that the more we move toward a multilateral framework on climate change, the more unilateral trade measures will be difficult to explain".

"The outcome of the conference in Copenhagen represents a step forward. The Kyoto Protocol addresses about 30% of global carbon emissions. In contrast, the framework accord hammered out in Copenhagen last week may encompass the majority of world emissions. But much work remains to be done so that we can accelerate the pace of emissions reduction and make commitments taken in Copenhagen more binding. Some have criticised the process of this meeting as cumbersome. But procedural difficulties are inevitable when leaders confront problems which are global while remaining accountable largely to domestic politics. We are familiar with this in the WTO. Multilateral processes involve a great many actors and this makes reaching consensus complicated. But in the end, it is only through a multilateral process that we can achieve results which are legitimate and credible.

WTO-ITC cooperation stressed for stronger aid for trade

Director-General Pascal Lamy, in a speech at the International Trade Centre (ITC) 43rd Joint Advisory Group meeting in Geneva on 14 December, said "our cooperation on Aid for Trade continues and I am encouraged by the energy with which the ITC has engaged our discussions on enhancing the private sector role in this initiative." He noted that as a demonstration of their strong support, WTO members are set to approve increases in their contribution to the ITC's budget for 2010 and 2011, respectively. This is in brief what he said:

Good morning,

This meeting is taking place a few days after the WTO's 7th Ministerial Conference that was aimed at providing an opportunity for our members to take a look at the entire spectrum of WTO activities and also identify priorities for our future work, aimed primarily at strengthening the global trading system.

The conclusion of the DDA [Doha Development Agenda] remains our key objective and towards this end, ministers were unanimous in reiterating the global call for this to be achieved by 2010. Ministers reaffirmed their view that trade is central to development and to the ongoing global economic recovery efforts and as such the conclusion of the DDA by 2010 is a must if developing countries are to realise the full potential of trade opening.

Ministers were also conscious of the remaining few gaps in key areas including Agriculture and Industrial goods market access and that these will not be closed unless they all engage in some heavy political lifting at home.

Ministers also had extensive exchanges on the capacity of developing and least developed countries to fully exploit the potential benefits of the multilateral trading system. In these discussions, particular support was expressed for the Aid for Trade initiative which is seen as a necessary complement to trade opening.

In my statement at last year's JAG session, I highlighted a few areas in our work, including WTO accessions, where we required ITC support. I am happy to note that substantial progress has been made towards this and we now have in place a joint WTO/ITC/EIF secretariat programme that seeks to provide capacity building support to LDCs in the accession process.

Furthermore, our cooperation on Aid for Trade continues and I am encouraged by the energy with which the ITC has engaged our discussions on enhancing the private sector role in this initiative. This is an issue that was clearly highlighted as a priority during last July's global Aid for Trade review.

To support ITC's work, the WTO committee on Budget, Finance and Administration on 7 December 2009 approved our 2010-2011 biennium budget and as a demonstration of their strong support for our relationship with ITC, approved an 8.2 per cent and 5.8 per cent increase in our contribution to the ITC's budget for 2010 and 2011 respectively. I expect the General Council at its next meeting this week to formalise this.

New banking rules must be "non-discriminatory" – says Lamy

Director-General Pascal Lamy told the Conference on the New Global Trading System in the Post-Crisis Era in Seoul on 7 December with respect to post-crisis banking rules that "it is important that re-regulation be applied in a non-discriminatory manner, avoiding any form of "re-nationalization" of lending." He said that "countries that have provided support to banks should be able to exit support as the de-leveraging process takes place, in a manner that ensures a level playing field between national and foreign-owned institutions." This is what he said:

When I was last in Korea, in February this year, the global economic downturn was peaking. The collapse of industrial output and exports was approaching some 40 per cent year-on-year on average. Trade was shrinking dramatically. The outlook was indeed gloomy.

Policy-makers faced four major challenges. The financial crisis had been triggered by too many incentives for taking ill-considered risks, but also because of the inability of supervisory authorities to properly regulate the financial system domestically and internationally.

So where are we now? Less than a year on, progress has been made but we are not yet out of the woods.

On the financial front, a massive process of financial de-leveraging is underway. It is putting pressure on banks' balance sheets and is likely to discourage fresh lending for some time to come. However, progress has been made in dealing with systemic failures.

IMF estimates of future write-downs have now been reduced to some $3 trillion, meaning that the clean-up process has reached the half-way mark. But this progress is still too slow. Balance sheets are being hit by "second-round" effects of the downturn — that is, the direct effects of poor economic activity on loan repayments.

At the G-20 Summit in Pittsburgh, the Financial Stability Board proposed a number of measures such as increasing capital and liquidity requirements, reducing the scope for leveraging and pro-cyclicality and reducing the scope for excessive risk-taking by framing compensation. Other regulatory gaps will need to be filled, including the establishment of fair accounting rules and improvements in the surveillance of systemically important financial institutions.

The existence of a solid, rules-based world trading system has contributed to containing protectionism. While some trade restrictive measures have been adopted, the volume of global trade affected has remained below 1 per cent. For the second time in a little more than a decade — the first being the 1997 Asian financial crisis — the multilateral trading system has passed the "stress-test" of a significant downturn without major reversals in trade policy.

The poorest countries have been hit hard by the crisis. In particular, capital flows to developing countries have contracted sharply as a result of the global credit crunch, from 9 per cent of their GDP on average to a mere 2.5 per cent. This is affecting capital accumulation, and hence growth, in countries that need capital the most. It is also limiting investments in trade-related infrastructure that would expand poor countries' capacity to trade in the future.

We have a collective responsibility to ensure that the poorest countries do not lose access to capital and product markets. In the short run, there is certainly a role for international financial institutions to close some of the financing gap.

"Trade is the stimulus package available to developing countries" — DG Lamy

Director-General Pascal Lamy, in his speech to the UNIDO LDC Conference in Vienna on 3 December, said he looked forward to continuing to work with least-developed countries and UNIDO in ensuring that "the benefits of a more open trading system translate into reality for developing countries". This is in brief what he said:

Since we last met two years ago, our understanding and appreciation of the impact of the global financial and economic crisis on the LDCs has become clearer. We have not just heard but seen with our own eyes the damage this crisis has had on LDCs. We now have empirical data that confirms its negative impact on the gains LDCs had made towards achieving their development targets under the United Nations Millennium Development goals.

Unlike rich countries, LDCs have not been able to provide huge bailout packages to their ailing industries and expand social safety nets to those who lost their jobs. We have seen a few developed countries spending around $15 billion on their "cash for clunkers" programmes. And yet for LDCs this is out of reach.

Many of you were at the WTO 7th Ministerial Conference. The statements and interventions made by all ministers reconfirmed the importance of trade as an engine for growth. There was recognition that trade is the stimulus package available to developing countries and that it has to be part and parcel of the economic recovery effort for growth to be sustainable.

The crisis has demonstrated the importance of keeping trade open and fighting against protectionism. What we heard from our ministers in Geneva during the last few days is that the monitoring of trade policies that the WTO put in place at the outset of the crisis has served the members well and proved the resilience of the multilateral trading system. But as long as we continue to see unemployment rise, we need to remain vigilant.

The conference also provided an opportunity to consider assistance being offered to LDCs in the accession stage and how we can best support their endeavour to become members of the WTO family.

Finally, we are also united on the need to keep momentum on Aid for Trade (A4T). We need to keep mainstreaming trade in countries' development strategies. We need additionality and predictability of resources.

As I have highlighted in the past, UNIDO is a key partner in the Aid for Trade initiative and the leadership it has shown in this `regard is exemplary. The reality is that UNIDO has the capacity and has shown the commitment to help LDCs enhance their productive capacity and thereby limit the negative impact of the crisis.



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