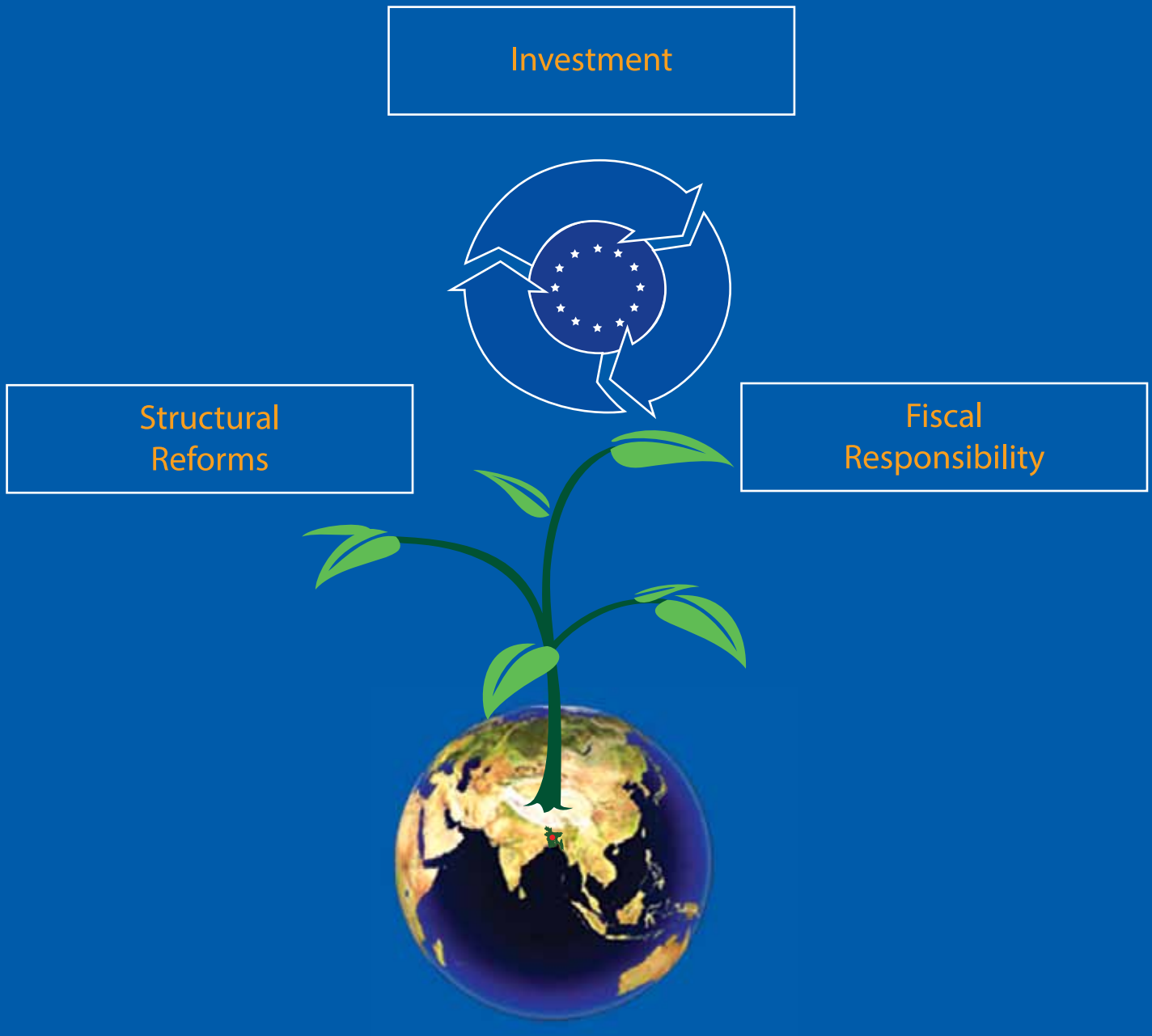
ICC Bangladesh
The world business organization

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Structural reform pre-requisite to enhance Growth

About ICC Bangladesh

International Chamber of Commerce (ICC) - *The world business organization* was founded in 1919 by a few visionary business leaders of Europe immediately after the First World War; having its HQrs. in Paris.

ICC has been promoting Free Market Economy, formulating various rules and guidelines for cross border trade and investment. ICC's 6.5 million member companies in over 130 countries have interests spanning in every sector of private enterprise.

Bangladesh National Committee of ICC, established in 1994, is comprised of major Chambers of Commerce & Industry, Business Associations, Stock Exchange, Banks, Non-banking Financial Institutions, Insurance Companies, Trans-national companies, Law & Accounting Firms and large Corporate Houses having significant interest in international trade.

The activities of ICC Bangladesh (ICCB) include promotion of foreign trade and investment, trade policy reviews, business dialogues, seminars & workshops on related policy issues, harmonization of trade law & rules, legal reforms, updating businesses with the ICC rules & standards for cross border business transactions.

As a part of its regional & international activities, ICC Bangladesh has so far organized following regional & international conferences.

■ In 2000 a 2-day ICC Asia Conference on "Investment in Developing Countries: Increasing Opportunities" was organized in Dhaka, which was inaugurated by the Prime Minister of Bangladesh and attended by a number of high profile dignitaries including the Thai Deputy Prime Minister & Director General Designate of WTO, ADB President, Under Secretary General and Executive Secretary of UN-ESCAP and Chinese Vice Minister for Foreign Trade & Economic Cooperation. More than 250 participants from 24 countries participated in this event.

■ A 2-day International Conference on "Global Economic Governance and Challenges of Multilateralism" was held in Dhaka in January, 2004 coinciding with 10th Anniversary of ICC Bangladesh. The Conference was inaugurated by the Prime Minister of Bangladesh and Thai Prime Minister was the Keynote Speaker. WTO Director General, EU Commissioner for Trade, UNESCAP Executive Secretary, Governor of Japan Bank for International Cooperation, six Ministers from three continents, Bangladesh Ministers, ICC Chairman, ICC Vice Chairman, ICC Secretary General and more than 500 participants from 38 countries attended this event.

■ In 2005, ICC Bangladesh organized a Regional Seminar on "Capital Market Development: Asian Experience". The Seminar, inaugurated by the President of the People's Republic of Bangladesh was attended by Chairmen/CEOs of securities & exchange commissions, stock exchanges, capital market operators, financial institutions and investors from 15 Asian countries.

■ In 2010, ICCB organized a Conference on "Energy for Growth" coinciding with the 15 years of ICC's presence in Bangladesh. The Conference was inaugurated by the Finance Minister of Bangladesh and attended by ICC Global Chairman, Minister for Commerce of Bangladesh, Minister for Development Cooperation of Denmark and Adviser to the Bangladesh Prime Minister for Energy & Mineral Resources. Some 800 delegates from home and abroad including energy experts, power developers, gas exploiters, coal miners, international financiers from Australia, China, Denmark, India, Germany, Japan, Singapore, Switzerland, UK and USA.

■ During 2014, ICCB organized an ICC International Conference on Global Economic Recovery: Asian Perspective, coinciding with the 20 years of ICC's presence in Bangladesh. The Conference was inaugurated by the President of Bangladesh H.E. Mr. Md. Abdul Hamid. Minister for Finance & Minister for Commerce of Bangladesh, UNCTAD Secretary General, Deputy Minister for Commerce of Myanmar; Commerce and Supplies Minister of Nepal; ICC Vice Chairman; ICC Secretary General; ICC Research Foundation Chairman; Director of National Committees and more than 500 participants attended this event. For the first time ICCB also organized a workshop in Kuala Lumpur on ICC Rules and Tools for International Trade Finance jointly with ICC Malaysia. Besides, four workshops for the ICC Knowledge Centre Members, two ICC workshops on Uniform Rules for Demand Guarantee (URDG) for bankers were also organized.

ICCB arranges four regular professional training programmes: e-Learning programme on 'FIT Initiative' (Finance of International Trade) supported by ICC, Paris, eBSI (eBusiness School International, Ireland), International Finance Corporation (IFC) & Institute of Export, UK; Certified Documentary Credit Specialist (CDCS), Certified Specialist on Demand Guarantee (CSDG) and Certificate of International Trade Finance (CITF) Examinations conducted worldwide every year by ifs School of Finance and endorsed by ICC Paris.

ICC Bangladesh participates in most of the World Chambers Congress & ICC World Congresses held every two years and WTO Ministerial Meetings as well as ICC Regional Consultative group Meetings.

ICC Bangladesh and The Hongkong and Shanghai Banking Corporation Limited (HSBC) in Bangladesh have jointly launched a trade knowledge and network building platform titled "ICC Knowledge Centre" to provide the trade professionals of Bangladesh with an access to online resources, insights and trade related articles, researches and upto date trade information.

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Editor's Note

Global recovery in store for 2015 but challenges remain

We are heading into 2015 with the overall health of the global economy in a better position since the beginning of global economic crisis in 2008. However, the global economic recovery has remained very fragile in the recent years and much weaker than that of recoveries that took place in the wake of previous economic crises.

The International Monetary Fund expects world gross domestic product growth to reach 3.8 per cent this year, firmly above the 3.3 per cent expansion it estimated for last year. For the leading industrial nations, the United States and Britain are in the vanguard of strong recovery while the euro zone and Japan have all the hard work left to do to restore economic well-being. The uncertainty means interest rates will stay low, which is good news for consumers, who will get an additional windfall from the boost to spending power they get from a collapse in crude oil prices. This is especially true in the US and Britain where employment is bouncing back sharply.

International sanctions and collapsing oil prices are causing massive damage to the Russian economy. In the coming year, these sanctions are unlikely to be lifted, and more sanctions could be added, as the crisis in Ukraine shows no sign of being resolved over the near-term. In the meantime, Russia needs ever-higher oil prices to balance its budget, so the dramatic fall in oil prices in recent months has pushed the Russian economy to the brink of a recession. Experts predict, in 2015 the Russian economy will fall into a recession and, if oil prices continue to fall, this recession could prove to be extremely severe, fueling geopolitical tensions inside Russia and along its borders.

The overall Asia-Pacific (APAC) region outlook for 2015 has been given a considerable boost by the sharp decline in world oil prices in the second half of 2014 as most of the Asian economies are large net importers of oil and gas. Overall GDP growth in the region is, therefore, expected to be around 4.7 percent in 2015, almost same as 4.6 percent growth in 2014. However, GDP in the Asian countries is expected to grow at 5.1 percent in 2016.

However, Asia's largest economies - China and Japan - will continue to face headwinds in 2015. Japan is struggling with the impact of ageing demographics and very high government debt levels, which limit its long-term GDP growth potential to around one percent per year. China is also facing moderates growth momentum due to weakness in the residential property market, as well as the consequences of rapid credit expansion in the financial system since 2009.

India was in an economic crisis during 2013, but now looks set to be one of the best emerging markets recovery stories for 2015, because of sharp decline in oil prices, since India is heavily dependent on imported oil. Inflationary pressures have fallen sharply during recent months.

The strength of the US dollar and the weakness of many of the world's other leading currencies could result in a full-scale currency war in 2015. Such a currency war has been predicted in the past, but policymakers have avoided falling into this trap on a number of occasions. However, so many important currencies have weakened in recent months, that other countries may find themselves forced to weaken their own currencies in order to protect their export competitiveness. If a race to the bottom commences, no one will win and the global economy will suffer the consequences. Meanwhile, an even stronger US dollar would have grave consequences for exporters in the United States, hampering that country's relatively strong economic recovery.

According to experts, global equity markets should stay on a roll this year, fuelled by expansive credit policies of the major central banks. Equities may be in their sixth year of a rally, but the bull market for bonds is four decades old and ripe for a major correction. Low government debt yields offer poor relative returns for investors.

However, despite softening growth rates, experts consider that the Asia-Pacific region remains the leader for global growth and despite short-term headwinds from global economy, Southeast Asia will strengthen to global production base.

ICC Bangladesh News

Bangladesh President Mr. Md. Abdul Hamid inaugurated ICC Int'l Conference on Global Economic Recovery: Policy-makers & business leaders call for inclusive growth

Top trade experts, economists, business leaders and ministers from across Asia gathered in Dhaka on October 25-26 to discuss how the fastest growing Asia can continue to lead the global economic recovery and maintain its reform momentum. More than 800 delegates and guests from home and abroad attended the ICC International Conference on Global Economic Recovery: Asian Perspective organized by ICC Bangladesh coinciding with 20 year's of ICC's presence in Bangladesh.



H.E. Mr. Md. Abdul Hamid, Hon'ble President of the People's Republic of Bangladesh is delivering his inaugural speech at ICC International Conference on Global Economic Recovery : Asian Perspective held at Bangabandhu International Conference Centre on 25 October.

"Developing Asia remains the fastest growing region globally. So, Asia's reform momentum must be maintained to ensure the region's position as the global leader," said President of Bangladesh Mr. Md. Abdul Hamid in his augural address at the Conference held at the Bangabandhu International Conference Centre (BICC) on 25 October. He hoped the Conference would open up a window of opportunity for exploring the potential of Asian countries and taking proper initiatives for a better Asia. The recession of 2008-09 has given us a stark reminder of the vulnerability of the structure that mankind has created. It is no longer possible for countries to live and develop in isolation. In fact the interdependence is much greater than expected in the world of finance. Countries that were more integrated with the world economy suffered more. Bangladesh was fortunate to be among those countries that were affected somewhat less than many others, Hon'ble President added.

The inaugural Session was also addressed by Finance Minister AMA Muhith,M.P., Commerce Minister Tofail Ahmed, M.P., UNCTAD Secretary General Dr. Mukhisa Kituyi, ICC Vice Chairman Sunil Bharti Mittal, ICC Research Foundation Chairman Dr. Victor K. Fung, ICC Bangladesh President Mahbubur Rahman and ICC Bangladesh Vice President Latifur Rahman.

ICC Bangladesh President Mahbubur Rahman in his welcome address stressed on the need for regulatory reforms and higher infrastructure investments in India, ASEAN, and other parts of Asia, financial system liberalisation, labour and product market reforms in Japan, and tax and spending reforms in many economies. These reforms are critical not only to sustain Asia's growth leadership over the medium term, but also to maintain investor confidence and secure financial stability in the near term, said Mahbubur Rahman.

In one hand, Asian economies have grown tremendously in recent years, but on the other hand, Asia has the highest number of population living on poverty. "Which is not an acceptable situation." "The world is entering a new era of global commerce which is full of complexities. So, we will need people's collaboration and dialogue to smooth the trade further" Mahbubur Rahman added.

Prime Minister of Bangladesh Sheikh Hasina, M.P. in her Message said that as developing Asian countries continue to grow, they face the daunting challenges of providing employment and ensuring that income disparity does not widen.

UN Secretary General Ban Ki-moon in his Message said Asian economies proved resilient during the global financial crisis, leading the recovery

of the world economy for the past five years. Prospects for the region are bright. At the same time, the region faces a number of challenges.

WTO Director General in his Message said the topic of the conference could hardly be more important, and there is no doubt that Asia would have a very important role to play.

Finance Minister AMA Muhith, M.P. in his address stated that the century belongs to Asia. "Asia has taken up the challenge to take the world forward. So far, we have done well. "Asia's lead has to be maintained in the global economic recovery in the coming years." He termed trade a key element for growth. "Businesses should also look to lift people out of poverty. Otherwise, there would be no demand for the goods and products you are producing" the Minister added.

Commerce Minister Tofail Ahmed, M.P. said Bangladesh had done miracles in the last four decades. Ridding itself of the ignominious tag "bottomless basket", Bangladesh has become a classic example of development. He praised the businesses and industries for being the driving force in the country's success story. "Growth in Bangladesh has to be inclusive, and the country also needs to manage its urbanisation properly as it is putting strains on resources", he added.

Recommendations

- Adopt supportive monetary policies for strengthening Asia's resilience to risks
- Pursue growth policies that boost growth
- Promote inter-regional Asian exports
- Improve connectivity to promote productivity, trade
- Promote inclusive financing for equitable socio-economic progress
- Promote less government and more governance
- Create environment for businesses to flourish
- Reform institutions
- Ensure food security to curb inequality and poverty in South Asia
- Remove tariff and non-tariff barriers in South Asia

Mukhisa Kituyi, Secretary General of the United Nations Conference on Trade and Development (UNCTAD), said social inclusion is critical for the long-term survival of businesses. Enterprises must be an equal partner with governments and civil societies in finding ways to progress, he added.

Kituyi said ICC would face a challenge in the coming days in balancing the objectives of businesses and aspirations of the people. There is a popular notion that business interests and aspirations of the people contradict each other.

"We have to find a model where the growth in trade would work in cutting income inequality and cut poverty," he said, adding that the ICC has an important role in achieving a sustainable future.

The UNCTAD head said policymakers need to look at how to improve employment policies and improve tax collection. Coping with rising inequality should remain a collective priority in Asia and the gulf of inequality has to be addressed properly, he said, while urging the South Asian nations to increase spending on social protection and youth employability.

Kituyi said some of the excesses, particularly in the financial sector, blamed for the financial crisis have to be corrected.



H.E. Mr. Md. Abdul Hamid, Hon'ble President, People's Republic of Bangladesh (middle) is seen at the inauguration of ICC International Conference. Finance Minister H.E. Mr. Abul Maal A Muhith, M.P.; UNCTAD Secretary General, H.E. Dr. Mukhisa Kituyi; ICC Vice President Sunil Bharti Mittal; ICCB Vice President Latifur Rahman are seen on his right and Commerce Minister H.E. Mr. Tofail Ahmed, M.P.; ICCB President Mahbubur Rahman; Chairman of Li & Fung Group and ICC Research Foundation Dr. Victor K. Fung; ICC Secretary General John Danilovich are seen on his left.

Dr. Victor K Fung, Chairman of ICC Research Foundation and Fung Group of Hong Kong, said the conference was very timely, as it focused on Asia. "It is pertinent because of Asia's rising economic importance." He termed Bangladesh a key beneficiary of globalisation, which has been an incredible force in the developing world in the last couple of decades in pulling millions of people out of poverty and improving their livelihood in many Asian countries.

However, there are some developments, which are bound to change the dynamics of global growth in the coming years. One of them is the emergence of 3 billion new entrants to the global middle-class in the next 30 years, with Asian consumers alone accounting for 50 percent of global consumption. Secondly, the advancement in technology is accelerating changes in all aspects of the business world, he said.

Dr. Fung said there is a rise in concern about environmental sustainability and social equity, which is influencing consumers and businesses alike. Fourthly, there is also the pressure on multilateral trade system. It has to be designed in a way so that it can fit in the 21st century. "This is not just about Doha Round or trade facilitation agreement, although we do need that. This is about trade continuing to remain as an engine of growth and development."He went on to call for the right architect and governance to facilitative the flow of goods and services in the modern era.



Group picture of Hon'ble President of the People's Republic of Bangladesh H.E. Mr. Md. Abdul Hamid with the dignitaries.

ICC Vice Chairman Sunil Bharti Mittal who is Chairman of Bharti Enterprises, the parent company of mobile operator Airtel said "I think we need to start talking about growth and, more importantly, inclusive growth and a growth model that will carry with it the people below the poverty line and those who are less privileged. "Only a society which is at peace with itself can create growth." Mittal, said businesses will flourish when all sections of the society are moving forward together.

Mittal also touched upon the issue of movement of people within the World Trade Organisation framework. "This issue is extremely



A partial view of guests and delegates of the Inaugural Session at BICC

important for Bangladesh, as it is for India." Bangladesh receives billions of dollars in remittance, while India receives over $40 billion annually.

"The world needs people and these two countries have people," he said, adding that Asia, with its large youth population, can supply labour to the rest of the world.

"We need to have labour movement available to them and we need to encourage that. This is an agenda that ICC should lead going forward." He said chambers, trade bodies and individual businesses have a big responsibility towards the development of global trade agenda.

Mittal, who is set to become the next chairman of ICC, also praised Bangladesh's steady 6 percent economic growth since 1996 and said "I think the Bangladesh model holds a lot of hope for all the developing countries around the globe," he said, while commending the ICCB and its current leadership for promoting the chamber in this part of the world.

ICC Bangladesh Vice President Latifur Rahman thanked His Excellency Mr. Md. Abdul Hamid, Hon'ble President, People's Republic of Bangladesh for kindly agreeing to inaugurate this Conference as Chief Guest.

He also expressed gratitude of ICC Bangladesh to the Government of Bangladesh for extending their full support and co-operation in all the ICC International Conferences that were organized in the past in the years 2000, 2004, 2005 and 2010 as well as for the current event.

He also thanked the Ministers, ICC Delegates, Diplomats and Business Leaders from home and abroad for their kind presence. He also thanked the print and electronic media for the continued support and coverage of the ICC events.

Latifur Rahman made special mention and lauded the leadership of ICC Bangladesh President Mahbubur Rahman for his relentless and outstanding efforts for promotion of trade and investment in the country as well as projecting Bangladesh to the outside world.

Asif Ibrahim, Former DCCI President and Chief Coordinate of the ICC Conference introduced the Chief Guest and other dignitaries present at the beginning of the Opening Session.

President of Bangladesh Mr. Abdul Hamid unveiled the Special Publication brought out by ICC Bangladesh on the occasion of the Conference.

Global growth lies with able Asia
Observed speakers at Plenary Session

Asian leaders are capable of leading the region to weather impacts of the global financial crisis and create the foundation for more prosperity for the world's growth engine, said Mukhisa Kituyi, UNCTAD Secretary General on October 26 at the Plenary Session of ICC International Conference. It is within the means of the leadership of the region to lay the basis for greater resilience against the crisis seen in 2008, he added.

Focusing on driving the regional growth prospect and facing effectively the internal and external challenges, the UNCTAD Secretary General said, "For better economy this region should develop a strong foundation based on creating sustainable job opportunity and reducing domestic and regional inequality. He also laid emphasis on reaching an understanding on the regional political dynamics for easing contentious political issues.

Spelling out the concerns and challenges for this region, Dr Kituyi said there are medium and long-term vulnerabilities which should be assessed rightly and addressed with effective and pro-active manners. To this effect, he also underscored the need for dynamic leadership for establishing stronger regional integrity, which is a pre-requisite for economic and social development.

He advised for devising better policy with major focus on regional integration and integrated market development, and more attention to the flow of foreign direct investment (FDI). The rise of Asian economy also depends on the flow of FDI, he said referring to the Chinese economy, which shares a significant portion of the global FDI flow. Referring to the recent global economic scenario, Dr Kituyi said, "The regional countries should remain aware of the happenings in the developed world and in some countries being faced by political volatility".

Another important issue, he said, is the global energy issue when the United States is extracting shell oil and solar energy, which will be cheaper than fossil energy in the medium term. The UNCTAD top brass also said all of these issues require coordinated attention and effort so that economies can grow.

He was speaking during the Plenary Session on Global Economic Recovery: Contemporary Reality of the ICC International Conference on Global Economic Recovery: Asia Perspective at Pan Pacific Sonargaon hotel in the capital.

Sunil Bahadur Thapa, Minister for Commerce and Supplies of Nepal, expected more from South Asian countries. "South Asia should adopt such policies and programmes which could provide better connectivity, widen job markets and other opportunities, empower people and strengthen national capacity in order to create a strong Asia region. That would add value to the greater Asian perspective." South Asia needs to make the recovery stronger, inclusive

and sustainable, and this requires intervention at policy, institution and structural levels, he said.

The Nepalese Minister lamented that South Asia still remains the least economically integrated region in the world though it has been under the SAARC framework for the last three decades. "We want to move towards a meaningful regional integration. Visionary statements have been put forward by our leaders to turn the SAARC into an economic union. Words must meet action," he said, adding that there is ample scope for revitalizing regional cooperation.

Finance Corporation (IFC), said the role of private sector in improving the lives of people can't be ignored in emerging and developing markets. Over the last 20 years, more and more economic responsibilities have been bestowed upon the private sector in the region, said the official of the IFC, the private sector financing arm of the World Bank Group.

"In this regard, the government, private sector and other stakeholders should be congratulated for helping to enable this change, which has contributed to the widespread

The world economy, the ICC Secretary General said, could grow by $400 billion to $1 trillion by reducing costs of trade by 10 to 15 percent and other benefits due to the "Bali Package" which was supposed to be adopted by July 31, 2014, he added.

Mahfuz Anam, editor and publisher of The Daily Star, said the global financial crisis has brought all countries back to the reality that financial and other sectors need regulation. He, however, ruled out the possibility of return of a controlled



Commerce Minister H.E. Mr. Tofail Ahmed, M.P. (middle) chaired the Plenary Session which was addressed by Commerce and Supplies Minister of Nepal H.E. Mr. Sunil Bahadur Thapa, (4th from right); Deputy Minister for Commerce of Myanmar H.E. Dr. Pwint San, (3rd from right); UNCTAD Secretary General H.E. Dr. Mukhisa Kituyi, (3rd from left); Bangladesh Bank Governor Dr. Atiur Rahman (4th from left); ICCB President Mahbubur Rahman (2nd from left); The Daily Star Editor Mahfuz Anam (2nd from right); IFC Country Manager Kyle Kelhofer (extreme right) and ICC Secretary General John Danilovich, (extreme left) .

South Asian Free Trade Area (SAFTA) was created eight years ago but it is still hostage to a long sensitive list, non- and para-tariff barriers and connectivity issues. "These issues have to be addressed if South Asia wants to advance economically," said Minister Thapa.

Deputy Minister for Commerce of Myanmar Dr. Pwint San said international trade and investment and technological innovation would play a vital role in the global economic recovery. He called for boosting economic growth around the region for creating a huge demand for jobs. Kyle Kelhofer, Country Manager of the International

economic growth and more opportunities for citizens," he added.

In his speech ICC Secretary General John Danilovich highlighted the urgency for Trade Facilitation Agreement (TFA), which was introduced to facilitate multilateral trade and reduce trade barrier, and sought cooperation of all for early implementation of the treaty. The World Trade Organisation (WTO) has failed to ratify the TFA that was finalised at the 9th WTO Ministerial Conference at Bali in December 2013 mainly due to India's reluctance to allow consensus on TFA before negotiating a permanent solution to food subsidies, he observed.

economy, and voiced support for the group of local entrepreneurs who are calling for "less government but good governance".

"We don't want the government to regulate, impede and constrain us, but we want the government to ensure fair play and create a truly competitive environment in which it acts as an enlightened regulator, and more like a referee enhancing the quality of the game."

Terming Bangladesh's huge population an asset, he said a private sector-led economy could use and turn them into a productive force. He stressed the need for quality

education and skills development to transform the population into a productive force. "And this skills development must be in harmony with the need of the industry, as, at present, there is disconnect between industries' need for human resources and the educational system's production of human resources." He put emphasis on accountable political and financial forces in the country as there is an absence of accountability. "Besides, whatever oversight bodies we have, they are becoming weak due to reckless politicization."

Bangladesh Bank Governor Atiur Rahman said, "Our demographic dividends and speedy adoption of information technology by our youths and vast aggregate stock of financial assets in the form of foreign exchange reserves clearly bestows on Asia the responsibility of taking up a role as the key driver of global growth over the coming decades."

To maintain a congenial environment for enduring trends in equitable and environmentally sustainable growth, cooperation among the Asian countries in this role will need importantly to be at multiple levels, including between the governments, public sector institutions, business communities, civil society organizations and so forth, Dr Atiur Rahman added.

Commerce Minister Tofail Ahmed, who chaired the session, in his concluding remarks, urged the developed countries to give meaningful duty and quota-free benefits to the least developed countries (LDCs), as committed in the Hong Kong WTO ministerial conference in 2005.

Some developed countries are not following the decisions of the ministerial meet and imposing duty in the name of tariff and para-tariffs on import of important items from the LDCs, he said.

Mr. Tofail Ahmed, M.P. pointed out that, the Hong Kong WTO summit had decided that the developed countries would provide duty-free access for goods from LDC countries. Countries that would not be able to provide this access to all the products would give this facility to at least 97 per cent of the products. But, the decision is yet to be implemented, said the minister urging developed world to act proactively to implement the commitment for ensuring better global trade and economy. Without mentioning the name, the minister said a "very important" country had been ignoring Bangladesh's request for allowing duty-and-quota-free access of garment products to its market.

He, however, said some countries including Canada and Japan are providing Bangladesh the duty-and-quota-free access, but still there are some tariff and non-tariff barriers hindering growth of the country's products on the global market.

ICC Bangladesh President Mahbubur Rahman in his introductory remarks explained about the objective of the 2-day Conference and hoped that the distinguished speakers and panelists will deliberate on the Conference Theme and suggest way forward for the Asian countries.

Economists suggested not to mix business with politics

Asian countries including Bangladesh must keep politics aside from business for the betterment of economy, observed speakers and panelists at the Business Session One: Realities and Challenges of the ICC Conference.

Dr. Sadiq Ahmed, Vice-Chairman of Policy Research Institute of Bangladesh, said developing Asia continues to do substantially better than the rest of the world on the growth front despite a slowdown in global economy. With its rising share of world income and trade there is a good chance that Asia will lead the way for global recovery, he said, adding that much depends on what happens in India and China.

The basic fundamentals are strong in the giant Asian economies, with India expected to get back to the 6-7 percent growth trajectory and China to 7-8 percent, Ahmed said. "Along with restoration of stability and growth in advanced economies in 2-3 percent range, these performances can be an important pull factor for global recovery."

The stronger long-term growth performance of developing Asia is mainly explained by economic fundamentals, according to Ahmed. The higher growth is spurred by a rapidly rising national investment rate and expansion of exports.

Speaking in the session Professor MA Taslim, chairman at the Department of Economics of the University of Dhaka, said the relationship between democracy and economics must be differentiated, failing which both will be at risk. He said business should be allowed to operate based on the market forces (demand and supply) instead of intervention by political forces. "If this does not happen, economics will not be stabilised in the region," the professor of economics told the meet.

"Unfortunately, it is happening in major parts of Asia," he said, adding that democratic countries like Bangladesh must be careful as there is a difference between market and political forces. The country should not follow the same principles as autocratic governments, Taslim added. The political conflicts starting from the West to East have already jeopardised the world's economy, he observed.

Former caretaker government adviser Dr. Hossain Zillur Rahman said that the recovery of the Asian economy would go through the process from

resilience to growth acceleration. 'Political commitment and proper policy support are the keys to such transformation. Earlier we used to think western liberal democracy was the answer to all the problems but now countries like China and Japan also have made their names,' he said. Politics seriously affected business in Bangladesh Zillur added and called for keeping the economy free from political influence for higher economic growth.



Speakers at the Business Session One: Realities and Challenges chaired by Dr. AB Mirza Azizul Islam (5th from left), former Finance Adviser to the Caretaker Government

"South Asia has been a bit of a laggard and export-orientation and trade openness started very late in the day. But slowly, it is catching up." Asia has done much better than others during the financial crisis of 2008-09 mainly due to better performance of the Chinese and Indian economies, said Debapriya Bhattacharya, distinguished fellow of the Centre for Policy Dialogue.

"'China and India' has driven the growth in Asia," Debapriya said, while slotting the Asian economies into three categories of "Dazzling, Dancing and Dazed". Dazzling Asia includes the higher income countries like Japan, Singapore and South Korea; Dancing Asia has the upcoming China, India and Malaysia and the dormant economies of Bangladesh, Nepal, Pakistan and Sri Lanka form the Dazed Asia. Bhattacharya stressed more integration between the Asian countries for sustained economic growth. Dazed Asia should establish a new phase of relationship in terms of sub-divisional or connectivity projects with other Asian countries.

Bangladesh Garment Manufacturers & Exporters Association (BGMEA) President Atiqul Islam said that the country was growing as well as the other Asian economies. 'After the tragic Rana Plaza incident we faced factory inspection by the western buyers and less than two per cent of our factories were found faulty. Now the sustainability compact and factory inspection should be applicable for other countries, otherwise we will lose the competitiveness,' he said. He urged that regional cooperation is necessary for the overall development of the Asian economy.

Aftab-ul Islam, President of American Chamber of Commerce in Bangladesh, said regional cooperation does not get a momentum in South Asia mainly due to mistrust among neighbouring countries. He stressed the need for enhancing people-to-people contact in the region with more exchanges between businesspersons and civil society members. South Asian countries can benefit immensely from cooperating with each other, he said, while citing Nepal's capability to address the region's electricity shortage with its 80,000 megawatts of hydropower.

Salehuddin Ahmed, former governor of Bangladesh Bank said that what is worse is that the recession appears to hang on throughout 2014 and it may hang on 2015 too. A safe path of global balance and stability will be a lot easier if global liquidity growth is tied to the growth of real global output in some mechanism that injects and withdraws liquidity counter- cyclically as global real output growth slackens or paces up. The IMF can be mandated to craft and administer the tying mechanism, in a new role somewhat as the apex global monetary agency, he added.

Sultan Hafeez Rahman, Executive Director of BRAC Institute of Governance and Development, said "this is a tough recession and likely to linger for a while longer. Basically, it's not good news for the rest of Asia. There is a lot of reliance on China obviously as they have been doing really well and has been leading Asia.

There was also reliance on India and unfortunately for the last several years India has not been doing very well but quite clearly China and India as a result of the shift of the center of economic gravity from the traditionalized industrialized

countries forwards Asia means that these will two countries of Asia, heavily depended upon as the cushions in times of economic crisis and recessions in the future Dr. Hafeez added.

Adeeb Hossain Khan, council member of the Institute of Chartered Accountants of Bangladesh, said Bangladesh is gradually getting importance on the global front due to its larger population base. As a result, Japan's Honda and Uniqlo and India's CEAT have already set up operations in Bangladesh, he said.

Trade is the most dominant factor in the Asian economy, said AB Mirza Azizul Islam, former finance adviser to caretaker government in his concluding remarks as the Chairman of the Session.

The main challenges to the Asian economy are slow growth of exports, exchange rate stability, and reduction of income inequality, he said. Trade restriction imposed by developed countries is another challenge for high GDP growth in the Asian country.

The Asian Development Bank projects regional growth to pick up to 6.2 percent in 2014 and 6.4 percent in 2015 for most Asian countries. Although Asia has made major strides since the 2008-09 global recession, not all countries are out of the woods, he added.

LDCs still in the dark about Bali package : Observed experts

Least-developed countries (LDCs) are still unsure whether the recommendations of WTO's Bali round of conference will be adopted or not, as the developed and developing countries are failing to reach a consensus. At the ninth ministerial meet of the World Trade Organisation held in Bali in December last year, a consensus was reached on three important issues: trade facilitation, food security and LDC package, observed speakers at the Business Session Two of the Conference Trade: Does the Bali outcome hold promise for the future? .

The developed countries were supposed to adopt them in July this year, but they are yet to give final approval for differences in opinions. Separately, two major deals between developed and developing nations Transatlantic Trade and Investment Partnership and Trans Pacific Partnership are going to be signed, said Zaidi Sattar, Chairman of the Policy Research Institute.

"The LDCs might face troubles in trade for this", commented Dr. Sattar while sharing his thoughts on whether Bali outcome could hold promise for the future.

Nepalese Commerce and Supplies Minister Sunil Bahadur Thapa chaired the session while Chief Executive of Bangladesh International Arbitration Centre (BIAC) Dr. Toufiq Ali, Director of the Division on Africa, Least Developed Countries and Special Programmes of World Trade Organisation (WTO) Taffere Tesfachew, Chairman of Policy Research Institute of Bangladesh (PRI) Dr. Zaidi Sattar and Centre for Policy Dialogue (CPD) Executive Director Dr Mustafizur Rahman were the speakers.

Director of Fung Global Institute of Hong Kong Barbara Meynert, former President of Bangladesh Garment Manufacturers & Exporters Association (BGMEA) Anwar-Ul-Alam Chowdhury Parvez and Director of National Committees of ICC Headquarters in Paris François-Gabriel Ceyrac spoke as discussants.



Speakers at the Business Session Two of the Conference on Trade: Does the Bali outcome hold promise for the future? chaired by Commerce and Supplies Minister of Nepal H.E. Mr. Sunil Bahadur Thapa (4th from left) .

Professor Mustafizur Rahman said WTO meetings discuss only regulatory issues and customs-related issues, which are related to trade. But there are many issues that remain left out like infrastructure. He said the Bali outcome was totally frustrating, though it is a fact that Bangladesh has greatly benefited from rules-related trade facilitation.

He said trade liberalisation cannot make a country developed one, there are many other aspects a developed country should deal with. He predicted that Bangladesh would still remain an LDC country, even it graduates from the current status by 2021.

In his address, Bangladesh International Arbitration Centre (BIAC) Chief Executive Dr Toufiq Ali said the multilateral trade rules are designed only for the developed countries and so in trade negotiations, the interests of developed countries are taken care of as they dominate.

"The developing countries, however, have now major shares in trade and so they need to develop expertise to take advantage from such discussions." he said.

Bangladesh needs to be very careful at multilateral discussions and is required to develop its expertise to achieve goals, said Toufiq, also former ambassador and permanent representative of Bangladesh to UNCTAD, WTO. The last ministerial meeting of WTO at Bali apparently reached consensus on some issues, but even these seem to be in risks now.

There has been an explosion of bilateral and regional preferential and free trade agreements that are at once both causes and consequences of the long-drawn process at WTO.

Such arrangements in the package put the trade and commerce of excluded nations at disadvantage, thus reducing the benefits of liberalised trade, said Dr. Ali.

Taffere Tesfachew said the Bali Package was held at a perfect time and the focal point of the discussion was trade facilitation. He said trade played a very important role in eliminating poverty across the world and trade helped millions of people come out of poverty. He said the new SDGs were targeting elimination of poverty from the world within 15 years. He termed a very challenging task. Trade facilitation would help the world to do so, he added.

Barbara Meynert said the Bali meeting created distrust among the countries. "But we still have to be hopeful afresh for a new beginning," she said.

Former Bangladesh Garment Manufacturers and Exporters Association President Anwar-Ul-Alam Chowdhury pointed that the ready-made garments is not getting access with duty free quota system. "Some 8,600 products were given duty free, but not those of RMG in which we hold strong position in export. That has been done intentionally. The LDC countries have potentialities that should be taken into consideration. There should not be any eyewash," he said.

François-Gabriel Ceyrac said it was not right that everything in Bali accord was frustrating; there were some special measures taken for the least developed countries.

South Asia needs to address key challenges to attract FDI

The South Asian countries have a number of challenges to face to attract foreign direct investment, including lack of infrastructure, poverty, environmental hazards, poor governance, infrastructural gap and lack of regional and global integration are the core issues that are keeping FDI from the South Asia.

The observations were made by the speakers at the last session titled "Promoting Investment in Asia," held as part of a two-day long ICC International Conference on "Global Economic Recovery: Asian Perspective" at a city hotel.

Mr. Binod K Chaudhary, President of Chaudhary Group who chaired the session said we believe that there is a global recovery taking place. Can Asia be generalized, we have Japan, Singapore, and Hong Kong on one hand also we have emerging economies like Indo-China, Myanmar and we have SAARC at the same time. The track record of SAARC bearing some countries has not been as encouraging and then we have China & Japan driving the investment, not only inward but also outward, he added.

Mr. Chaudhury mentioned that what has changed since 2008 global meltdown for Asia? Why suddenly Indonesia & Philippines becoming the shining stars? Do you believe that India & China would work in true terms to promote bi-lateral, tri-lateral & multi-lateral investments in Asia? I guess these are the issues more or less are relevant to our discussions and I am sure we will get very useful inputs from this panel, he added.

Dr. Pwint San, Deputy Minister for Commerce, Myanmar said according to Asia Pacific findings investments report in 2014, foreign trade investments show signs of recovery in 2013, from the weak performance provided in 2012. Developing economies in particular, continue to attract an increased share of global FDI, where recipients of more than a half of global FDI inflows.

Dr. San observed that however, the South-East Asia sub-region has proved to be the most resilient, experiencing and the most disrupted core in FDI inflows since 2009. Many Asia-Pacific economies are also significant easterner investors. The Asia Pacific region experiences

significant increase of 15.1% in the term of FDI outflows. The region announced for 30% share of global FDI outflows. This increase in the region is mainly contributed by China, Japan, which are the stronger economies in this region, he added.

South Korea's Youngone Corporation Chairman Kihak Sung said the FDI flows to countries which have business friendly laws and regulations and favorable geographical locations, many of which are not available in Bangladesh. "In Bangladesh, infrastructure is not well as port is congested, and it took 12-14 hours to reach from Dhaka to Chittagong through highway," said Sung who has been running businesses in Bangladesh from 1980. He said people have to pay high price for electricity while the gas quality is poor, and even lots of legal complications prevail in Bangladesh.

Ahsan H Mansur, Executive Director at Policy Research Institute, said the South Asian countries lack social and physical infrastructures. "Public sector investment is needed at infrastructure development to encourage private investments," he said.

Mr. Abrar A. Anwar, Managing Director & Head of Corporate and Institutional Clients, Standard Chartered Bank said if we consider the intra Asia investment we cannot ignore what's happening in China and India. Two big economies within Asia, basically these are the largest trading partner for Bangladesh and also for many countries within Asia. Today I think China's reserve is US$ 4 trillion and 70% of that is invested in USA. So, there has been some strategies in China for investment in trade, he added.

Johannes Zutt, World Bank's country director in Bangladesh and Nepal, said issues like poverty, environmental challenges and infrastructural gaps are the key issues that South Asian countries are now facing. "42% of the world's poverty live in Asia and the current pace of poverty reduction in South Asia is not fast enough to meet global targets," he said. The most dramatic sustainability issues faced by South Asia are related to urbanisation and lack of capacity to manage environmental assets, he said. Zutt said South Asia will need $2.5tn by 2020 to cover up infrastructural gap.

'Tackling corruption and maintaining political stability are the key challenges for most of the South Asian countries as long as growth is concerned,' he added. The region was hit hard by the global financial crisis as the growth of the region was cut down by half in recent years.

'The South Asian countries can grab the manufacturing industry of the East Asia banking on the low labour cost in the region,' he said. Mr. Md. Fazlul Hoque, former BKMEA President said that we are dreaming to be middle income country by 2021, but the biggest question in mind, are we ready to achieve that mile stone? If we take into consideration the deliberation from the Country Director of World Bank, he potentially mentioned that there is a lot of opportunity of diversifying the manufacturing investment from China and other developing countries in Asia to Bangladesh.



Speakers at the Business Session Three: Promoting Investment In Asia chaired by Binod K Chaudhary (5th from left), President of Chaudhary Group, Nepal.

We can easily understand where we are standing at this moment and where should we focus and I believe that there should be a development roadmap from Bangladesh perspective and we must give emphasis on infrastructure development, he added.

Mr. Shankar Prasad Poudel, Under Secretary, Ministry of Commerce & Supplies, Nepal; Mrs. Lee Ju Song, ICC Asia Adviser from Singapore; Mir Nasir Hossain, former President FBCCI; Dr. Fahmida Khatun, Head of Research CPD and Mr. Vincent O'Brien, ICC Banking Commission Market Intelligence Group Chair, from Ireland also spoke.

ICC International Conference Recommended Asia to be united to take economies forward

The two-day ICC International Conference ended on October 26 with a call for political cooperation, regional integration and robust fiscal steps to take the Asian economies forward. The conference, titled 'Global Economic Recovery: Asian Perspective' also observed that Asian recovery will be continentally driven but full recovery will be dependent on the rest of the world.

ICC Bangladesh and the leading chambers and associations of Bangladesh organized the event attended by policymakers, economists, trade experts, and local and foreign entrepreneurs. Some 40 speakers and 450 delegates from home and abroad attended the event.

"Asian recovery is interlinked with global recovery. Being in a global village, you cannot remain in isolation. You cannot remain insulated from the rest of the world," said Mahbubur Rahman, president of ICCB, at a press briefing organized to share the outcomes of the Conference. Consumption expansion in China and India, and the relationship between these two countries will be critical in shaping the Asian agenda in future, he added.

The conference observed that the financial crisis and recession of 2008-09 appeared to have pushed the world economy to a slower growth trajectory; the average growth in the last four years was decidedly lower than the preceding four years. The nature and pace of recovery remain tentative, facing formidable structural impediments, financial uncertainties and inter-regional imbalances that could aggravate ongoing problems, according to Press statement issued on the outcome of the event.

Mahbubur Rahman said Asia has been able to strengthen its resilience to global risks and will continue to be a source of global economic dynamism. But gradual fiscal consolidation and supportive monetary policy could strengthen the continent's resilience to risks, according to the ICCB president.

However, it will not automatically result in growth acceleration. For that, appropriate growth policies need to be pursued. Inequality has increased with a concurrent decrease in poverty in the region, ICCB said. In this backdrop, food security should be ensured, particularly in the South Asian region.

Other than providing a set of recommendations in areas ranging from trade, investment, regional cooperation, governance and environment, the Conference also recognised the shift towards China and India in the 21st century. "If they see eye to eye, trade in Asia will reach new heights," Rahman said. Participants also observed that climate change would impact air quality and water.

It would be the biggest challenge in the environmental domain in the region in the coming days, Rahman said. In addition to focusing on the good relationship between the two emerging Asian giants, the Conference also underscored the importance of good governance and inclusive politics. "These are essential prerequisites for accelerated investment and growth." By committing to a new transformative growth paradigm, developing Asia can lead a process of development towards a future that is sustainable, Mahbubur Rahman said.

The new development paradigm though will need to be conscious about rising inequality and environmental degradation and take corrective measures to address the attendant concerns.

The ICCB president is also hopeful that the two-day conference would benefit Bangladesh and take the country to the next stage. Latifur Rahman, vice-president of ICCB, and a member of Paris-based ICC's executive board, said the conference's participants are going back more enriched.

The Press Briefing was also addressed by ICC Bangladesh Executive Board Member Barrister Rafique-ul Huq and ICC Bangladesh Secretary General Ataur Rahman.



ICC Bangladesh President Mahbubur Rahman (middle) is briefing the press attended by ICCB Vice President Latifur Rahman (2nd from right), ICCB Executive Board Member Barrister Rafique-ul Huq (2nd from left), ICC International Conference Chief Coordinator and former DCCI President Asif Ibrahim (extreme left) and ICCB Secretary General Ataur Rahman (extreme right).

Inaugural Address of
His Excellency Mr. Md. Abdul Hamid
Hon'ble President of the People's Republic of Bangladesh
at ICC International Conference on Global Economic Recovery : Asian Perspective
25 October 2014



Assalamu Alaikum
Respected Chair and President of ICC Bangladesh Mr. Mahbubur Rahman,
Hon'ble Minister for Finance Mr. A.M.A. Muhit, MP.
Hon'ble Minister for Commerce Mr. Tofail Ahmed, MP.
Hon'ble Ministers from abroad
Hon'ble Secretary General of United Nations Conference on Trade and Development (UNCTAD)
His Excellency Dr. Mukhisa Kituyi,
Hon'ble Vice Chairman of ICC Mr. Sunil Bharati Mittal,
Hon'ble Chairman of ICC Research Foundation Dr. Victor Fung,
Respected Vice President of ICC Bangladesh Mr. Latifur Rahman,

Distinguished Guests,

Ladies and Gentlemen,

Good Afternoon.

I am delighted to be present here at the ICC International Conference on "Global Economic Recovery: Asian Perspective". I congratulate International Chamber of Commerce Bangladesh for organizing the Conference very successfully.

Ladies & Gentlemen,

I came to know that the ICC has been promoting Free Market Economy, formulating various rules and guidelines for cross border trade and Investment. ICC's 6.5 million member companies in over 130 countries have interests in every sector of private enterprise. ICC works in close cooperation with national governments, multi-national institutions and several UN agencies for promotion, protection and development of world economy.

The recession of 2008-09 has given us a stark reminder of the vulnerability of the structure that mankind has created. It is no longer possible for countries to live and develop in isolation. In fact the interdependence is much greater than expected in the world of finance. Countries that were more integrated with the world economy suffered more. Bangladesh was fortunate to be among those countries that were affected somewhat less than many others.

Distinguished Guests,

Five years after the global financial crisis the world economy is showing signs of bouncing back with a recovery in high-income economies. Overall growth in emerging market and developing economies is expected to increase by 5.1 percent in 2014 and 5.4 percent in 2015. Growth in China rebounded strongly in the second half of 2013, due to acceleration in investment. Latest reports indicate that average Asian growth rate will be over 6.2% this year and 6.4% next year.

Developing Asia remains the fastest growing region globally. In the past China, Japan and India have played the key role in overcoming the economic downturn. Very recently China has emerged as the largest economy of the world. Asia's reform momentum must be maintained to ensure the region's position as the global growth leader. It is expected that Asia will continue to lead the way for sustained world growth.

Ladies & Gentlemen,

Since independence Bangladesh has been pursuing socio-economic development for the well-being of its people. We have achieved over six percent GDP growth rate for last two decades. Simultaneously we have achieved major progress in Human Development. According to life expectancy has increased to 70.3 , child mortality rate has declined to 41 and literacy rate according to Bangladesh Bureau of Statistics has gone up to 59.82.

With more than two million people being added to our labour force each year, we need to provide adequate employment opportunities. Cheap labour has enabled our industries to be competitive, but we need to improve productivity to ensure that the standard of living can rise adequately. Our government will have to create the required infrastructure and maintain a business friendly environment. Our enterprising people will do the rest.

Hon'ble Ministers and Delegates from abroad,

I welcome you all to Bangladesh. I extend my sincere thanks and appreciation to you for attending this august gathering. I believe that your presence in this conference would surely open up a window of opportunity for exploring the potentialities of Asian countries and thus taking proper initiatives for better Asia. I wish you all a very successful stay in Dhaka.

Ladies & Gentlemen,

I believe this Conference is being held at an appropriate time of global economic recovery. We have to stand together and improve cooperation for building a better future for the generations to come.

Finally I thank the National Committee of the ICC once again for taking the initiative to organize this Conference. I wish every success of the conference and I hereby declare the ICC International Conference on "Global Economic Recovery: Asian Perspective" open.

Khoda Hafez, May Bangladesh Live Forever.

Welcome Address by ICC Bangladesh President Mahbubur Rahman

at ICC International Conference on Global Economic Recovery : Asian Perspective

25 October 2014

Bismillah-hir Rahmanir Rahim
Hon'ble President of the People's Republic of Bangladesh
Hon'ble Mr. A.M.A. Muhith, Minister for Finance
Hon'ble Mr. Tofail Ahmed, Minister for Commerce
Hon'ble Dr. Mukhisa Kituyi, Secretary General, UNCTAD
Mr. Sunil Bharati Mittal, Vice Chairman, ICC
Dr. Victor K. Fung, Chairman, Fung Global Institute and Chairman, ICC Research Foundation
Mr. John Danilovich, Secretary General, ICC
Mr. Latifur Rahman, Vice President, ICC Bangladesh



Excellencies,

Ladies and Gentlemen,

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuhu

On behalf of the Bangladesh National Committee of the ICC, may I extend to you a very warm welcome to the Conference organized in celebration of the 20th anniversary of our founding. We are grateful that the Hon'ble President has very graciously agreed to inaugurate our Conference. This is a tremendous source of inspiration for all of us.

I would also like to thank H.E Dr. Mukhisa Kituyi, Secretary General of UNCTAD for taking out some time from his busy schedule to be with us. Our profound thanks are also due to the Hon'ble Ministers from our region who, despite their busy schedules, have made the effort to be with us: His Excellency Mr. Sunil BahadurThapa, Commerce & Supplies Minister of Nepal, and His Excellency Dr. Pwint San, Deputy Minister for Commerce, Myanmar.

I also express my gratitude to the Hon'ble Finance Minister, the Hon'ble Commerce Minister and the Hon'ble Foreign Minister for their whole-hearted support to us. And, to the co-organizers, premium partners, sponsors, co-sponsors, supporters, advertisers and our distinguished delegates without whose unqualified support this conference could not be held.

Ladies & Gentlemen,

Many believe that the foundation of the recent global economic crisis was laid when the link between the manufacturing and financial sectors was broken. The events leading to the 2008-9 recession indicate clearly that the financial sector began taking risks. Greed, inefficiency, and lack of ethics led to this debacle.

Given the export-led industrialization and development philosophy of the Asian countries, we were vulnerable. Asian countries adjusted in their own ways.

Let me now fast-forward to the present day. The World Bank expects the developed countries to grow by 1.9% in 2014, accelerating to 2.4% in 2015.

The growth of the United States economy outstrips the rest of the developed world. We note that the US now has the lowest joblessness rate since 2008. We recognize that a strong dollar, fueled by higher U.S. interest rates, will likely expose vulnerabilities in other parts of the world. A recent report by the Bank for International Settlements, essentially the bank for central banks, questioned the global benefits of a stronger dollar, predicting it would tighten financial conditions because foreign banks rely heavily on dollar funding.

The world has a strong interest in Europe's health. You don't want to be around if there's a real depression in Europe. The European Central Bank still has not fully deployed the arsenal of a modern central bank to improve growth in

Europe. Although the ECB has recently announced its intention to launch a new stimulus package, it has refrained from large-scale purchases of government debts.

Is the European Central Bank acting too slowly? And, will their stimulus packages be effective? A lending program started by the Bank of England in 2012 has not reversed the decline in small-business lending in that country. The system is not constrained by the funding side. The banks are awash with liquidity. My Bangladeshi friends will see the parallel here, in our banking system.

Ladies & Gentlemen,

In Japan, under the "Abenomics" stimulus campaign that Prime Minister Abe began in early 2013, the money supply has increased and the price of Yen in dollars has dropped by about 24 percent. The results have not met expectations. Japan's trade deficit has increased while inflation remains weak. The Japanese economy shrank by 7.1 percent in the second quarter after a sales tax increase.

China's economic rise was built on the suppression of its currency to support cheap exports at the expense of domestic consumption. Then, in 2010 began the transition away from export-led growth. But this year, with the economy growing at the slowest pace in more than a decade, China once again pressed down on the RMB. This is a way to stimulate the economy without resorting to full blown credit and investment-driven stimulus. In the first week of October, The World Bank has reduced their assessment of China's growth prospects to 7.4% for 2014 and 7.2% for 2015.

The multilateral lending agencies present a fairly optimistic picture for Asia. The Asian Development Bank projects regional growth to pick up to 6.2% in 2014 and 6.4% in 2015. For most Asian countries, this is not fast enough.

These are the rationale for our choosing the theme for this Conference. While there is a glimmer of hope beyond the horizon, the world is not yet out of the woods. I hope, our Conference will shed some light on this subject.

For rapid development of Bangladesh economy, we need a favourable external environment. We want investment from abroad. Our entrepreneurs are innovative; if infrastructure and energy were also available, they could work miracles.

Ladies & Gentlemen,

Before I end, I would like to share some thoughts about the future. We all recognize that Asia has tremendous potential. Yet, in our quest for progress, we should not overlook the situation facing us.

Asia accounts for 4.4 billion people, or about 60% of humanity living on 30% of its land mass. It has the highest density of population among all the continents. This has been a tremendous source of strength for us. From Asia's young population, we get the labour that enables us to export labour-intensive products. At the same time, our workers go abroad to provide services and send remittances amounting to billions of dollars. Clearly, there are limits to this process.

The high density of population in countries such as Bangladesh, raise concerns about environmental sustainability. It is imperative that technology provide a solution to our problems; otherwise, the consequences can be disastrous in the long run.

The other issue I want to highlight is wealth inequality. It has long been held that in the early stages of development, the inequality will increase. As the countries develop further, inequality would decrease. Latest research, however, questions this hypothesis. It appears that wealth inequality will continue to increase even further with more development. This is not an acceptable situation, and one in which the seeds of discontent are present.

Hon'ble President,
Ladies & Gentlemen,
Distinguished Guests and Friends,

In conclusion, may I extend to all the participants our very best wishes for a productive engagement in tomorrow's sessions.

I thank you.

بِسْمِ اللهِ الرَّحْمٰنِ الرَّحِيْمِ

Message from The Prime Minister



I am happy to learn that Bangladesh National Committee of International Chamber of Commerce (ICC) is organizing ICC International Conference on "Global Economic Recovery: Asian Perspective" in Dhaka on 25-26 October 2014 coinciding with 20 years of ICC's presence in Bangladesh. On this occasion, I would like to congratulate everyone who has been associated with this good initiative.

We are aware that the economic recession has left its own obvious impact on Asian growth and development. Many had hoped that the global economy would recover based on Asian progress. While some Asian countries have been largely unaffected by the turmoil in the West, others have used extensive fiscal monetary measures to help their respective economies adjust.

As developing Asian countries continue to grow, they face the daunting challenges of providing employment and ensuring that income disparity does not widen.

Bangladesh's growth performance has been improving in recent years. Successive bumper crop harvests, strong manufacturing growth, continued recovery in construction, and sustained robust growth in services contributed to this improvement.

I hope the deliberations during the ICC Conference will generate greater awareness of the potential of Global Economic Recovery and make concrete recommendations to help develop appropriate strategy by the Asian countries to sustain their lead role in Global Economic Recovery.

I wish the Conference every success.

Joi Bangla, Joi Bangabandhu
May Bangladesh Live Forever.

Shiekh Hasina
Prime Minister
Government of the People's Republic of Bangladesh



Message from UN Sceretary General

It is a great pleasure to greet all those gathered in Dhaka for the International Chamber of Commerce (ICC) International Conference on Global Economic Recovery, which is aptly focused on Asia this year, the fastest-growing and most dynamic region in the world.

Asian economies have proven resilient during the global financial crisis, leading the recovery of the world economy for the past five years. The success of the region has been based on a strong macroeconomic framework, which ensures economic and financial stability and promotes sustained robust growth. Asia has lifted millions of people out of poverty and narrowed the income gap with developed economies.

Prospects for the region are bright. At the same time, the region faces a number of challenges. In the short run, Asia will have to adapt to a gradual tightening of global monetary conditions as interest rates in the United States start to rise. While most Asian economies are in a strong position to withstand potential financial market instability, further efforts are needed to address existing domestic and external imbalances. In the longer run, the continuing success of Asia will depend on the ability to transform the current growth model into a model of sustainable development: across the region, economic growth needs to become more inclusive, more equitable, and more environmentally sustainable.

Sustainable development is both a challenge and opportunity, not only for Asia but also for the world. Member States of the United Nations have agreed to place sustainable development and poverty eradication at the core of the global development agenda for the decades ahead. After two years of broad consultation and deliberation, the Open Working Group of the United Nations General Assembly has just proposed a set of Sustainable Development Goals, which will help us to complete the unfinished business of the Millennium Development Goals and place our world onto a more prosperous, just, peaceful and sustainable path.

Dealing with climate change is critical. At the Climate Summit I convened last month at the United Nations, multi-stakeholder coalitions made impressive pledges and announcements aimed at reducing emissions, building resilience, and financing the transformation of our economies and societies. We must convert this momentum into a meaningful, universal climate agreement in 2015.

I encourage ICC members in Asia and around the world to take a leading role in making climate action and sustainable development among your highest priorities.

A sustainable global economic recovery and a better future for all depend on it. I look forward to the contributions you will make and I wish you a successful conference. Thank you for supporting the work of the United Nations.

Ban Ki-moon
Secretary-General, UN



Message from WTO Director-General

I would like to offer my warmest congratulations to ICC Bangladesh on 20 years of representing the business community and supporting economic growth.

The topic of your conference-the Global Economic Recovery-could hardly be more important, and there is no doubt that Asia will have a very important role to play. I have seen for myself the work that Bangladesh, along with many other Asian countries, is doing to improve social and economic prospects for the future-and I believe that trade has a central role to play. Since ICC Bangladesh first opened its door two decades ago we have seen strong evidence of how trade has played its part as a critical component of growth and development.

I believe it is essential that trade, through the multilateral trading system, should continue to play this role. Therefore we will continue to need your support. Bangladesh is an important partner of the multilateral trading system. It played leading role in the negotiations before the Ministerial Conference in Bali last December. At that conference WTO members took a series of decisions that will help developing countries, and particularly LDCs, to realize their export potential and sustain the development momentum created in the past decade. This was an important moment. Now we need to properly implement those results and conclude other negotiating endeavours before us. This would be a major contribution to growth, recovery and development in Bangladesh, and around the world.

I send my best wishes for a successful conference-and for another successful 20 years!

Roberto Azevedo
Director-General
World Trade Organization

Participation at 8th EBAC Meeting and Asia Pacific Business Forum of UNESCAP in Colombo

The 8th Meeting of the Business Advisory Council (EBAC) and Asia Pacific Business Forum 2014 of UNESCAP were held in Colombo on 25-27 November.

ICC Bangladesh President Mahbubur Rahman attended Asia Pacific Business Forum (APBF) of UNESCAP held in Colombo on 25-27 November. Mr. Asif Ibrahim, Vice-Chairman of Newage Group and Former DCCI President, ICCB Secretary General Ataur Rahman and Managing Director of ETBL Securities Ltd and DCCI Executive Board Member Rizwan-ur Rahman, also attended. ICCB President Mahbubur Rahman and Asif Ibrahim also attended the 8th Meeting of the Business Advisory Council of UNESCAP as Member of EBAC. ICCB Secretary General was invited by UNESCAP to attend both the meetings.

ICCB President Mahbubur Rahman moderated Plenary Session 1 on Connecting the Region through Trade and Investment. Mr. Asif Ibrahim was a panelist in Plenary Session 3 on Business and Investment Opportunities in Sri Lanka as a Regional Hub.

The Business Leaders at the Forum agreed that the private sector, governments and the United Nations must work together to meet the challenges of achieving sustainable investment-led growth in Asia and the Pacific region.



UNESCAP Business Advisory Council Meeting held in Colombo on 25 November in progress.

APBF brought together more than 300 participants to identify the challenges and opportunities for enhancing inter-regional business connectivity, increased investment and stronger partnerships in achieving inclusive and sustainable development.

High-level professionals from both the public and private sector in the region attended this year's forum. The speakers included H.E. Mr. Mohamed Nasheed, Former President of Maldives; Hon. Lakshman Yapa Abeywardana, Minister of Investment Promotion and Hon. G.J.L. Neomal Perera, Deputy Minister of External Affairs of Sri Lanka; Dr. Supachai Panitchpakdi, Former Secretary-General, United Nations Conference on Trade and Development (UNCTAD) and former Director-General, World Trade Organization (WTO) and Mr. R.C Bhargava, Chairman of Maruti Suzuki.

Under the theme "Enhancing Regional Business Sustainability and Investment", this year's Forum was organized by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), in partnership with the Government and the Board of Investment of Sri Lanka.

The Forum included an ESCAP-led workshop on disaster risk management for business, which gathered recommendations that will serve as inputs for the ministerial round table on risk sensitive investment held as part of the 3rd UN World Conference on Disaster Risk Reduction being held in Sendai, Japan in March 2015.

This year's programme also included the regional launch of the online business opportunity platform, "Myanmar SME Link", a project of the EBAC Sustainable Business Network. The platform is a unique, free



ICC Bangladesh President Mahbubur Rahman (middle) moderated Plenary Session 1 on Connecting the Region through Trade and Investment at Asia Pacific Business Forum of UNESCAP held in Colombo on 26 November.

business-to-business online tool for networking and information sharing, connecting local entrepreneurs with global opportunities in products and services.

Another initiative of the SBN featured in the APBF programme was the release of the publication, "The 3Cs for Responsible Banking in Asia-Pacific: Corporate Governance, Corporate Social Responsibility and Corporate Sustainability". It aims to enhance the understanding and spread the practice of responsible banking in the Asia-Pacific region and introduces the core concepts of responsible banking and outlines examples of best practices.

Since 2004, the annual Forum has facilitated exchanges between high-level professionals in the private and public sectors. Participants discussed pressing issues regarding governance, economic development, regional integration, trade and investment, corporate sustainability, disaster risk resilience, as well as other key subjects.

The next APBF is likely to be held in Singapore in 2015 and ICC Bangladesh will host APBF in 2016 in Dhaka.

ICC Bangladesh President Mahbubur Rahman called on Sri Lanka Industry & Commerce Minister

Discussed on accelerating FTA for expansion of trade

Bangladesh and Sri Lanka are stepping forward to close Free Trade Agreement (FTA) deal between the two countries, mentioned Industry and Commerce Minister of Sri Lanka when ICC Bangladesh President Mahbubur Rahman called on him at his office in Colombo on 27 November.



ICCB President Mahbubur (extreme right) called on Industry & Commerce Minister of Sri Lanka H.E. Mr. Rishad Bathiudeen (2nd from right). ICCB Secretary General Ataur Rahman (extreme left) and Mr. Rizwan-ur Rahman, Managing Director of ETBL Securities Ltd & DCCI Executive Board Member (2nd from left) were also present.

ICCB President Mahbubur Rahman assured the Minister all possible cooperation of the private sector. "I will brief our Commerce Minister and request him to expedite the FTA process for expanding trade between the two countries ," said Mahbubur Rahman.

Responding to ICCB President Rahman, Minister Bathiudeen said: "We welcome your intervention and this will greatly boost bilateral efforts. In fact, we too agree that it is the private sector at both sides that would finally drive trade. I am pleased to inform you that the Department of Commerce under me has already completed the Trade agreement study report on our side and both parties have now exchanged their respective reports. We are ready for the nature of Agreement that you look forward to-whether a Preferential Trade Agreement (PTA) or a Free Trade Agreement (FTA)."

ICCB President Mahbubur Rahman further added that "from your side whatever steps are taken, our Commerce Minister too will promptly reciprocate at his side. He also has been very supportive of private sector since it's the driver of our economy. Bangladeshi, in business or other activities, work with a kinship with Sri Lankans. I am also pleased to say that many Lankan investments in Dhaka are doing very well. For example, the Commercial Bank of Ceylon is doing so well there that even our businesses seek its assistance always."

Minister Bathiudeen was briefed by ICCB President about the outcome of the ICC International Conference on Global Economic Recovery: Asian Perspective, which was organized by ICC Bangladesh in Dhaka on 25-26 October.

The Minster thanked ICCB President and said he was very keen to attend the Conference, but had to cancel his participation due to the Parliament Session. ICCB President presented a memento to Minister Bathiudeen.

It may be mentioned that Sri Lanka and Bangladesh inked their second bilateral joint Working Session in Colombo on 23 September 2014 and came to a consensus on creating a prospective Trade Agreement between the historic partners, but stopped short of the exact nature of the Trade Agreement to be reached 'for a while'. Bangladesh was the 25th export destination of Sri Lanka in 2013. Bilateral trade between both the countries jumped by 67% in 2013 to $139.23 million from 2012's $83.19 million.

ICC Bangladesh bid farewell to US Ambassador Mozena

Bangladesh can emerge as a major economy in Asia by harnessing its potentials in four sectors: apparels, leather, pharmaceuticals and information technology, outgoing US Ambassador Dan W Mozena observed at a farewell reception arranged by ICC Bangladesh in Dhaka on 14 December at a local hotel. "It is not any mythical idea but a reality of near future that Bangladesh is going to emerge as the next Asian economic tiger," while speaking in response to the remarks by ICC Bangladesh President Mahbubur Rahman.



Group picture of the guests with out-going US Ambassador H.E. Mr. Dan W Mozena and ICC Bangladesh President Mahbubur Rahman.

ICC Bangladesh President mentioned that Ambassador Mozena is the only Ambassador who has taken the trouble of visiting all the 64 districts of Bangladesh. This shows the keen interest taken by Ambassador Mozena to know about the people of Bangladesh and gain knowledge about their requirement so that his country could provide necessary assistance for the overall development of Bangladesh. He also mentioned about the keen interest and initiative taken by the Ambassador for further strengthening and expansion of trade and investment between the two countries. Mr. Rahman hoped that Ambassador Mozena will continue to take keen interest in supporting the cause of Bangladesh to the policy makers in Washington. He extended invitation to Ambassador Mozena to visit Bangladesh every year, if not for anything else, but at least for attending the musical programme organized in Dhaka by various groups. ICC Bangladesh President Mahbubur Rahman wished Ambassador Mozena and his wife all the best and good health.

Mozena said Bangladesh is the world's second largest garments, having strong tannery and leather factories, growing generic pharmaceuticals and booming IT industries to thrive on. The RMG sector can become the world's "best and biggest" with a much-needed transformation to ensure workers' safety, rights and wellbeing, he said.

Bangladesh is about to emerge as a major pharmaceuticals exporting country in the world and its pharmaceuticals and leather products are going to flood the US market in two to five years, Mozena went on. An amazing development is waiting to happen in the country's IT sector as it is able to provide software at a 60 percent lesser cost than firms in India's Bangalore, he said.

Bangladesh, being geographically located right in the middle of what US President Obama calls the Indo-Pacific economic corridor connecting both South and East Asia regions, has immense economic possibilities, Ambassador added.

Ambassador Mozena hailed Bangladesh's achievement in food security and reduction of deaths during childbirth and child mortality, as part of meeting the millennium development goals.

However, Bangladesh needs to bring about a revolutionary improvement in the education sector by bringing in the best and the brightest teachers with the best salaries, and providing digital facilities like multimedia tools and virtual libraries for academic activities, he observed. Assessing his three years' service in Bangladesh, Mozena said, "The US-Bangladesh bilateral relation at present is broader, deeper and stronger than ever before. I am proud of the success of latest US military cooperation with Bangladesh Navy and Coastguard."

"It is a melancholic moment for me to part with beautiful Bangladesh after having served a 37-month tenure in a country rich with hardworking, resilient, warm hearted and open-minded people".

"I travelled throughout all 64 districts of Bangladesh during my

tenure, walked through the villages and talked to farmers and villagers for a people-to-people relation," Mozena said.

Describing the natural beauty of Bangladesh as "hundreds of shades of greenery", the retiring US envoy added, "Now I go back to America with a great treasure of people's life stories."

Talking about his post-retirement plans, he said, "I would like to do something that would keep me linked with Bangladesh."

Ambassador Mozena thanked ICC Bangladesh President Mahbubur Rahman for arranging the farewell for him and inviting the business leaders and friends.

Among others, Ambassador of Norway H.E. Ms. Merete Lundemo, ICC Bangladesh Vice President Latifur Rahman, ICCB Executive Board Members A. S. M Quasem, Kutubuddin Ahmed, Md. Atiqul Islam, Muhammed Hatem, R. Maksud Khan, Waliur Rahman Bhuiyan, OBE, FBCCI President Kazi Akram Uddin Ahmed, Immediate Past President of DCCI Mohammad Shahjahan Khan, former DCCI President Asif Ibrahim, former BKMEA President Md. Fazlul Hoque, Former President of DCCI Abul Kasem Khan, Deputy Political and Economic Officer of US Embassy Brad Stilwell, Managing Director & CEO of Mutual Trust Bank Anis A. Khan Limited, Managing Director & Head of Corporate and Institutional Clients of Standard Chartered Bank Abrar A. Anwar, Chief Executive Officer of KAFCO Mark Wong, Managing Director & Country Business Manager –Bangladesh Citibank N.A. Khondoker Rashed Maqsood, ICCB Secretary General Ataur Rahman, DCCI Director Rizwan-Ur Rahman, Bangladesh International Arbitration Centre Chief Executive Dr. Toufiq Ali, Professor MA Taslim, Chairman of the Department of Economics of the University of Dhaka and US Embassy officials attended the event.



Group picture of US Ambassador H.E. Mr. Dan W. Mozena with ICC Bangladesh President Mahbubur Rahman (third from left), ICCB Vice President Latifur Rahman (5th from right), ICCB Executive Board Members ASM Quasem (5th from left), Mohammad Hatem (4th from right), and Rashed Maksud Khan (2nd from left), Former DCCI Presidient Asif Ibrahim (3rd from right), ICCB Secretary General Ataur Rahman (extreme left), ICCB Dy General Manager Ajay B. Saha (2nd from right) and ICCB MIS Officer Md. Shakayet Hossain (extreme right).

Norwegian Ambassador visited ICC Bangladesh

H.E. Ms. Merete Lundemo Ambassador of Norway to Bangladesh visited ICC Bangladesh on 7 December at the invitation of ICC Bangladesh President Mahbubur Rahman. During her visit she was briefed by Mahbubur Rahman about the activities of ICC globally as well as in Bangladesh. Mahbubur Rahman also briefed the Ambassador about ICC International Conference on "Global Economic Recovery : Asian Perspective" which took place on 25-26 October in the city.



ICC Bangladesh President Mahbubur Rahman (middle) presiding over a meeting with the Norweign Ambassador H.E. Ms. Merete Lundemo (5th from right) which was attended by ICCB Executive Board Members A.S.M. Quasem, Aftab ul Islam, R. Maksud Khan, former DCCI President Asif Ibrahim, ICCB Secretary General Ataur Rahman, Deputy Head of Mission Arne Haug, Imran Kabir, Economic and Trade Adviser and Trainee Ms. Irena Solaiman.

The Ambassador thanked ICC Bangladesh President for inviting her to visit ICC Bangladesh and appreciated the excellent works done by the National Committee for promotion of trade and investment as well as projecting Bangladesh to the global businesses. She said that Norwegian investors are keen to invest in Bangladesh specially in the off-shore gas exploration as well as in energy sector.

It may be mentioned that two-way merchandise trade totaled $154.8 million for FY13, in which Bangladesh's exports to Norway was 113.3 million.

The meeting was also attended by ICCB Executive Board Members A.S.M. Quasem; Aftab Ul Islam; Rashed Maksud Khan; Md. Fazlul Hoque, former BKMEA President; Asif Ibrahim, former DCCI President; ICC Bangladesh Secretary General Ataur Rahman.

The Ambassador was accompanied by Deputy Head of Mission Mr. Arne Haug, Mr. Imran Kabir, Economic and Trade Adviser and Trainee Ms. Irena Solaiman.

Later Ambassador also visited Bangladesh International Arbitration Centre (BIAC). She was briefed about the activities of BIAC by CEO Dr. Toufiq Ali and shown the facilities of the Centre. Dr. Ali mentioned about arranging arbitration and mediation as well as training of judges, lawyers, bankers and other stakeholders. The Ambassador was impressed seeing the most modern facilities of BIAC and hoped that the Centre will help in settling commercial disputes out of court.

ICC Knowledge Centre Trade Workshops on Foreign Exchange Regulations in Bangladesh

Two Trade Workshops on Foreign Exchange Regulations were held in Dhaka and Chittagong on 15 November and 20 December for the members of the ICC Knowledge Centre supported by HSBC. Both the workshops were conducted by Dr. Shah Md. Ahsan Habib, Professor and Director (Training) of Bangladesh Institute of Bank Management (BIBM) and Mr. Kamal Hossain, Joint Director, Bangladesh Financial Intelligence Unit (BFIU), Bangladesh Bank.



ICCB Secretary General Ataur Rahman speaking at the inauguration of ICC Knowledge Centre Trade Workshop on Foreign Exchange Regulations in Bangladesh held in Dhaka. Md. Fazlul Hoque, Chairman of the Executive Committee of ICC Knowledge Centre (2nd from left) inaugurated the workshop. Country Head of GTRF (Global Trade & Receivable Finance) of HSBC Bangladesh Syed Javed Noor (extreme left) and Kamal Hossain, Joint Director, Bangladesh Financial Intelligence Unit (BFIU), Bangladesh Bank (3rd from left) were present.

The Dhaka workshop was inaugurated by Mr. Md.Fazlul Hoque, Chairman of the Executive Committee of ICC Knowledge Centre. He hoped that participants will take full advantage of the deliberations by the speakers will seek clarifications on various issues relating to Foreign Exchange Regulations and also the impact of sanctions in different countries in foreign trade.

The Chittagong Workshop was inaugurated by ICCB Executive Board Member and President of Chittagong Chamber of Commerce and Industry Mahbubul Alam.

He mentioned that the government has to take stern actions against those who are siphoning out huge amount from Bangladesh illegally as this is having negative impact on the growth of Bangladesh.

He hoped that Bangladesh Bank will take appropriate measures to bring back such funds from abroad. He thanked ICC Bangladesh an HSBC for organizing the workshop on such an important topic and urged the participants to take the opportunity of seeking clarifications on foreign exchange related issues.

ICC Bangladesh Secretary General presided over both the inaugural



ICCB Executive Board Member and President of Chittagong Chamber of Commerce and Industry Mahbubl Alam (2nd from right) inaugurated the ICC Knowledge Centre Trade Workshop on Foreign Exchange Regulations in Bangladesh in Chittagong which was attended by ICCB Secretary General Ataur Rahman (extreme right), Prof. Dr. S. M. Ahsan Habib, Director Training of BIBM (2nd from left) and Division Head of HSBC Chittagong Naushad Ekramullah (extreme left).

sessions in Dhaka and Chittagong. He mentioned ICC Knowledge Centre is a joint initiative of International Chamber of Commerce-Bangladesh (ICCB), *The world business organization* and The Hong Kong Shanghai Banking Corporation (HSBC), Bangladesh. It is a unique learning and knowledge facilitation platform for the professionals of the local trade community, engaged with international trade in Bangladesh. Since the setting up of the Centre, four workshops have been organized for its Members.

He further mentioned that during 2015 the ICC Knowledge Centre will continue to organize workshops on key issues and invite resource persons from abroad.

A total of 150 participants attended the "Trade Workshop on Foreign Exchange Regulations in Bangladesh" in Dhaka while 103 attended in Chittagong.

ICCB Executive Board reviewed activities during July-December 2014

The 60th Meeting of the Executive Board of ICCB was held on 9 December. The Executive Board reviewed the activities of ICC Bangladesh during July-December.



60th Meeting of the Executive Board of ICC Bangladesh in progress.

ICCB President briefed the Board about the ICC International Conference on Global Economic Recovery : Asian Perspective which was held on 25-26 October.

The President of the People's Republic of Bangladesh was the Chief Guest and inaugurated the Conference on 25 October at Bangabandhu International Conference Centre (BICC).

The inaugural session was also addressed by H.E. Mr. Abul Maal Abdul Muhith, M.P., Minister for Finance; H.E. Mr. Tofail Ahmed, M.P., Minister for Commerce; H. E. Dr. Mukhisa Kituyi, Secretary General, UNCTAD; Mr. Sunil Bharti Mittal, Vice Chairman & incoming Chairman 2015, International Chamber of Commerce (ICC); Dr. Victor K. Fung, Chairman of Fung Global Institute and ICC Research Foundation; ICCB President Mahbubur Rahman and ICCB Vice President Latifur Rahman.

Ministers from Nepal, Myanmar, Director of UNESCAP, ICC Secretary General and more than 800 guests and delegates attended the inaugural session.

The Hon'ble President of Bangladesh released the Special Publication for the conference during the inauguration. The Plenary and three Business sessions were held at Pan Pacific Sonargaon Hotel on 26 October. The event was well attended and covered by electronic and print media. Besides, special interview of Ministers from Nepal and Myanmar, UNCTAD Secretary General, ICC Vice Chairman, ICC Secretary General, Director of UNESCAP and Mr. Binod K Chaudhury from Nepal were arranged and published in a number of local newspapers.

The Executive Board Members congratulated the President for his leadership in making conference a grand success like in the past. The Board also thanked the Members of Conference Coordinating Committee, ICC Secretary General and officials for their hard work in organizing the Conference.

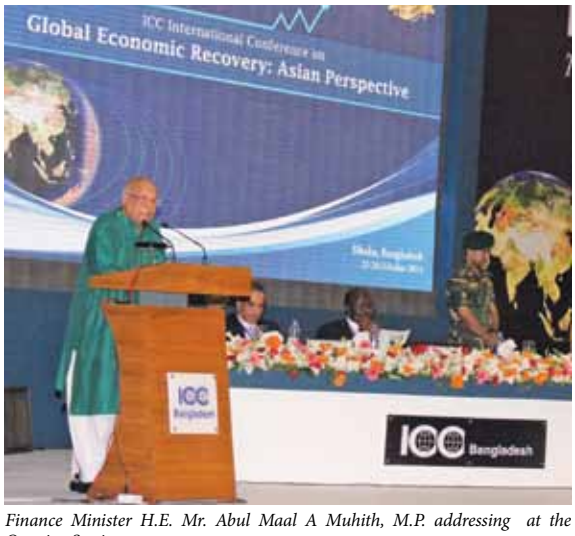
The Board was informed about holding of Certificate in International Trade Finance (CITF) Examination in Dhaka on 17 October; ICC Knowledge Centre Trade Workshops on Foreign Exchange Rules of Bangladesh in Dhaka on 15 November and in Chittagong on 20 December; participation at UNESCAP Business Advisory Council and Asia Pacific Business Forum Meetings held in Colombo on November 25-27; Meeting with the Ambassador of Norway H. E. Ms. Merete Lundemo at ICC Bangladesh on 7 December & Farewell Reception for US Ambassador Dan W. Mozena on 14 December.

Presided over by ICC Bangladesh President Mahbubur Rahman, the Meeting was attended by ICC Bangladesh Vice President Latifur Rahman and the following Board Members: Aftab ul Islam, R. Maksud Khan, Barrister Rafique-ul Huq, Mrs. Rupali Chowdhury, Mahbubul Alam, Mohammad Hatem & Waliur Rahman Bhuiyan, OBE.

Pictures from the Gallery
ICC International Conference on
Global Economic Recovery : Asian Perspective



Finance Minister H.E. Mr. Abul Maal A Muhith,M.P.; Commerce Minister H.E. Mr. Tofail Ahmed, M.P.; ICCB President Mahbubur Rahman, ICCB Vice-President Latifur Rahman; UNCTAD Secretary General H. E. Dr. Mukhisa Kituyi; ICC Vice Chairman & incoming Chairman 2015 Mr. Sunil Bharti Mittal; Chairman of Fung Global Institute and ICC Research Foundation Dr. Victor K. Fung; ICC Secretary General Mr. John Danilovich, ICCB Secretary General Ataur Rahman & ICCB Executive Board Member R. Maksud Khan are waiting to receive H.E. Mr. Md. Abdul Hamid, Hon'ble President, People's Republic of Bangladesh .



Finance Minister H.E. Mr. Abul Maal A Muhith, M.P. addressing at the Opening Session.



Commerce Minister H.E. Mr. Tofail Ahmed, M.P. addressing at the Opening Session.



Welcome address by ICC Bangladesh President Mahbubur Rahman at the Opening Session.



Address by UNCTAD Secretary General Dr. Mukhisa Kituyi at the Opening Session.

Pictures from the Gallery
ICC International Conference on
Global Economic Recovery : Asian Perspective



Address by ICC Vice Chairman & Chairman and CEO of Airtel Sunil Bharti Mittal at the Opening Session.



Chairman of Fung Global Institute & ICC Research Foundation Dr. Victor K. Fung at the Opening Session.



ICC Secretary General John Danilovich addressing at the Opening Session.



Vote of Thanks by ICC Bangladesh Vice President & Executive Board Member of Global ICC Latifur Rahman at the Opening Session.



Chief Conference Coordinator introducing the VIPs present at the Opening Session.



A partial view of Inaugural Session of ICC International Conference at BICC.

Pictures from the Gallery
ICC International Conference on
Global Economic Recovery : Asian Perspective



Hon'ble President H.E. Mr. Md. Abdul Hamid unveiled the Special Publication of the ICC International Conference.



ICCB President Mahbubur Rahman receiving Presidential Crest from Hon'ble President of the People's Republic of Bangladesh Mr. Md. Abdul Hamid



ICC Bangladesh President Mahbubur Rahman presenting a memento to the Hon'ble President of the People's Republic of Bangladesh H.E. Mr. Md. Abdul Hamid

Pictures from the Gallery
ICC International Conference on
Global Economic Recovery : Asian Perspective



A group picture of dignitaries with Hon'ble Commerce Minister Tofail Ahmed, M.P. (3rd from right) and ICCB President Mahbubur Rahman (4th from right); ICCB Vice President Latifur Rahman (4th from left); ICCB Executive Board Member & CCCI President Mahbubul Alam(3rd from left).



A group picture of dignitaries with ICCB president Mahbubur Rahman (4th from left); ICCB Vice President Latifur Rahman (2nd from right); ICC Executive Board Member Aftab-ul Islam(2nd from left); ICC Vice Chairman Mr. Sunil Bharti Mittal (4th from right); ICC Secretary General John Danilovich (3rd from right) and ICCB Secretary General Ataur Rahman (extreme right).



Group picture of dignitaries with ICCB President Mahbubur Rahman(5th from left); ICC Director of NC's Francois-Gabriel Ceyrac(6th from left); ICC Secretary General John Danilovich (7th from left), ICC Asia Adviser Lee Ju Song (4th from left) and ICC India Executive Director Ashok Ummat (8th from left).

Pictures from the Gallery
ICC International Conference on
Global Economic Recovery : Asian Perspective



Group picture of Sri Lankan Business Delegation at the ICC Conference.



Group picture of delegates at BICC



Group picture of delegates with ICCB Vice President Latifur Rahman and ICCB Executive Board Member Aftab ul Islam.

Pictures from the Gallery
ICC International Conference on
Global Economic Recovery : Asian Perspective



A partial view of Business Session of ICC International Conference at Pan Pacific Sonargaon Hotel.



A partial view of Business Session of ICC International Conference at Pan Pacific Sonargaon Hotel.



Group picture with ICCB President Mahbubur Rahman, ICCB Vice President Latifur Rahman at Pan Pacific Sonargaon Hotel.

Pictures from the Gallery
ICC International Conference on
Global Economic Recovery : Asian Perspective



Deputy Minister for Commerce of Myanmar H.E. Dr. Pwint San is presenting a memento to ICCB President Mahbubur Rahman.



ICCB Vice-President Latifur Rahman and other guests at the dinner hosted by Hon'ble Commerce Minister H. E. Mr. Tofail Ahmed, M.P. in hornour of dignitaries participating at the ICC International Conference in Dhaka.



Industry Minister H.E. Mr. Amir Hossain Amu, M.P. (5th from right); Agriculture Minister H.E. Begum Matiya Chowdhury, M.P. (extreme left); Commerce and Supplies Minister of Nepal H.E. Mr. Sunil Bahadur Thapa (4th from right); UNCTAD Secretary General Dr. Mukhisha Kituyi (6th from right); Deputy Minister for Commerce of Myanmar H.E. Dr. Pwint San (2nd from right) and ICCB President Mahbubur Rahman (extreme right) are seen at a discussion during the dinner hosted by the Hon'ble Commerce Minister H.E. Mr.Tofail Ahmed, M.P. (3rd from right).

Pictures from the Gallery
Visit to Colombo, Sri Lanka



ICC Bangladesh President Mahbubur Rahman presenting to Dr. Supachai Panitchpakdi, former Secretary-General, United Nations Conference on Trade and Development (UNCTAD) and former Director-General, World Trade Organization (WTO) a copy of the Special Publication of ICC International Conference on Global Economic Recovery held in Dhaka. ICCB Member & Vice Chairman, Newage Group of Industries Asif Ibrahim and ICCB Secretary General Ataur Rahman were also seen.



ICCB President Mahbubur Rahman is seen with H.E. Mr. Mohamed Nasheed, former President, Republic of the Maldives (3rd from right), EBAC Chairperson Datuk Seri Mohamed Iqbal Rawther (3rd from left), Dr. Ravi Ratnayake, Director of Trade and Investment Division of UNESCAP (extreme right), ICCB Member & Vice Chairman, Newage Group of Industries Asif Ibrahim (2nd from left) and ICCB Secretary General Ataur Rahman (extreme left).

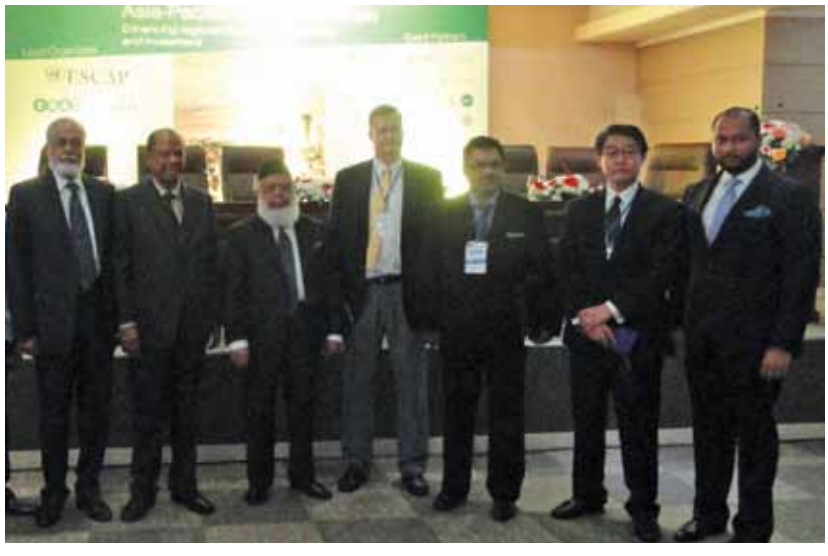


Director of Trade and Investment Division of UNESCAP Dr. Ravi Ratnayake welcoming the delegates at the 8th EBAC Meeting. Also seen are ICC Bangladesh President and Chairman & CEO of ETBL Holdings Ltd. Mahbubur Rahman (extreme left), President of International Business Council of Sri Lanka Kosala Wickramanayake (2nd from right) and Ms. Barbara Meynert, Director, Fung Global Institute (extreme right).

Pictures from the Gallery
Visit to Colombo, Sri Lanka



ICCB President and EBAC Member Mahbubur Rahman (3rd from right) moderated Plenary 1 at APBF 2014 where the panelists were Chairman, Rangoonwala Group of Companies Tariq M. Rangoonwala (2nd from left), Institute of Policy Studies of Sri Lanka Executive Director Dr. Saman Kelegama (3rd from left) International Road Transport Union (IRU) Secretary General Umberto de Pretto (2nd from right), European Chamber of Commerce of Sri Lanka (ECCSL) Board Director Simon Bell (extreme left) and Founder and President – SME Chamber of India Chandrakant Salunkhe (extreme right).



Group picture of Dr. Ravi Ratnayake Director, Trade and Investment of UNESCAP (2nd from left) with ICC Bangladesh President Mahbubur Rahman (3rd from left), Mr. Marc Proksch, Chief, Business and Development Section Trade and Investment Division, ESCAP (4th from right), Mr. Masato Abe, Economic Affairs Officer, Business and Development Section, Trade and Investment Division, ESCAP (2nd from right), Mr. Asif Ibrahim, EBAC Member & Vice Chairman, Newage Group of Industries (3rd from right), Mr. Ataur Rahman, Secretary General of ICC Bangladesh(extreme left) and Mr. Rizwan ur Rahman, Managing Director of ETBL Securities Ltd. & Director DCCI (extreme right) during APBF Meeting.



EBAC Member & Vice Chairman, Newage Group of Industries Asif Ibrahim (2nd from left) along with Board of Director, Industrial and Commercial Bank of China (Asia) George Yuen (3rd from right) and other speakers at Plenary 3 of APBF.

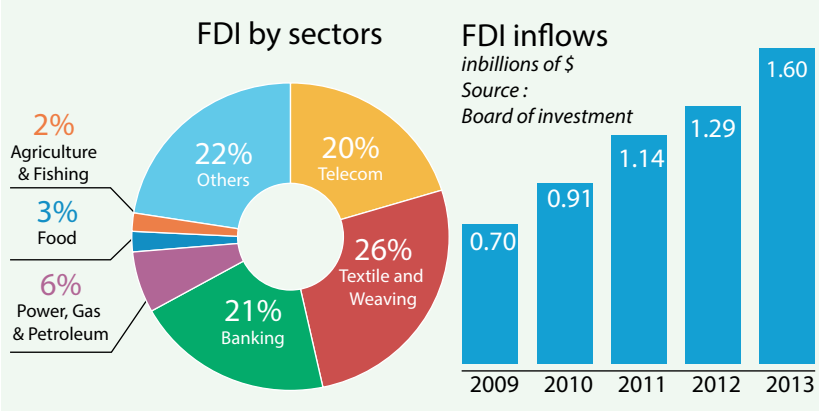
Bangladesh Economy

Better connectivity key to more foreign investment

Suggested leading economists at a discussion on Look East Policy

The country needs to develop strong internal connectivity to attract investment, particularly from firms in East Asia, and be a part of the global value chain, economists said on 1 December. "Big ports, big airports, good urban transport and highway systems, you definitely need them. Connectivity is important," said Fukunari Kimura, chief economist of the Economic Research Institute for ASEAN and East Asia.

Fukunari Kimura went on to suggest for a better Board of Investment, better investment promotion policy and better harmonisation of domestic institutional arrangement. Kimura's comments came at a discussion styled 'Look East Policy: Bangladesh Perspectives' at the Bangladesh Institute of Development Studies. BIDS and Japan External Trade Organisation jointly organised the event, chaired by Rehman Sobhan, chairman of Centre for Policy Dialogue.



FDI in Bangladesh

- East Asia has successfully attracted foreign investment.
- Bangladesh score card on attracting FDI is still far from satisfactory, although some progress is made. "so far, FDI attraction has been dismal even by the standards of least –developed countries" (UNCTAD, 2013).
- Inward FDI volumes in relation to population and ratio of GDP, were consistently 80 percent less than the average for all LDCs and 50% below the inflows to other populous low-income countries such as India and Indonesia.

Ahsan H Mansur, executive director of the Policy Research Institute, said the capital from Asia that went to the West's financial market is coming back, particularly to East Asia, which has the technology and a growing market. Today, the highest number of Rolls Royce are sold in China and not in the US, he said.

Four of the world's five largest economies would be in Asia in the not-too-distant future. Japan will remain, while Indonesia will join China and India, he added. "We cannot ignore them from our economic dynamics. As of now, we trade very little with Southeast Asia it cannot be that way in future as well. And except for China, we do very little trade with East Asia. That also needs to change." Mansur said the government has to go full-throttle to make sure that the initiatives taken by the Chinese and Japanese governments materialise.

"If we really want to join what we call the value chain of East Asia, we have to bring in East Asian companies to Bangladesh." Professor Rehman Sobhan, Chairman, Centre for Policy dialogue said the economy is moving from an aid-dependent model to a capital and FDI-dependent one. Citing Prime Minister Sheikh Hasina's earlier trips to China and Japan, he said these countries are being identified as the principal sources of capital.

But much will depend on how attractive Bangladesh makes itself as an investment destination to them, he said, while calling for developing internal connectivity.

He said improved connectivity with the port, reduced turnaround time at the ports, uninterrupted electricity supply and land availability is important to attract FDI. "Simplistic notions of participating in the globalisation will not really address the more basic problems."

Mohammad Yunus, senior research fellow of BIDS, stressed the need for building strong connectivity with the South Asian sub-region and the East Asian countries via Myanmar. "Connectivity will be the fundamental issue. We need to have strong connectivity and skilled manpower if Bangladesh is to integrate to the global value chain."

Munshi Faiz Ahmad, chairman of the Bangladesh Institute of International and Strategic Studies, said the country has many partners and it has enough space to accommodate them. Binayak Sen, research director of BIDS, said the country should also take lessons from the domestic experiences of East Asian countries.

Good infrastructure key to higher growth

WB stresses upgrading road network, links poor road condition to accidents

It will not be possible for Bangladesh to achieve seven percent GDP growth without upgrading the road network and other infrastructure, according to a World Bank report. If Bangladesh wants to get out of the six-percent growth trap, it has to implement quickly key projects like Dhaka-Chittagong and Dhaka-Mymensingh highways, Zahid Hussain, lead economist at the WB's Dhaka office, said at the launching of Bangladesh Development Update on 21 October.

Zahid Hussain also stressed the need for quick implementation of other protects such as upgrading of Dhaka-Chittagong railway line into double track, Dhaka Metro Rail, the Padma Bridge project and two power plants at Bibiyana. Mentioning the sorry state of highways and roads, the WB report said the main reasons behind it are "substandard work of the contractors, incessant rainfall during monsoon season, and slow pace of work on the four-lane project of Dhaka Chittagong and Dhaka-Mymensingh highways." And bad shape of highways is one of the key reasons behind frequent road accidents in the country, it said.

Quoting a recent survey "Road Safety in Bangladesh: Realities and Challenges" by the Roads and Highways Department, the report said 95 percent of the accidents take place within 57 km of nine national highways, making them "the most accident-prone". There are 208 accident blackspots, listed by the RHD, where road accidents occur frequently.

It also mentioned faulty road designs as one of the few primary causes behind accidents. As repair and maintenance are done on a temporary basis mainly with bricks, brickbats and sand, numerous potholes and cracks develop on roads because of downpour which increases the chance of accident, according to the survey.

Slow progress in completing major road projects has been a major hindrance to achieving "the desired inter-modal transport mix of the government's transport strategy", said the report. For instance, the RHD targeted constructing 4,672 kilometres of new roads and widening 8,433 roads by fiscal year 2015. But it could achieve only 15 and 22 percent of the targets between FY 2011 and 2013.

The condition of roads gets worse during the monsoon and Eid, as the number of home-bound people multiplies at that time. Under the RHD, there are 21,481 kilometres of national highways, regional highways and other roads. Of those, national highways constitute 3,544 kilometres.

About 41 percent of the roads and highways are in a bad shape, and 12 percent of those are in a deplorable state, full of potholes and ruts. Of the rest, 20 percent are in a poor state while 39 percent are in decent shape, according to the RHD survey conducted in December last year.

The WB report said the RHD has been provided with Tk 14 billion from the FY 2015 budget for repair, maintenance and rehabilitation work of the roads and highways, compared to Tk 13.38 billion in FY 2014.

"Despite large government allocations every year, the quality of construction of roads and highways and their maintenance remain neglected." Any unsustainable short-term solution for road safety is not only a death-trap for commuters but also an exercise in wasteful spending, it said.

A year-long action plan for maintenance and repair of roads and highways, regular updating of the list of accident blackspots and priority action plans for improvement deserve attention from the policymakers, the report added.

Zahid Hussain said infrastructure investment increased from less than 1 percent of the gross domestic product (GDP) in FY 2009 to about 2 percent in FY 2013. But it is still considerably lower than the 7-10 percent needed annually for the next 10 years. Energy and transport are key pillars of infrastructure. Bangladesh has made progress in improving its competitiveness ratings, most visibly in electricity supply, he said.

Condition of **Roads and Highways**

41% bad

39% good

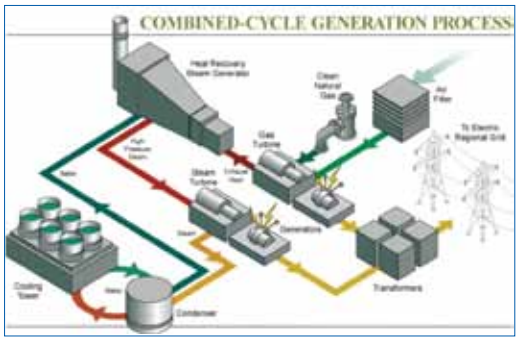
20% poor

December 2013 survey by Highways Development and Maintenance Department of RHD

However, comparison of infrastructure indicators among Asian nations show Bangladesh is still deficient in terms of the quality of infrastructure compared with other Asian countries except for Myanmar. Even Pakistan, which ranks below Bangladesh in country competitiveness, is ahead of Bangladesh in the quality of roads and port infrastructure, said the WB economist.

Power Development Board signed contract with Spanish-S Korean consortium to build 383MW power plant

A Spanish-South Korean consortium will build a new 383 megawatt (MW) combined cycle power plant project in Sylhet within the next three years.



State-owned Bangladesh Power Development Board (BPDB) inked the deal with the joint venture of Isolux Ingenieria SA of Spain and Samsung C & T Corporation of South Korea on 15 December to build the Bibiyana south power plant at a cost of Tk 25.08 billion (US$322.96 million).

The BPDB has appointed the JV firm as an engineering, procurement and construction (EPC) contractor. The Board will arrange the money from its energy development and maintenance fund. State Minister for the Ministry of Power, Energy and Mineral Resources (MPEMR) Nasrul Hamid was the chief guest at the deal-signing ceremony.

The country is currently passing through a transition period before emerging as a middle-income country by 2021 and developed country by 2041, the State Minister said. "The countrymen need to be ready for a sort of sacrifice in this period," said Mr Hamid. The government is keen to utilise the best technology to ensure best returns from the invested money, he said.

Isolux Ingenieria General Manager Jose Luis Dago Elorza and Samsung C & T Corporation General Manager Sung Ki Na vowed to complete installation of the plant in time in a highly- skilled manner. As per the contract signed on 15 December, the net capacity of the gas-fired combined cycle power plant will be 383.510 megawatt (MW) through a combination of simple cycle and combined cycle units. The plant's simple cycle unit will have 252.264 MW capacity while the combined cycle unit will be of 131.246 MW capacity.

The EPC contractor will execute the simple cycle unit within 24 months of signing of the contract, meaning by December 14, 2016, while it will commission the combined cycle unit within 30 months, meaning by June, 2017. The plant will be installed on 14.54 acres of land. The power plant will consume 62.55 million cubic feet of gas per day (mmcfd) which will be supplied from the nearby Bibiyana gas field. Electricity production cost in the project will be Tk 1.13 kilowatt per hour (kWh) considering the plant's efficiency at 53.37 per cent.

Germany signs loan deal to fund modernization of power transmission system

Germany on 15 December signed a deal to provide €60 million funds to Bangladesh to modernise the power transmission system. The funds comprise €15 million grants and a promotional loan of €45 million, the German embassy in Dhaka said in a statement. The funds are part of €320 million earlier sanctioned to support renewable energy and energy efficiency in Bangladesh.

KfW, the German Development Bank, signed the deal with the Economic Relations Division in Dhaka to give the funds. The loans carry a 2.5 percent interest rate and a 15-year repayment period, with five years as a grace period. The initiative will cut transmission losses equivalent to savings of more than 100,000 tonnes of CO_2 emission annually, according to the statement.



The efficiency gains from this project alone will be able to provide electricity to nearly 200,000 additional households.

Green power getting boost in Bangladesh

The government is introducing the first ever feed-in-tariff system, a mechanism designed to accelerate investment in power generation from renewable sources, and it is allowing companies to commercially install solar plants on large government buildings. Under the initiative, Rahimafrooz Renewable Energy Ltd (RREL) has installed a battery-free solar power plant on the roof of Bangladesh Secretariat building-2, on over 7,000 square feet of space.

With a 20-year contract between Rahimafrooz and Dhaka Power Distribution Company, the plant is generating 50 kilowatt electricity and feeding it to the national grid. Fifty kilowatt power is enough to run a hospital or a commercial or an

office building like the secretariat. The feed-in-tariff (FIT) system is a concept popular in the west for promoting expensive green power alongside conventional power generation.

The system guarantees the renewable energy producer electricity tariff higher than the existing rates. It also offers cost-based compensation for renewable energy producers, providing price certainty and long-term contracts that help finance projects.

The tariff for this power is high, Tk 19.95 per kilowatt hour, which is four to five times costlier than that generated by local gas-fired power plants. But during the day the plant saves all fuel cost that would otherwise have been required and the maintenance cost is minimal. "This plant would generate 73 megawatt hours electricity a year and cut carbon emission of approximately 1,000 tonnes in the next 20 years, according to RREL.

It has been running on trial since November 26 and supplying power to the grid. The generated power is more than 1.3 MWh. It is the first BOO [Build, Own, Operate] solar power plant in the country, which is feeding power to the grid. This project is continuously monitored remotely via the internet and mobile phones, including power production and plant performance.



A programmable Class 0.2 Meter ensures the accurate billing, which is usually used in conventional power plants for its accuracy. RREL sources said it was possible to generate up to 2,000MW power by installing solar panels on roofs of different establishments in Dhaka and Chittagong.

In February, 2014, DPDC signed the agreement with Rahimafrooz to produce solar power for the national grid. Rahimafrooz signed a land lease agreement with the Public Works Department to install the plant at the Secretariat. A power ministry official said several such power plants would be installed on other big government offices to increase solar power generation and reduce pressure on fossil fuels.

Bangladesh requires additional investment of US$6billion to graduate from LDC by 2020: ESCAP

The government will need to invest an additional $6 billion fund to take Bangladesh to a middle-income country by 2020, according to the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). The additional money $1 billion a year for the next six years has to be invested in key physical infrastructure such as roads, transport, port, power and energy, education and healthcare.



Bangladesh now invests about $10 billion in development projects a year, with 80 percent coming from domestic sources and 20 percent from official development assistance. The additional fund was estimated considering more than 6 percent GDP growth, current birth rate, and investment growth, said Syed Nuruzzaman, chief of Countries with Special Needs Section at the ESCAP. His comments came at a press conference to mark the conclusion of three-day regional meeting fhedl in Dhaka from 28 to 30 October on "Financing Graduation Gaps of Asia Pacific LDCs", attended by 59 officials from 12 LDCs from the Asia-Pacific region.

The Economic Relations Division in association with the ESCAP and the United Nations Department of Economic and Social Affairs organized the event. Bangladesh is focusing on domestic resource mobilization along with official development assistance to finance development programmes in the country, ERD Secretary Mohammad Mejbahuddin said. The government aims to raise its tax-GDP ratio by 1 percentage point this year from the current 10.5 percent by plugging some loopholes, he said. Mejbahuddin also agreed that the inflow of foreign direct investment

in Bangladesh is below expectation. "We have to improve our business climate further to attract more FDI," he said, adding that quick development of special economic zones is another factor to lure more investments. He also talked about the cost of graduating Bangladesh from LDCs. "There will be some costs, but in the long-term, it will be worth it." All the benefits the country is now enjoying as an LDC will not cease after graduation as there will be some post-graduation support, he added.

At the closing session of the event, Commerce Minister Tofail Ahmed said the country wants to move out of the LDC bracket as quickly as possible, as it is a matter of pride. Bangladesh can also get duty benefits such as GSP plus after graduating, he added. Officials from the 12 LDCs of the region also made a number of recommendations to meet the financing graduation gaps of Asia-Pacific LDCs.

LDCs are encouraged to explore options to find the required fiscal space such as implementing tax administration reforms to tackle tax evasion and fraud and increase the efficiency of tax collection and allocation. They also recommended implementing reforms to create an enabling macroeconomic environment and appropriate incentives to attract private investment in support of LDC graduation on a sustainable basis.

LDCs are encouraged to use ODA and fiscal resources to minimize risks and provide credit to leverage private sector investment in infrastructure development, economic diversification and increase of productive capacities.

Development partners should expeditiously meet their ODA commitment of 0.15 to 0.20 percent of GNI and above to LDCs in accordance with the Istanbul Programme of Action for the LDCs (2011-2020).

Bangladesh needed at least 10 years to move out of LDC list: economist

Bangladesh will need at least ten years to move out of the list of least-developed countries as none of the criteria was met to come out of the list, Debapriya Bhattacharya, distinguished fellow of the Centre for Policy Dialogue, said 27 November. Bangladesh is not a potential candidate for an uplift in a UN review next year that will decide which country will shake off the LDC status, he said.

Even if Bangladesh fulfils all the criteria in per capita income, economic vulnerability, and human assets before another review in 2018, the country will still have to remain under observation for up to six years. Bhattacharya spoke at the launch of the LDC Report 2014 prepared by the United Nations Conference on Trade and Development, at Cirdap auditorium in the city. Bangladesh is yet to reach the threshold in per capita yearly income which should be raised to $1,242 by next year to become a developed country.

The country also could not achieve the required score in the economic vulnerability index, which is now 32.4 points. It will have to be brought down to 32 points, Debapriya added.

Bangladesh is also behind the threshold in the human asset index that reflects health and educational status.

A country will have to achieve 66 points in the human asset index criterion, whereas Bangladesh has 54.7 points. Bhattacharya, however, said Bangladesh can achieve the status of a middle income country anytime due to higher national income arising mainly from remittances

Unctad Report

Key Points

- Rural devlopment should be main pillar to create jobs
- Macroeconomic policies should target sustainable job creation
- LDCs should raise investment-GDP ratio to 25 percent
- Primary investent push should come from public sector
- 130m people will enter job markets in LDCs by 2020
- LDCs receive record remittances of $30.5b in 2012

Bangladesh's business environment to improve in the next five years : EIU

Bangladesh's business environment looks set to improve in the next five years, according to a global ranking report released by the Economist Intelligence Unit (EIU) on 20 November. The EIU in its Business Environment Rankings graded Bangladesh as the 69th investor-friendly location among 82 nations for 2014-18 as the country advanced by two notches from the previous ranking for 2009-13.

Singapore has retained its title as the world's most investor-friendly location for the period, owing to its open economy and status as a regional commercial hub. In the South Asian region, Bangladesh is the third best scorer after India and Sri Lanka, according to the ranking report, which measures the quality of business environment.

Asia is a diverse region, and there are large differences between the overall scores and the global rankings of its top four countries, Singapore, Hong Kong, Australia and New Zealand, and its poorest performers, Bangladesh and Pakistan, the report said.

"The gap reflects the widely varying levels of economic development and political stability between these countries, alongside sharp differences in the underlying structure shaping laws and regulations of foreign investment." Infrastructure remains a relative weak point for Asia. While some of the region's infrastructure is excellent, particularly in telecoms and air transport, other areas require investment to improve distribution networks and utilities provision, it added.

The EIU's country forecast report is designed to reflect the main criteria used by companies to formulate their global business strategies, and is based not only on historical conditions but also on expectations about conditions prevailing over the next five years.

The business rankings model examines ten separate criteria or categories, covering the political environment, the macroeconomic environment, market opportunities, policy towards free enterprise and competition, policy towards foreign investment, foreign trade and exchange controls, taxes, financing, the labour market and infrastructure.

Each category contains a number of indicators that are assessed by the EIU for the last five years and the next five years.

Business environment rankings, South Asia

Country	Scores (2009-13)	Global ranking (2009-13)	Scores (2014-18)	Global ranking (2014-18)
India	5.42	61	6.08	57
Sri Lanka	5.31	65	5.82	61
Bangladesh	4.77	71	5.38	69
Pakistan	4.76	72	5.11	74

Source : Economist Intelligence Unity

Business climate up, rank slips : WB
Bangladesh down three notches on Doing Business list

The country's business regulatory environment improved from last year but it was not enough to bump up Bangladesh's ranking in the World Bank's index on the ease of doing business. Bangladesh came in at 173 among 189 nations on the Doing Business list, down from 170 last year. India stood at 142, Pakistan 128 and Sri Lanka 99.

Bangladesh slipped because of slower pace of reforms relative to other countries, said Zahid Hussain, lead economist at the World Bank's Dhaka office. Besides, new countries have been included in the list and they are ahead of Bangladesh in regulatory reforms, he said.

The ranking does not reflect how the business regulatory environment in the economy has changed since last year, and that is where the Distance to Frontier (DTF) score comes in. This measure shows how far on average an economy is from the best performance achieved by any economy on each 'Doing Business' indicator.

Bangladesh's DTF score this year was 46.84, up from last year's 46.4, according to the report of the International Finance Corporation (IFC), the private sector financing arm of the World Bank Group. The report that focuses on where businesses are best helped and least hindered by governments was released globally on 29 October.

South Asia's average DTF score stood at 54.56; India scored 53.97, Pakistan 56.64 and Sri Lanka 61.36. At present, starting a business in Bangladesh takes 19.5 days and 9 procedures and costs 16.8 percent of income per capita. In contrast, it takes 28.4 days in India, 19 days in Pakistan and 11 days in Sri Lanka. In Sri Lanka too, it requires 9 procedures to launch a business. In India, it takes 11.9 and in Pakistan 10.

Globally, Bangladesh stands at 144 in the ranking of 189 economies on the ease of dealing with construction permits. India came at 184, Pakistan 125 and Sri Lanka 60. The country's DTF score for construction permits was 61.9, also double of neighbouring India but lower than Pakistan and Sri Lanka, which managed 66.07 and 76.5, respectively.

Access to reliable and affordable electricity is vital for businesses, and according to the data collected by the Doing Business report, it requires 9 procedures, 428.9 days and costs 3,890.1 percent of income per capita to get power connection in Bangladesh. The country stands at 188 in the raking of 189 economies on the ease of getting electricity.

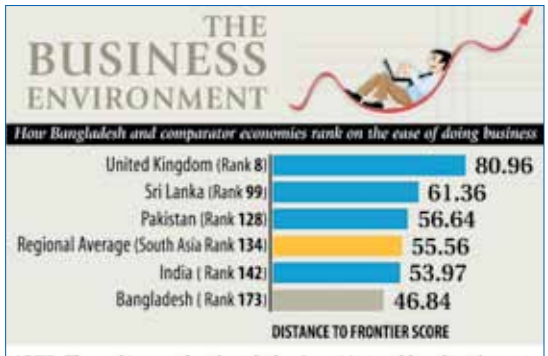
Ensuring formal property rights is fundamental, and effective administration of land is part of that, the report said. If formal property transfer is too costly or complicated, formal titles might go informal again. And where property is informal or poorly administered, it has little chance of being accepted as collateral for loans -- limiting access to finance.

Registering property in the country requires eight procedures, takes 244 days and costs 7.2 percent of the property value. Subsequently, its ranking out of 189 is 184 in this field, which is way below its neighbouring countries. Pakistan comes in at 114, followed by India at 121 and Sri Lanka 131.

Two types of frameworks can facilitate access to credit and improve its allocation: credit information systems and borrowers and lenders in collateral and bankruptcy laws, it said. Credit information systems enable lenders' rights to view a potential borrower's financial history (positive or negative) valuable information to consider when assessing risk. And they permit borrowers to establish a good credit history that will allow easier access to credit.

Sound collateral laws enable businesses to use their assets, especially movable property, as security to generate capital while strong creditors' rights have been associated with higher ratios of private sector credit to GDP, the report said. The economy has a score of zero on the depth of credit information index and a score of 6 on the strength of legal rights index. Higher scores indicate more credit information and stronger legal rights for borrowers and lenders. Bangladesh stands at 131 on the ease of getting credit. In contrast, India comes in at 36, Sri Lanka at 189 and Pakistan 131.

Protecting minority investors matters for the ability of companies to raise the capital they need to grow, innovate, diversify and compete, according to the report. Effective regulations define related-party transactions precisely, promote clear and efficient disclosure requirements, require shareholder participation in major decisions of the company and set detailed standards of accountability for company insiders. The economy has a score of 6.1 on the strength of minority investor protection index, with a higher score indicating stronger protections. Bangladesh stands at 43 in the ranking of 189 economies on the strength of minority investor protection index.



KEY INDICATORS

TOPICS	2015 DTF (% points)	2014 DTF (% points)	CHANGE DTF (% points)
Starting a business	81.36	80.52	0.84 ↑
Dealing with construction permits	61.90	61.50	0.40 ↑
Getting electricity	17.32	15.39	1.93 ↑
Registering property	31.34	31.15	0.19 ↑
Getting credit	30.00	30.00	No change
Protecting minority investors	60.83	60.83	No change
Paying taxes	73.98	73.98	No change
Trading across borders	61.36	60.15	1.21 ↑
Enforcing contracts	20.82	20.82	No change
Resolving insolvency	29.49	29.49	No change

DTF: DISTANCE TO FRONTIER

In terms of ease of trading across borders, Bangladesh stands at 140. Exporting a standard container of goods from Bangladesh requires six documents, takes 28.3 days and costs $1,281. Importing the same container of goods requires 9 documents, takes 33.6 days and costs $1,515, the study found. Contract enforcement, ever so vital for businesses, takes 1,442 days, costs 66.8 percent of the value of the claim and requires 41 procedures in Bangladesh.

Subsequently, it came second from bottom in the rankings for the ease of enforcing contract. A robust bankruptcy system functions as a filter, ensuring the survival of economically efficient companies and reallocating the resources of inefficient ones, the report said. Fast and cheap insolvency proceedings result in the speedy return of businesses to normal operation and increase returns to creditors.

AK Khan Co. to develop special economic zone

AK Khan Company will build a 200-acre special economic zone in Narsingdi, the first under the private sector. The work for the SEZ will start in January, and once completed,



the zone will create about one lakh jobs. The Bangladesh Economic Zones Authority on November 26 handed over the pre-qualification licence to the local conglomerate at a programme at its office in the capital.

AK Khan Company will lease out plots to foreign investors, said Salahuddin Kasem Khan, managing director of AK Khan Company, adding that the main objective of the SEZ is to create jobs in the country. Foreign investors are put off from coming to Bangladesh due to the complications faced in securing land and head to Myanmar or Vietnam instead. "With the SEZ, such complications will be eliminated. Investors will not face any hassles all they have to do is lease the plots from us."

AK Khan acquired the 200-acre land in the central district of Narsingdi, 50km north-east of Dhaka, over a period of 7-8 years. Hi-tech industrial units will get privilege at the SEZ, while the textile industries will be

discouraged, Khan said. The priority sectors are: information technology, electronics, telecommunication, health, digital machines, agro-based industries and plastic, he said.

GDP growth is not possible without the inflow of foreign direct investment, new technology and employment and product diversification,. "We should come out of our RMG dependency."

Japan and China have showed interest in building SEZs in the country, said Paban Chowdhury, executive chairman of BEZA, adding that an Indian team has come to his office on 25 November to know about the facilities offered by the government. "We are getting good responses from different countries."

Exports will grow another $30 billion and one core jobs will be created if 30,000 hectares of land can be allocated for building SEZs in line with the Japan International Cooperation Agency study, BEZA Chairman said.

Four deals signed during PM's visit to Malaysia

Prime Minister Sheikh Hasina visited Malaysia from December 2-4 that provided an opportunity to bolster bilateral ties between the two countries on all fronts going beyond manpower export. This was her second visit to Malaysia after first one in May 2010 for the 6th World Islamic Economic Forum (WIEF) held in Kuala Lumpur.

Naturally, all the bilateral issues came up on the discussion table during her visit. There are some new areas that also came up for discussion for future cooperation. We know Dhaka, the capital city of Bangladesh, ranked the world's second least livable city (according to the 2013 Economist Intelligence Unit's (EIU) Global Livability Survey). Traffic jam in Dhaka Metropolitan City is spiraling day-by-day. Efforts are there to bring this situation under control. Unfortunately, results are not encouraging yet. This issue also came up broadly during the Prime Minister's Malaysia visit.

Malaysian Special Envoy for Infrastructure to India and South Asia Datuk Seri S Samy Vellu wanted Malaysian construction and infrastructure companies to expand their business in Bangladesh, given the vast opportunities existing here. He mentioned that Dhaka is currently facing massive traffic congestion due to poor infrastructure.

Free Trade Agreement

The signing of FTA between the two countries remains pending for long. Usually, it takes too much time to reach final stage after series of negotiations on FTA. Malaysian Prime Minister Datuk Seri Najib Razak has said both countries agreed to initiate preparatory works towards a bilateral Free Trade Agreement (FTA) to promote the expansion of the bilateral trade and investment cooperation. Prime Minister Sheikh Hasina also agreed to consider the formation of the Bangladesh-Malaysia investment forum to enhance investment cooperation. The discussion between the two top leaders was 'described' as fruitful and they spoke about areas which they could enhance cooperation in, such as power and energy and human resources development.



Consortium for Housing

A Malaysian consortium may soon receive the green light from the Bangladesh government to finance and construct an 8,400-unit apartment project worth RM2.4 billion in Dhaka.

Invest in Bangladesh

Bangladesh has invited Malaysian investors and entrepreneurs to be part of the country's next phase of growth. It seems that Malaysian businessmen are rethinking of Bangladesh as a truly competitive investment destination. Many Malaysian have made contribution to the transformation of modern Malaysia over the decades. Similar opportunities beckon in Bangladesh.

Cooperation Expanded

Bangladesh and Malaysia, at a ceremony at the Perdana Meeting Room of the Prime Minister's Office (PMO) of Malaysia at Putrajaya, have signed four deals in the fields of manpower export, tourism, art, culture and heritage for further strengthening the ties between the two brotherly nations. The deals are an agreement on partial abolition

of visa requirement, an MoU on cooperation in the field of tourism, one protocol amending the MoU of 2012 between Bangladesh and Malaysia on employment of workers and another MoU on cooperation in the field of culture, art and heritage.

Both the Bangladesh and Malaysian Prime Ministers witnessed the signing of four instruments after a restricted meeting between them followed by the bilateral meeting between Bangladesh and Malaysia.

Bangladesh one notch up in global ICT index

Bangladesh has moved up in the global ICT development index by a notch placing 145th among 166 countries, according to a latest report published by the International Telecommunication Union (ITU) on 24 November.

In Measuring the Information Society (MIS) report, Denmark has ranked number one with 8.86 points in the global ICT Development Index (IDI) of 2014 followed by the Republic of Korea with 8.85 points, while Bangladesh's point is 1.97. The IDI is a composite measurement that ranks countries according to their level of ICT access, use and skills. Bangladesh's position in the previous year was 146th.

Among the neighbouring countries, Myanmar and Afghanistan with ranking of 142, 131, 129, 123, and 116 respectively, according to the index.

The IDI top 30-ranking include countries from Europe and high-income nations from other regions including Australia, Bahrain, Canada, Japan, Macao (China), New Zealand, Singapore and the United States.

The report is widely recognised as the repository of the world's most reliable and impartial global data and analysis on the state of global ICT development, and is extensively relied upon by governments, financial institutions and private sector analysts worldwide, reads a statement of the ITU.

Latest data show that internet use continues to grow steadily, at 6.6 percent globally in 2014 (3.3 percent in developed countries, 8.7percent in the developing world).

Regarding the ICT connectivity of households throughout the Asia-Pacific region, the report said around five percent of households in Afghanistan, Bangladesh, Lao P.D.R., Myanmar, Nepal and Solomon Islands have internet access at home, whereas almost all households in the Republic of Korea (98 percent) enjoy this facility.

The top countries with the cheapest prepaid mobile-cellular plans are all from the developing world, particularly in Asia and the Pacific region, said the report.

Bangladesh re-elected member of ITU council

Bangladesh has been re-elected to the administrative council of the International Telecommunication Union (ITU) for 2015-2018. The election was held on 27 October during a plenipotentiary conference of ITU in Busan, South Korea, in which Bangladesh bagged 115 votes and has been elected as the council member from the East Asia and Australasia zone for the next four years.

ITU is an UN body that deals with telecom-related matters aiming to ensure networks and improve access to ICT for underserved communities worldwide. Bangladesh has been elected in the highly competitive poll along with 12 others. China topped the voting list, followed by Korea, the foreign ministry said in a statement. Bangladesh won its membership to the ITU Executive Council for the first time in 2010. The tenure is due for expiry in December.

Bangladesh's successful reelection to the ITU council will give it an opportunity to contribute at global policy levels in the interest of LDCs and developing countries towards greater access to telecoms and digitalisation and reducing the digital divide globally, according to the statement. Bangladesh's re-election also reaffirms recognition of the government's globally acclaimed vision of a Digital Bangladesh, a flagship development and poverty reduction priority of the government



Social, personal services account for 10pc of GDP : BBS

Social and personal service providers contribute 10 percent of gross domestic product, according to a survey, the first of its kind. Termed the Community Social and Personal Services (CSPS) providers, they accounted for Tk 41,342 crore of GDP in fiscal 2011-12, said the study commissioned by Bangladesh Bureau of Statistics.

The CSPS has three categories: the professional, scientific and technical services; household services; and other service activities. The professional, scientific and technical services include firms in areas of law, chartered accountancy, engineering, research, management consulting, architecture, advertising and market research organisations.

The other service activities include IT technicians, tailors, washermen, barbers, private physicians, cobblers, electricians and mechanics. Household service providers include tutors, domestic help, guards, gardeners, cooks and caretakers, according to BBS.

In Bangladesh, there are 1,697 establishments that provide professional, scientific and technical services and they employ 21,040. Of them, 14,928 are full-time employees, 16,043 of which are male. They added Tk 1,535 crore to the GDP in fiscal 2011-12, according to the survey. Under the second category, there are 22.74 lakh establishments in the country, employing 5.1 lakh. Of them, 72 percent are full-time and 93.3 percent are male. They added Tk 21,892 crore to the GDP in 2011-12.

There are 1.5 crore households in the country which are also employers, as they buy services from eight groups of people. Of the households, 26.3 percent are in Dhaka, 18.6 percent in Chittagong and 16.6 percent in Rajshahi. Rangpur, which is better known as a poverty-stricken region, is not lagging behind, as the division accounts for 15.9 percent of the households that provide jobs to others.

However, well-off Sylhet accounts for only 5.1 percent of the total households as employers. Barisal and Khulna make up 7.7 percent and 7.6 percent respectively. The households added Tk 17,914 crore to the GDP in fiscal 2010-11.

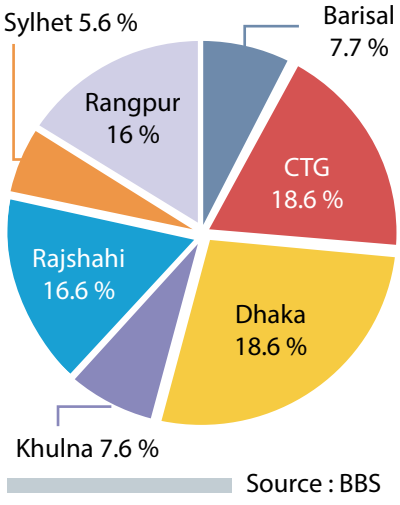
The BBS has conducted separate surveys in five areas such as tourism, real estate, self-employed professionals, inventories and captive power with the help of five organisations to know their contribution to the economy. The findings of the surveys were presented at an inter-ministerial view exchange meeting at the BBS headquarters in Dhaka on November 17.

In Bangladesh, 1,281 establishments were involved in captive power generation in fiscal 2011-12. Of them, 757 were included in the survey. They produced 2.66 crore kilowatt hour unit of electricity and catered electricity to 197,079 clients in fiscal 2011-12. They sold 2.4 crore units of electricity that year. Their gross output was valued at Tk 96 crore in fiscal 2011-12, which was Tk 81 crore the previous fiscal year.

The survey on real estate showed that the total number of housing and developer companies in the country is 2,222. Of them, 1,261 are members of the Real Estate and Housing Association of Bangladesh. The companies employed 72,055 in fiscal 2010-11, 69,058 of which were male. They added value of Tk 3,284 crore to the economy during the fiscal year.

Households as employers

Division-wise



Source : BBS

Tourism adds Tk 164,090m to GDP: study by BBS

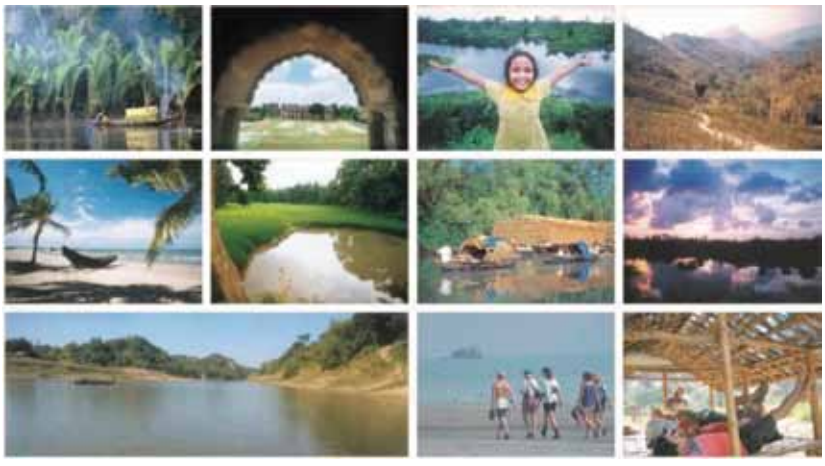
The country's tourism sector directly accounts for 1.56 percent or Tk 164,090 million of economic output, said a new study, highlighting the enormous potential the sector holds in accelerating development and social prosperity.

As a direct contribution, the sector makes up 1.64 percent of total gross value added (GVA), according to the study commissioned by the Bangladesh Bureau of Statistics.

However, the sector would account for 6.25 percent of GDP and 6.57 percent of the GVA if the contribution of the whole sector is taken into consideration, said the survey report. GVA is a measure in economics of the value of goods and services produced in an area, industry or sector of an economy. The sector employs 815,385 people or 1.41 percent of the total labour force, according to the findings.

"The key message is that there is enormous potential for the tourism sector to strengthen, invigorate, and accelerate economic development and social prosperity of Bangladesh," the report said. The survey was

conducted between May and June last year at both household and establishment levels, which include surveys at airports, land ports and households, travel agents, hajj agents, tour operators, liquor houses and resorts.



On domestic tourism, the survey showed about 26 percent of urban households and 13 percent of rural households travelled in the last one year. Of them, 17 percent tourists travelled for business purpose, 16 percent for recreation, 14 percent for health, 10 percent for tourism, 10 percent for education and about 9 percent for shopping.

On an average, a tourist spent two nights during their tour and spent Tk 9,652 for the whole tour. The number of domestic tourists was 42.31 lakh in fiscal 2011-12, according to the study. Inbound tourists, or travellers coming from outside, spent a total of Tk 3,977 crore in the country.

Of the sum, Tk 2,252 crore was spent on accommodation, Tk 1,040 crore on food and beverage, Tk 451 crore on transport and Tk 230 crore on entertainment. Inbound tourists totalled 8.92 lakh in 2011-12, the study said.

The average expenditure per trip by an inbound tourist was Tk 25,131 when entering the country through land ports, and Tk 121,754 when arriving through airports. Non-resident Bangladeshis who accounted for 36 percent of the total inbound tourists spend Tk 40,379 per trip when entering the country through land ports and Tk 98,251 when entering through airports.

Meanwhile, outbound tourists spent Tk 39,579 per trip upon exiting the country through land ports and Tk 183,124 when going abroad by air routes, according to the study. The number of outbound tourists was 14.58 lakh in 2011-12.

The survey report said although Bangladesh is a new tourist destination on the world map, it has enormous potential to develop the sector as it is endowed with so many natural beauties, historic places and a rich cultural heritage. London-based World Travel and Tourism Council estimated that direct contribution of the travel and tourism sector to GDP would be Tk 33,920 crore by 2021.

Bangladesh fares well in fighting food insecurity : UK researcher says

Bangladesh handled the recent global food price spike and its effects quite well compared to some countries. The introduction of an employment generation scheme in 2008 and a permanent social safety net helped the poor in the country tackle the negative effects of food price shocks better than others.

Naomi Hossain, a research fellow at the Institute of Development Studies at the University of Sussex in the UK, links Bangladesh's such responsiveness to policymakers' understanding of the sufferings of people, particularly the poor.

"In Bangladesh, there is an understanding I think. The memory of the famine (the latest in 1974), I think, has been a very powerful driver of tackling acute food insecurity," Naomi said in an interview with The Daily Star in Dhaka recently. "Long-term problems with malnutrition, stunting, water and sanitation do not get that kind of action. But if you have a sudden price hike, you get that kind of action."

She had come to Dhaka to unveil the findings of a study, Life in a Time of Food Price Volatility, and a report, Them Belly Full (But We Hungry), focusing on food rights struggle in Bangladesh, India, Kenya and Mozambique during price volatility between 2007 and 2012.

Naomi, a political sociologist, is the lead researcher of the two joint studies. Professor Ferdous Jahan at the University of Dhaka also works with her on food price volatility. Naomi said people faced hard times in 2008, but by 2010, the price stabilisation mechanism as well as stock was better.

"People knew what to expect. People knew and they were not surprised that time. Still angry, but they were kind of used to it," she said. "I think, in Bangladesh, they (government) handled it pretty well. In 2008, they already had an employment guarantee programme." She said Bangladesh has a much stronger permanent safety net scheme, which allows the government to tackle crisis like natural disasters, cyclones, flood, or drought and food price volatility.

"This is a key thing. When there is a crisis like earthquake, tsunami or drought, you cannot suddenly invent a whole system and whole government structure there to

deliver." "It has to be there already. It has to happen automatically every time the price goes up or there is a flood or something. Actually, the Bangladesh government has always been quite good because of natural disasters like cyclones and flood. This kind of responsiveness is quite good."

The other thing that Bangladesh has but the three other countries -- India, Kenya and Mozambique -- do not, is 'some understanding' of policymakers about the miseries of poor people for food price spikes, Naomi said. This comes from proximity with people living in urban and rural areas, and poor people's migration to cities in search of better livelihoods, she added.

"Compared to these other countries, Bangladeshi policymakers, political classes, the elites and the food policy people actually have some understanding, have some closeness to the people who suffer, not a lot, but more than you will get in India or you might get in Kenya."

Naomi said everyone has close relatives in the village; poverty is very visible, especially in Dhaka. "So we know more or less. It is not that we do not see them. We see these people. We know these people. That struggle is not easy in Kenya and Mozambique." The 1974-famine left a lesson for the policymakers here, she added.

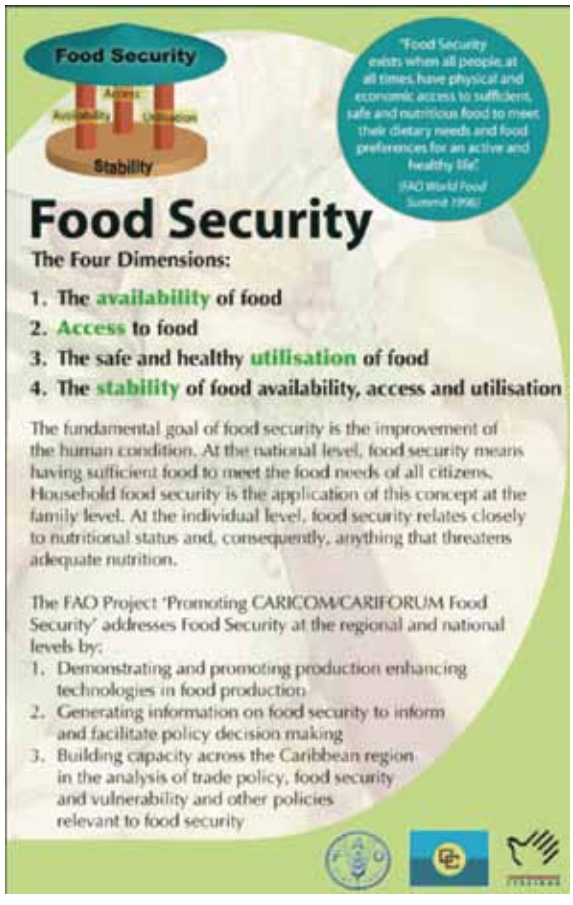
"It is really dangerous, stupid and a wrong thing to let things get that far," she said, adding that people should talk about starvation so that the younger generation does not forget those bad days. Unless the matter is discussed, the next generation might forget and might be careless in tackling food shortages and food insecurity, she said. "You have to remind people what happened."

Right to food

Despite the responsiveness of policymakers and political classes, Bangladesh lags behind others, particularly India, in ensuring rights to food. "Bangladesh and India have a similar history but very different politics of food.

In Bangladesh, we do a lot but we do not talk about rights much. In India, they talk about rights a lot and there are also quite a lot of programmes." The reason, she said, is a lack of civic movement to ensure rights to food. Naomi said the rights to food should be the first right that people should have.

She said although there is no legal right to demand food, people, particularly in Bangladesh, believe it is their natural right. "It is a right because I am human, because I live in a community. If I live in a community and I am hungry, other people -- that neighbour, school teacher, chairman, and my cousin -- are responsible for helping me."



But giving rights in law helps people a lot in times of food price spirals and volatility, she said. The Bangladesh government does quite a lot of good social protection work, without anyone having any right to claim, she added. "You do not have the right. You can go ask but you do not have the right to get any Vulnerable Group Feeding (VGF) or Test Relief (TR) or Vulnerable Group Development (VGD)."

She said a 65-year poor widow, with no son or daughter to support her, might be starving in Rangpur; it does not mean that anyone is going to give her VGD, unless she is in the right place, or she knows someone or unless she hears about it. "So, we have it but we do not have any right. If there is a problem, we cannot say anything."

The difference between Bangladesh and India is that India has a national employment guarantee scheme, which is a rights-based programme, she said. And if enough people demand it, the government has to run the scheme in that area, she added. "In Bangladesh, it is decided by somebody sitting in the ministry of social welfare, relief or sitting with the World Bank. There is no right involved and nobody can claim if he is hungry."

The media can play a role in the right to food movement, Naomi said. NGOs also need to come forward for the right to food movement, including unions, labour organisations and civil society groups, she added.

The most important thing, she said, is to make sure that policymakers continue to hear and listen to and know how the poor people and hungry people are living.

Regional News

IMF says countries must reform to succeed

The International Monetary Fund sought to dispel some of the gloom surrounding its annual meetings on October 11 with a resounding message that if countries reform their economies, they will succeed and growth can come quickly. Having been overshadowed by more pessimistic forecasts for the global economy, turmoil in equity markets and terrible economic data from Germany, the concluding meeting of finance ministers and central bank governors sought to present a more optimistic outlook.

The conclusions of the IMF's governing body, which focused relentlessly on structural reforms to boost economic performance, also demonstrated frustration from many ministers in Washington that the fund's emphasis had appeared to be too much about spending more money and not enough about reform.

Tharman Shanmugaratnam, chairman of the IMF's International Monetary and Financial Committee, said: "We're clearly in recovery, globally as well as in most parts of the world." Mr Shanmugaratnam, who is also Singapore's finance minister, stressed the need for countries to reform their economies both to get growth in the future and in the present. "To solve today's growth problem's we have to lift potential growth," he said, adding, "if we don't address tomorrow's growth problems today, we will be left with today's problems tomorrow".

"Everyone was focused on the real challenge, which was that of structural reforms, much more than macroeconomic policy," he said

Earlier in the meetings, the IMF had stressed public infrastructure spending as the route both to boost economies today and improve their capacity for growth in the future. But ministers and central bankers, who arrived at the meetings later, have been at pains to say that other reforms have the same effect – including efforts to cut fuel subsidies, shifts in taxation away from employment and towards consumption, and liberalisation of the service sector.

George Osborne, UK chancellor, said he was "sceptical" about IMF's thinly veiled calls for looser fiscal policy in Germany and some other countries. "It seems to me that in all environments, there are certain people who think the answer is more public expenditure. I would question whether there is such a thing as a free lunch."

Spain and Ireland have been held out as examples of countries that have implemented tough reforms and are now seeing the benefit.

As seen with India, which also has reformed recently, there are few other countries that have had their economic growth forecasts revised upward by the International Monetary Fund (IMF).

At the G20 dinner on Friday night, the Australian hosts invited Rupert Murdoch, media tycoon, who also singled out Spain for praise, according to delegates present.

Among the most vocal supporters of structural reform is the European Central Bank.

On Saturday, its president, Mario Draghi, indicated the currency area's economy required stronger reforms than many of its counterparts. Mr Draghi said the US and UK were more flexible and had lower taxes, and that people keen to open businesses in the currency area were often stymied by rules that weighed on competitiveness.

On Friday, another member of the ECB's executive board, Benoît Cœuré, blamed Europe's less productive workforce on the intransigence of the jobs market.

"You can see that total factor productivity remains higher in the US than Europe and it has not really recovered since the crisis," said Mr Cœuré. "This gives you a hint what needs to be done, about labour market initiatives and functioning of human capital."

While Mr Shanmugaratnam said there was a "very strong consensus" for more reforms as the most important driver of growth, he found it difficult to say what concrete progress had been made over the past week's International Monetary Fund (IMF) meetings.

Christine Lagarde, International Monetary Fund (IMF) managing director, added: "The virtues of these meetings is that instead of having each policy maker in his own country, or talking to his immediate neighbourhood, they will all talk to each other."

18th SAARC Summit concludes issuing 36-point declaration

The 18th Summit of the South Asian Association for Regional Cooperation (SAARC) concluded on 27 November in Kathmandu by issuing a 36-point declaration of the future actions to be performed either independently or jointly by the member countries. Nepali Prime Minister Sushil Koirala read out the declaration in the presence of all eight executive heads of the SAARC member countries. Presidents of Afghanistan, Sri Lanka and the Maldives along with PMs of Bangladesh, Bhutan, India, Nepal and Pakistan attended the ceremony held at City Hall in the Nepali capital.



In particular, the member states signed an energy exchange deal aimed at boosting up energy generation and consumption in the region that has enormous potentials for the same. The declaration mentions that an initial understanding on railway service and vehicular movement will be reached in three months, as technical preparations for the same have remained incomplete. The declaration has mainly envisioned developing SAARC as an economic union in the next 15 years.

Appointing secretary-level employees as the directors in SAARC secretariat, forming a mechanism to control terrorism, extremism and religious extremism, setting up a sub-committee to implement previous commitments and simplifying visa regime are some of the highlights of the declaration. Poverty alleviation and mitigating food insecurity, cross-border crime and smuggling of small weapons and abusive drugs are also in the declaration's priority.

"This Summit has added a new dimension to move ahead together for development, prosperity and co-work," Nepal's PM Koirala said in his concluding remarks. "There is a need for proper implementation of the past agreements and unite against poverty, illiteracy and unrest." Pakistani PM Nawaj Sharif, who will host the 19th SAARC Summit, thanked Nepal for successfully organizing the event. "This Summit has paved way for cooperation on peace, development and prosperity." Sharif further urged member states to deepen partnership with observer states for the development of this region. It is the third time that Nepal hosted the event, which is conducted by member states as per the alphabetical order.

Afghan President Ashraf Ghani, Sri Lankan President Mahinda Rajpaksa and Maldivian President Abdulla Yameen along with Bangladeshi Prime Minister Sheikh Hasina, Bhutanese PM Tshering Tobgay, Indian PM Narendra Modi, Nepali PM Sushil Koirala and Pakistani PM Nawaz Sharif took part in the 18th SAARC Summit on November 26-27 in the Nepali capital of Kathmandu with their respective delegations.

G20 leaders target trillions in new economic growth

G20 leaders representing the bulk of the world's economy on 16 November committed to reform measures to lift their collective growth by an extra 2.1 percent by 2018, despite evidence of a slowdown in some major nations. The pledge -- known as the Brisbane Action Plan - will push their combined growth beyond the two percent they were initially targeting in the drive to rehabilitate sluggish global economies and generate jobs.

"This will add more than $2 trillion to the global economy and create millions of jobs," leaders including US President Barack Obama and Chinese counterpart Xi Jinping said in a summit declaration after weekend talks in Australia.

The communique also agreed to a global initiative to help address a $70 trillion gap in infrastructure needed by 2030 to improve productivity, by cutting red tape and matching private investment with capital projects. A hub to coordinate the G20's work on infrastructure by bringing together governments, the private sector, multinational development banks and other international organisations will be headquartered in Sydney.

The world's most powerful industrial economies also backed a global crackdown on tax avoidance by multinational companies, while stressing the importance of energy security to hitting the growth goals. "The benefits of that growth will be felt worldwide, not just in G20 member nations," Australian Prime Minister Tony Abbott, the G20 host, said of the 2.1 percent target.

"The Brisbane Action Plan and individual country growth strategies and employment plans have been made public so people around the world can see our commitments, hold us to account and witness our progress." World Bank chief Jim Young Kim said higher and more inclusive growth was essential to cut poverty and reduce inequality, welcoming the commitments as "a much-needed boost to G20 countries and beyond".



Oxfam chief executive Winnie Byanyima echoed Kim's message that boosting growth must improve the living conditions of poorer families and reduce inequality, rather than simply benefit the rich. "While we welcome the G20's continued commitment to inclusive and sustainable growth, it must be followed up with actions to ensure the bottom 40 percent benefit more than the top 10 percent," she said.

On 15 November in Brisbane, Obama said the United States cannot "carry the world economy" and that other G20 nations must do more to spur growth and create jobs. Buoyed by unemployment at its lowest level since July 2008, the US economy is motoring at a time when other parts of the global engine room, notably Europe and Japan, are starting to splutter.

Australian Treasurer Joe Hockey said moving even further beyond the 2.1 percent target would be possible if EU leaders start pumping billions of dollars into the stalling eurozone economy, where Germany and France have only narrowly escaped recession.

New European Commission chief Jean-Claude Juncker has previously outlined a reform agenda, including a 300-billion-euro investment package to boost growth, employment and competitiveness. Exact details have yet to be presented.

The G20's discussion on tax avoidance was a delicate one for Juncker, who stands accused of conniving at fiscal cheating by multinational companies when he was prime minister of Luxembourg.

In a report ahead of the G20 summit, the International Monetary Fund said the world economy faced stiff headwinds from sluggish growth in Europe and Japan and a slowdown in emerging economies.

The 22nd APEC Economic Leaders' Declaration - Beijing Agenda for an integrated, innovative and interconnected Asia-Pacific

Leaders from the 21 member-nations of the Asia-Pacific Economic Cooperation (Apec) met in the Chinese capital for two days of talks on November 10 and 11, 2014. The 21-member APEC groups 40 percent of the world's population, almost half its trade and more than half its GDP, and the summit was attended by leaders including US President Barack Obama, Russian President Vladimir Putin and Japanese Prime Minister Shinzo Abe.

The 22nd APEC Ecomomic Leaders' Declaration :

1. We, the APEC Leaders, gathered by Yanqi Lake in Beijing for the 22nd APEC Economic Leaders' Meeting. Under the theme of "Shaping the Future through Asia-Pacific Partnership", we held substantial discussions on the priorities of advancing regional economic integration, promoting innovative development, economic reform and growth, and strengthening comprehensive connectivity and infrastructure development with a view to expanding and deepening Asia-Pacific regional economic cooperation, and attaining peace, stability, development and common prosperity of the Asia-Pacific.
2. The Asia-Pacific region has experienced a quarter of a century's growth and development. APEC has not only made significant contributions to the region's economic development, social progress and improvement of people's livelihoods, but has also epitomized the great changes and rising strategic position of the Asia-Pacific. Through its unique approach featuring voluntary action, consensus, flexibility and pragmatism, APEC has successfully established a sound regional economic cooperation framework among member economies with remarkable

diversity and at different stages of development. Adhering to the spirit of unity, mutual respect and trust, mutual assistance and win-win cooperation, we have been working to narrow the development gap among ourselves and have consistently promoted the robust, sustainable, balanced, inclusive and secure growth in the Asia-Pacific region and beyond.

3. After years of rapid development, the Asia-Pacific has become the most dynamic region of the world, and has never been as important as it is today in the global landscape. At present, the Asia-Pacific maintains a strong momentum of growth; it possesses an enormous potential and has a bright future. Yet it is also faced with risks and challenges.

4. We are at an important historical moment of building on past achievements and striving for new progress. We are committed to working together to shape the future through Asia-Pacific partnership, building an open economy in the Asia-Pacific featuring innovative development, interconnected growth, and shared interests, and consolidating the leading role of the Asia-Pacific in the world economy, with a goal of opening up new prospects for future cooperation and achieving common prosperity in the Asia-Pacific region.



5. To achieve the above-mentioned goals, we pledge to take the following actions:

I. Advancing Regional Economic Integration :

Pursuing Free and Open Trade and Investment; Advancing Global Value Chain Development and Supply Chain Connectivity; Strengthening Economic and Technical Cooperation.

II. Promoting Innovative Development, Economic Reform and Growth :

Economic Reform, New Economy, Innovative Growth, Inclusive support; Urbanization,

III. Strengthening Comprehensive Connectivity and Infrastructure Development

IV. Looking Forward

China presses on with new Silk Road plan

Pledges $40b to set up Fund for connectivity across Asia

China will contribute $40 billion to its new Silk Road fund designed to improve trade and transport links in Asia, President Xi Jinping announced on 8 November. The goal of the fund is to "break the connectivity bottleneck" in Asia, state media quoted Xi as saying during a neighbourhood summit in Beijing with leaders from Bangladesh, Cambodia, Laos, Mongolia, Myanmar, Pakistan and Tajikistan.



The announcement comes on top of a $50 billion Asian Infrastructure Investment Bank (AIIB) that China established last month with 20 other nations. Xi said this past week that the bank and the new Silk Road fund would help to finance China's plans to develop a "Silk Road Economic Belt" and a "21st Century Maritime Silk Road."

The "Economic Belt" is a network of highways, railways and other critical infrastructure linking China to Central and South Asia, the Mideast and Europe. The maritime route entails building or expanding ports and industrial parks in Asia, the Mideast, Africa and Europe.

According to Xinhua, it would focus on China's "Belt and Road" initiative, which aim to build roads, railways, ports and airports across Central and South Asia. Xi said the new Silk Road fund will be used for providing investment and financing support to carry out infrastructure, resources, industrial cooperation, financial cooperation and other projects related to connectivity for countries along the "Belt and Road". He added that the fund will be "open" to active participation by investors from both within and outside of Asia.

The summit was organised ahead of meeting of Asia Pacific Economic Cooperation (APEC) leaders in which a host of world leaders including US President Barack Obama, Russian President Vladimir Putin and Japanese Prime Minister Shinzo Abe took part. Bangladesh President Abdul Hamid, Pakistan's PM Nawaz Sharif and representatives of the UN Economic and Social Commission for Asia and the Pacific (ESCAP) and the Shanghai Cooperation Organisation (SCO) attended the meet.

'One Belt, One Road'

Xi earlier had announced that China will accelerate the construction of the economic belt and the maritime silk road, and strengthen cooperation with the countries involved. "We should prepare timetables and road maps for the coming years for the 'One Belt and One Road' project," he said while presiding over the eighth meeting of the Central Leading Group on Financial and Economic Affairs on 4 November.

"We will focus on some significant projects and let the construction of 'One Belt and One Road' commence as soon as possible," he said, adding that the cooperation between China and the countries involved would be mutually beneficial. China-led "Belt and Road" initiatives could help solve security problems in Asia, said experts at an international forum on 5 November.

Despite many differences and disputes, China and almost all its neighbouring countries, put economic development as their foremost goal in their policy agenda, using diplomacy to serve this goal, said Yang Xiyu, senior research fellow of China Institute of International Studies. The two-day forum, which concluded on 5 November, was held in Xi'an, capital city of northwest China's Shaanxi Province, to mark the International Day of Peace. Xi'an, home to the well-known terracotta warriors, was where the ancient Silk Road started. An older name of the city, Chang'an, means "lasting stability and peace."

"A simultaneous revival of the Silk Road in different forms would mean not only trade. It could also mean that nations with trade are always going to have a better relationship and peace will automatically come about, because it is opportunity cost," said Siddhant Raj Pandey, member of Board of Directors of the Nepal Institute of International and Strategic Studies.

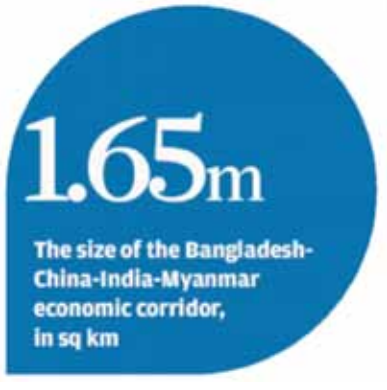
"If, even after thousands of years, the terra cotta soldiers can be unearthed, then I'm hopeful that the 2,000-year-old Silk Road can be revived and its modern version the maritime Silk Road as well can be developed and made more active and vibrant in the future," he said. The "One Belt and One Road" initiatives were brought up by Chinese President Xi Jinping last year.

Different from the ancient Silk Road, which mainly focused on trade, the "One Belt and One Road" could also include the flow of financial elements, information, technology and personnel, Xia Liping, dean of the School of Political Science & International Relations with Tongji University. Xia believes the construction of the new initiatives would help to boost mutual trust among related countries, which will consequently promote the building of security cooperation across all of Asia.

BCIM Economic Corridor : 4 nations agree to create fund

A multi-billion dollar fund might be established to pull in resources from various parties to set up a thriving economic belt connecting Bangladesh, China, India and Myanmar. About 55 percent of the fund might come from various multilateral development partners while the rest might be borne by the four governments and the private sector. The observation came after two-day inter-governmental meeting held in Cox's Bazar concluded on 18 December with the signing of a joint minutes. It was signed by team leaders from four countries. Shahidul Haque signed on behalf of the host side.

It will cost about $22 billion to build the proposed Bangladesh, China, India, Myanmar Economic Corridor (BCIM-EC), according to an initial estimate. The figure is not final and will require more in depth study to reach a final estimation, according to foreign ministry. Citing an Asian Development Bank study, the Bangladesh delegation, led by foreign secretary Shahidul Haque, told the meeting that about $700 million will be required for connecting Myanmar and India through road network.



Under the vision, it was said that the corridor will help the four countries economically through connectivity. The economic corridor will play an important role in maintaining peace and security in the region, it said. The second inter-governmental meeting came up with a decision to prepare a roadmap within next six months for the proposed corridor.

High officials of the foreign ministry said the four countries will prepare a combined report in the next six months. The report will be placed in the next inter-governmental ministerial meeting to be held in India next year.

The meeting decided that the Joint Study Group (JSG) will prepare four country reports focusing on four areas of institutional development, for example, objectives of the BCIM Economic Corridor, concept, scope and elements, principles and modalities of cooperation, and framework of cooperation.

Reports will also be prepared on seven thematic areas: connectivity, energy, investment and financing, trade in goods and services and trade facilitation, social and human development and poverty alleviation, sustainable development, and people-to people contact.

At the Cox's Bazar meeting, the JSG of the four countries presented their respective country reports. Detailed discussions were held on those reports. During the JSG meeting, 17 representatives from Bangladesh, five from Myanmar and India each and 15 from China took part. Now the four countries will prepare combined reports on each area based on the four country reports in the next six months.

Bangladesh will prepare a combined report on the framework of the economic corridor and sustainable development. India will prepare a report on energy and trade while China on connectivity and investment. The next inter-governmental meeting in India will hold final discussions on the reports before they are submitted to the BCIM governments.

The meeting minutes said each report is expected to identify actionable areas and concrete projects which will focus on realising the potentials of the corridor and also on deepening BCIM economy-wide cooperation. The discussion at the meeting revolved round the K2K (Kunming-Ruili-Bhamo-Lashio-Mandalay-Tamu-Imphal-Sylhet-Dhaka-Kolkata) route, which is 2,800 km long and part of the historic Silk Route, and it offers the best condition to be used as the corridor.

With roads, railways, airlines, water routes, telecommunication networks and energy pipelines, the corridor will connect south-western China, eastern and north-eastern India, Myanmar and Bangladesh to form a thriving economic belt.

Experts say the corridor can give much-needed boost to the intra-regional trade, as the intra-BCIM trade has remained fairly low. The trade potential of the corridor stands at $132 billion, according to a study by Research and Information System for Developing Countries in India.

ADB ready to work with new China-led bank, says president

The head of the Asian Development Bank Takehiko Nakao said at a foreign correspondents forum in the Philippines on November 26 that he is ready to work with China on a new infrastructure investment lender proposed by Beijing, despite fears it could undermine his institution. "If the AIIB (Asian Infrastructure Investment Bank) is established, we are very happy to have the appropriate collaboration," Nakao said, adding the banks could potentially co-finance projects.

However the proposed lender is seen as a potential rival to existing Western- and Japanese-dominated institutions such as the World Bank and the ADB. The Japanese government has expressed concern, while the United States is reportedly fiercely opposed to the AIIB, which some analysts see as a venue to expand Chinese influence at their expense.

Nakao, who said he had not had any formal contact with Beijing over the proposal, said it was "understandable" that Asian countries would want such an institution because of the region's huge need for infrastructure financing. He said Asia required $800 billion a year in funding for infrastructure, particularly for energy and ports. Of the 20 countries that signed the AIIB memorandum, only India and Singapore are considered large economies, he added.



However Nakao stressed that the ADB had always been active in infrastructure, even as it also supports social services as part of its mission of poverty-reduction. "The ADB's focus has always been infrastructure," he said. "China has always been very supportive of the ADB so Chinese authorities have been saying (the AIIB) will be complementing and supporting the work of the ADB," he added.

On October 24th, representatives from 21 Asian nations signed an agreement to establish the AIIB, which, as its name suggests, will lend money to build roads, mobile phone towers and other forms of infrastructure in poorer parts of Asia. China spearheaded the bank and hopes to formally launch it by the end of next year. More money for critical projects might seem unambiguously good, but the AIIB has stoked controversy because Asia already has a multilateral lender, the Asian Development Bank (ADB). Why is China creating a new development bank for Asia?

China's argument is that Asia has a massive infrastructure funding gap. The ADB has pegged the hole at some $8 trillion between 2010 and 2020. Existing institutions cannot hope to fill it: the ADB has a capital base (money both paid-in and pledged by member nations) of just over $160 billion and the World Bank has $223 billion. The AIIB will start with $50 billion in capital—hardly enough for what is needed but still a helpful boost. Moreover, while ADB and World Bank loans support everything from environmental protection to gender equality, the AIIB will concentrate its firepower on infrastructure.

Asian LDCs seek more donor funds for graduation

The least-developed countries in the Asia Pacific region are parched for external financing to move out of the ignominious list of most disadvantaged nations but the prospect for adequate donor fund is unpredictable. Officials from 12 LDCs of the region met a three-day meeting in Dhaka on 28 October to discuss ways to mobilise official development assistance (ODA) so at least half of them can graduate to the middle-income status by the 2020 deadline.

ESCAP estimates

Broadening of tax bases, removing exemptions and enhancing administrative efficiency in tax collection alone could raise and additional $ 11 billion in 12 Asia-Pacific LDCs

Creating enabling policy environments and strengthening legal and regulatory frameworks would increase FDI flows for greenfield projects and could raise another $4 billion

Reducing transaction costs of remittances could increase remittances flow to more than $4 billion

If the developed economies were to commit 0.15-0.20 percent of GNI to LDCs, then Asia-Pacific LDCs would receive an additional $15 billion

"ODA has been unpredictable, with bilateral support priorities of donor countries often based on their historical relationships and other political considerations," said Shamshad Akhtar, under-secretary-general of the United Nations. "Resources are also often deployed in sectors which do not enhance the productive capacities of economies." The executive secretary of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) spoke in a video message at the inaugural of the meeting on "Financing graduation gaps of Asia Pacific LDCs" at Sonargaon Hotel in Dhaka.

The UN official said LDCs would need significant level of financial resources to support their graduation, and this calls for exploiting all sources of financing and capital flows. Three Bangladeshi ministers and a number of international speakers echoed the views of the UN official. The continuous slow flow of ODA to the LDCs is sad, and developed countries have failed to honour their commitments on development assistance, said AMA Muhith, finance minister.

International financing institutions should come up with adequate support to help the LDCs meet their needs for funds, said MA Mannan, state minister for finance and planning. "We must break the cycle of poor inflow of FDI and ODA because of low absorptive capacities in the LDCs," said Shahriar Alam, state minister for foreign affairs. "This is crucial to fully realise the Istanbul Programme of Action as well as the upcoming Sustainable Development Goals."

ESCAP's Akhtar said the LDCs must the broaden tax base and woo foreign investors to graduate from the list of the most disadvantaged nations. "The LDCs face a range of structural impediments, and lifting these economies from the trap of low incomes and social deficit calls for holistic approaches to support their economic and social transformation," she said.

A number of speakers lamented the low level of official development assistance flowing to the LDCs as one of the key setbacks, as many countries rely on donors' money. The 12 Asia Pacific LDCs received about $12 billion in ODA in 2012, which was 9 percent of the total donors' money. And half of the money went to Afghanistan. Akhtar said even if ODA commitments to LDCs rise, most of the growth impetus would need to come from the private sector.

"This calls for LDCs to create an enabling policy environment for private sector investment and implement broad-based structural reforms to address their wide-ranging structural impediments." Although the Asia Pacific LDCs are home to 56 percent of the world's total poor population, they receive about 20 percent of the global ODA, said Syed Nuruzzaman, chief of Countries with Special Needs Section at the ESCAP's macroeconomic policy and development division.

The Economic Relations Division in association with ESCAP and the United Nations Department of Economic and Social Affairs (UNDESA) organized the event. The conference aimed at giving LDCs a valuable opportunity to offer some practical guidance on how the countries can facilitate and accelerate the process of their graduation. Fifty-five policymakers from Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Laos, Myanmar, Nepal, Solomon Islands, East Timor, Tuvalu and Vanuatu are taking part in the event.

At present, there are 12 LDCs in Asia and the Pacific region with half of them supposed to graduate by 2020. Samoa and the Maldives have successfully already moved out of the category. Kiribati, Vanuatu and Tuvalu are moving forward on the path towards graduation, while several countries, including Bangladesh, Cambodia, Lao PDR and Nepal, have formally expressed their commitment to graduate in the next six years.

These LDCs face a number of challenges when it comes to their graduation. They have low levels of human capital and investment and some are landlocked while others having exposures to natural disasters and economic shocks.

The investment-GDP ratio stands at 26.7 percent in the Asia Pacific LDCs. Issues surrounding allocation and efficiency of investments have held back economic diversification and kept productivity low in these countries, Akhtar said. "Graduation from LDC status means overcoming these limitations."

"It means growing the economy above and beyond the status of a low income country, creating conditions for people to have access to health, education, and better nutrition, and reducing vulnerability for the natural and economic shocks which make growth within LDCs so volatile and threaten hard-earned development gains."

ERD Secretary Mohammad Mejbahuddin, who chaired two sessions on the day, said ODA should go to areas that will bring in transformational change in an economy. He said the LDCs have given more attention to appropriate policies, strategies and programmes for bringing about desired development and economic changes in the countries. "There has not been much thinking, and measures have not been taken on how the funding for the programmes will be mobilised."

The secretary said the LDCs have been heavily dependent upon ODA flows, and hoped the assistance pledge of 0.15 percent to 0.20 percent by OECD countries would make all the difference.

"Unfortunately, resource flow to LDCs has remained much lower than promised, and is unlikely to be realised in the near future given the worldwide economic downturn."

Given the enormity of the development challenge these countries face, sources of financing for development has to be much varied comprising domestic as well as international and both through public and private channels, she said.

A delegate from the Lao PDR said his country would not be able to move out of the list without international development support. Another delegate from Kiribati said support should be provided in developing infrastructure which will give the economy a major boost.

Joblessness, inequality top global concerns in 2015: WEF report

Unemployment and rising income inequality will top concerns for global leaders in 2015, a World Economic Forum (WEF) study said on 7 November. The organisation, which each year gathers the global elite in the plush Swiss ski resort of Davos, has drawn up a list of the top 10 issues likely to preoccupy leaders over the coming 12 to 18 months.

Rising income inequality tops the list, which is based on surveys of 1,800 experts, including former US vice president Al Gore and former British prime minister Gordon Brown. "As the world's rich continue to accumulate wealth at record rates, the middle class is struggling," Gore said in the report.

"The inherent dangers of neglecting inequality are obvious," warned another expert, Amina Mohammed, who is a special advisor to UN chief Ban Ki-moon on post-2015 planning. "People, especially young people, excluded from the mainstream end up feeling disenfranchised and become easy fodder for conflict," she said, cautioning that this "undermines our democracies and



cripples our hopes for sustainable development and peaceful societies."

In last year's "Outlook on the Global Agenda" report, income inequality ranked second, behind concerns about conflict and tensions in Syria and North Africa. Lack of job growth was the next concern, moving from third to second in the latest survey, with employment numbers remaining flat or even falling when economies begin picking up speed after recessions.

The report said that "stagnating wages (contribute) to a vicious cycle of entrenched inequality through suppressed growth and employment prospects." While many of the concerns listed have figured on previous WEF rankings, the experts this year identified two new headaches for decision makers.

One is rising geostrategic competition, for instance connected with ballooning tensions between Russia and the West, listed in fourth place, while the other, intensifying nationalism, came in eighth.

"This suggests both an increasing fragmentation of international politics and a backlash against globalisation among populations," WEF said.

World's richest 1% own nearly half of global wealth

The richest 1% of the world's population are getting wealthier, owning more than 48% of global wealth, according to a report published on 14 October which warned growing inequality could be a trigger for recession.

According to the Credit Suisse global wealth report, a person needs just $3,650 – including the value of equity in their home – to be among the wealthiest half of world citizens. However, more than $77,000 is required to be a member of the top 10% of global wealth holders, and $798,000 to belong to the top 1%.



"Taken together, the bottom half of the global population own less than 1% of total wealth. In sharp contrast, the richest deciles hold 87% of the world's wealth, and the top percentile alone account for 48.2% of global assets," said the annual report, now in its fifth year. The report, which calculates that total global wealth has grown to a new record – $263tn, more than twice the $117tn calculated for 2000 – found that the UK was the only country in the G7 to have recorded rising inequality in the 21st century.

Its findings were seized upon by anti-poverty campaigners Oxfam which published research at the start of the year showing that the richest 85 people across the globe share a combined wealth of £1tn, as much as the poorest 3.5 billion of the world's population.

"These figures give more evidence that inequality is extreme and growing, and that economic recovery following the financial crisis has been skewed in favour of the wealthiest. In poor countries, rising inequality means the difference between children getting the chance to go to school and sick people getting life saving medicines," said Oxfam's head of inequality Emma Seery.

The $20.1tn rise in global wealth over the past year is the largest recorded since 2007. The total has risen every year since 2008 and is now 20% above its pre-crisis peak, the report said. Wealth in the US in the past year had grown by as much as the $12.3tn the country lost in the financial crisis. The Credit Suisse analysts pointed to the debate that has been sparked by work such as that by Thomas Piketty into long-term trends towards inequality.

It pointed out that while inequality had increased in many countries outside the G7, within the group of most developed economies it was only in the UK that inequality had risen since the turn of the century.

"Only one of them, the UK, recorded rising inequality over the entire period 2000–2014 and only three show an increase after 2007 – France, Italy and the UK," the report says. Other calculations by the Credit Suisse team "hint at raising global wealth inequality in recent years" and show that overall wealth in the US has grown at a faster pace than incomes. The authors warned it was a trend that could point to recession.

China now has more people in the top 10% of global wealth holders than any other country except for the US and Japan, having moved into third place in the rankings by overtaking France, Germany, Italy and the United Kingdom.

Pan-Pacific trade pact taking shape

Australia's Trade Minister Andrew Robb said Monday the shape of an ambitious pan-Pacific trade agreement was "crystallising", with the 12 nations involved making further progress on market access negotiations.

Robb said at the end of the three-day talks in Sydney that trade ministers had laid the groundwork for the conclusion of the Trans-Pacific Partnership (TPP) deal, which would encompass 40 percent of the global economy.

The TPP deal has been the subject of discussions for several years, with negotiations slowing while the United States and Tokyo debate key details, including Japanese tariffs on agricultural imports and US access to Japan's auto market.

Even so, US President Barack Obama said in June he hoped to have an agreement on framing the deal by November, when he is expected in the region for the Asia-Pacific Economic Cooperation (APEC) forum in Beijing and the G20 summit in Brisbane.

Robb said negotiators were making "significant progress" in both the market access and trade and investment rules discussions, and were to consult within their own countries and with each other to "resolve outstanding issues".

Supporters of the trade deal say it will free up trade in the region, reduce regulation and increase job opportunities. But opponents argue it would benefit big business rather than the general public, and lead to a rise in the price of medications, fewer Internet freedoms and environmental damage.

The 12 prospective TPP members are Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam

ICC HQs News

All set for new ICC dispute resolution rules world launch

The International Chamber of Commerce (ICC), the world business organization, is set to launch its new 2015 ICC Expert Rules in January, with international events in three of the world's major dispute resolution hubs. Entering into force on 1 February 2015, the Rules will be available in English, Spanish and French, helping to solve cross-border commercial disputes worldwide.

The 2015 ICC Rules set out new parameters for ICC expert services, clarifying how parties can use experts and neutrals to help resolve their cross-border disputes at each step of the way. They will be administered by the ICC International Centre for ADR.

Drawing on ICC's 40-year experience in cross-border dispute resolution, and with specialist input from its membership in over 90 countries, the ICC Commission on Arbitration and ADR will replace the current ICC



Rules for Expertise with three new sets of rules. Each covers a distinct area of ICC's dispute resolution services: the Proposal of Experts and Neutrals, the Appointment of Experts and Neutrals, and the Administration of Expertise Proceedings.

International business has turned to ICC for many years to identify the most suitable experts for the resolution of technical, financial or legal issues - and will certainly continue to do so under the new sets of rules.

The services provided by the ICC International Centre for ADR under these three revised sets of rules form an integral part of ICC's suite of dispute resolution services, supporting businesses in sectors as varied as finance, construction, energy, telecommunication and transport among many others. The new rules provide different ways to access the services of the right expert or neutral and can be used independently or in conjunction with other procedures such as ICC Arbitration.

WCF delegates attend International Certificate of Origin Council meeting in Colombo

Five chambers from Australia, Bulgaria and France have joined the International Certificate of Origin Accreditation Chain during the ICC World Chamber Federation's (WCF) International Certificate of Origin Council (ICOC) meeting in Colombo. The event was hosted by ICC Sri Lanka on 18-19 November and gathered chamber trade facilitation experts from 30 countries.

Australian Chamber of Commerce and Industry (ACCI) was also appointed as 10th member of the International Certificate of Origin Accreditation Committee.

The Council session, chaired by Peter Bishop, Deputy Chief Executive Officer of the London Chamber of Commerce, was an opportunity for members to provide input and learn more about the work of the ICC Commission on Customs and Trade Facilitation.

ICC Policy Manager Donia Hammami outlined the priorities of the Commission on Customs and Trade Facilitation as well as ICC's close ties with the World Customs Organization. The benefits of partnerships between business and customs were part of the discussion and chambers were invited to share their experiences and activities.

A roundtable also opened the floor to receive feedback from chambers on ICC's position on defining non-preferential rules of origin.

A report paper concerning the role of chambers in trade facilitation, prepared by WCF, was circulated to participants to gather their input. This official paper aims to reinforce chambers' position as trusted third



parties and to clarify their common standing on new issues defining trade facilitation.

An electronic Certificate of Origin statement was also endorsed by the e Certificate of Origin (eCO) Task Force and the members of the Certificate of Origin Council, allowing chambers understanding of and defining eCO terminology to better address issues relating to eCO acceptance by customs. This official statement can be found on the Chamber services page .

The meeting was followed by a workshop on the ATA Carnet system with ICC Sri Lanka, Sri Lankan customs authorities and the World ATA Carnet Council. The ATA Carnet is managed globally through the ICC World Chambers Federation.

Bulletin e-chapter available for download in electronic format

A new offer from the ICC Store will be of interest to anyone wanting to purchase an article or awards published in the renowned ICC International Court of Arbitration Bulletin rather than a complete issue. An essential resource for practitioners and scholars in the field of arbitration, these e-chapters are now available for immediate download

Eight e-chapters from the two most recent issues of the Bulletin are already available for purchase at the ICC Store. They include:

- an analysis of ICC's first 10 emergency arbitrator cases
- extracts from ICC arbitral awards on the interpretation of contracts
- extracts from ICC arbitral awards dealing with issues of corruption
- articles on anti-corruption initiatives and approaches to tackling corruption in arbitration
- 2013 statistical report on ICC dispute resolution.



Welcoming this new development, Andrea Carlevaris, Secretary General of the ICC International Court of Arbitration and Director of ICC Dispute Resolution Services, described the new offer as a response to changing reading habits and customer demand. He said: "ICC has a growing clientele of young practitioners and students who are looking for instant access to electronic documents on specific subjects at a price they can afford. This new offer will cater to their needs."

Since its creation in 1923, the International Court of Arbitration has worked to increase knowledge and understanding of arbitration. The Court's Bulletin has contributed significantly to achieving this goal. Initially published in print only, it became available online in 2008 as part of the ICC Dispute Resolution Library, a vast resource of essential ICC publications and documents. The publication of e-chapters, intended for a mobile and increasingly paperless public, is a further step in adapting its services. E-chapters from all future issues of the Bulletin will be available at the ICC Store one month after the publication of the print edition.

Australia to host the ICC WCF 10th World Chambers Congress

Following a competitive bidding and selection process, Sydney Business Chamber and New South Wales Business Chamber will host the 10th World Chambers Congress, which will be returning to the Asia-Pacific region in 2017.

Under the theme "Sydney - Where Business Connects", the Australian chambers' bid presented not only a vibrant city but also a global hub for business opportunities and a new convention centre that will host the future Congress. From exciting outdoor programmes to intriguing session proposals, the Australian team successfully highlighted the chambers' strengths and determination to bring the Congress forward.

The Sydney and NSW Business Chambers competed alongside the China Chamber of International Commerce (Yiwu), the Indian Chamber of Commerce (Kolkata), and the Philippines Chamber of Commerce and Industry (Manila). Each candidate succeeded in bringing their cities to life in front of an international panel of judges who gathered in Tokyo last October to listen to each bid.

Under the theme "Services by chambers of commerce in an era of digital economy", the Chinese Chamber of Commerce presented Yiwu, China's largest primary wholesale market, as an international crossroads between ancient culture and a growing new trade route.

The Indian Chamber of Commerce chose the city Kolkata, the country's third most populous metropolitan area, in its bid based around the

theme "India: Land of Culture... Continent of Opportunity!" which displayed a multicultural and prosperous country, a growing economy and a colourful destination for tourism.

Moving further East, the Philippines Chamber of Commerce played on the country's reputation as the most hospitable destination in the world in a festive video called "Metro Manila", showcasing the city's mix of modernity and traditional charm.

The voting body for the decision was comprised of the WCF General Council and ICC leadership. The panel undertook a prodigious mission to assess and evaluate the four candidates according to a wide range of criteria, including chamber strength, relationship to ICC WCF, experience in hosting international events, programme proposals, budget, infrastructure, and event logistics.

Following the announcement of the winner, Patricia Forsythe, Executive Director of the Sydney Business Chamber, said: "Sydney has the right connections to support and strengthen the chamber community. With Sydney Business Chamber being one of oldest business entities in Australia, we are more than up to the task of hosting a global congress of this stature."



On behalf of the entire selection jury, Mr Mihok congratulated Sydney for its accomplishment and extended his personal gratitude to the other candidates for the great deal of effort and thought put into their bids as well as for their continuing involvement and support of WCF's mission and programming.

Organized by ICC WCF and held every two years in a different region of the world, the World Chambers Congress is the only international forum for chamber of commerce leaders to share best-practice experience, develop networks, learn about new areas of innovation from other chambers, and address the local business issues pertinent to the companies in their region. The 9th World Chambers Congress will be held in Torino, Italy from 10-12 June 2015.

ICC calls on all countries to demonstrate leadership on ambitious global climate agreement

With a strong presence at the 20th United Nations Climate Change Conference (UNCCC) in Lima this December, the International Chamber of Commerce (ICC) is calling for an ambitious, global agreement on climate change that fully engages the private sector in the short- and long-term.



The climate talks, taking place from 1-12 December, will see governments from around the world converge for negotiations that seek agreement on a number of significant issues, including the Intended Nationally Determined Contributions (INDCs), to conclude an equitable and effective UN global agreement in 2015.

Talks in Lima have the potential to provide a solid basis to achieve, for the first time in over 20 years of negotiations, a binding and universal agreement on climate change from all nations of the world. This agreement ought to be finalized at the COP meeting next year in Paris (COP21).

In its unique role as the world business organization, ICC forges closer cooperation between governments and the private sector, and strives to ensure that governments create an enabling framework for business to continue shaping and implementing practical climate change solutions.

Governments are expected to identify the key elements of the 2015 agreement in Lima to give more clarity and predictability for business to make investments and decisions that could support accelerated and scaled up global action on climate change.

ICC is a long-standing partner of the United Nations Framework Convention on Climate Change, it acts as the BINGO focal point, and participates as an observer in the Climate Investment Funds. In addition, ICC also works closely with senior government officials on cross-cutting environmental issues at the G20 and other intergovernmental forums.

ICC will host and engage in a range of events in Lima. Global business leaders and members of the ICC Commission on Environment and Energy will participate in the conference to present business views.

During the conference, ICC will present its latest publication A Business Perspective on International Climate Change Policy outlining key business priorities for the UNFCCC COP20 and towards the 2015 climate negotiations, as well as the newly released Charter for Sustainable Development. The Charter provides a 'strategy development kit' which contains principles that help companies to manage economic, societal, and environmental considerations in their operations.

ICC will also showcase the ICC Green Economy Roadmap, a guide for business, policymakers and society, which sets out 10 conditions needed to drive growth and calls for innovation, collaboration and governance. The roadmap serves as both a tool for integrating sustainability into business strategies and government policies as well as a platform to share and scale up best practices and initiate new activities.

World Trade Organization Director-General Azevedo receives leadership award

Coming on the heels of a breakthrough at the World Trade Organization (WTO) on the implementation of the Trade Facilitation Agreement (TFA), the annual award dinner of ICC USA (the United States Council for International Business, USCIB), took place in Washington last week honouring Director-General of the World Trade Organization Roberto Azevedo.

United States Trade Representative Michael Froman, ICC and USCIB Chairman Harold (Terry) McGraw, ICC Secretary General John Danilovich and USCIB President and CEO Peter Robinson, were among over 240 guests - comprising government officials, business leaders and representatives from international organizations - who attended the event to salute Mr Azevedo's efforts to breathe new life into the multilateral trade agenda.

Having returned to WTO headquarters in Geneva to oversee a breakthrough on the TFA, Mr Azevedo was unable to accept the USCIB International Leadership Award in person but gave a progress report on the agreement and assured viewers that he would continue to press ahead with a multilateral trade agreement in a video message.



Giving thanks for the award and for the support shown to the WTO, Mr Azevdo said: "I am extremely proud to receive your backing in this way."

ICC welcomes G20 commitments: urges leaders to maintain momentum on growth and jobs

The International Chamber of Commerce (ICC) has welcomed the 2014 G20 Summit declaration, outlining commitments to implement an action plan geared to maintaining the group's focus on raising global growth and delivering better living standards and quality jobs worldwide.

In particular, ICC was pleased that the G20 rallied support for a strong multilateral trading system to drive economic growth and job creation, with G20 leaders highlighting the centrality of the World Trade Organization (WTO) rules and their historic role in delivering economic prosperity.

Recognizing the recent breakthrough between the US and India on the WTO Trade Facilitation Agreement, G20 leaders pledged to implement all elements of the Bali package and to swiftly define a WTO work programme on the remaining issues of the Doha Development Agenda.

While business was pleased that the G20 reaffirmed its longstanding standstill and rollback commitments to resist protectionism, the leader's commitment comes on the heels of the November report from WTO and the United Nations Conference on Trade and Development (UNCTAD) which points out that the stock of restrictive trade measures introduced by G20 economies since 2008 continues to rise despite the pledge to roll back any new protectionist measures that may have arisen.

Commitments to infrastructure

Business also welcomed several G20 commitments to stimulate much needed investment in infrastructure, including the G20's Global Infrastructure Initiative, a multi-year work programme to lift quality public and private infrastructure investment. Agreed by G20 finance ministers in September and endorsed by G20 leaders in Brisbane, the initiative is set to enhance the productivity and quality of public and private infrastructure investment.

Leading by example on anti-corruption

Acknowledging the leadership role it can play in combating corrupt practices, the G20 also endorsed a new two-year Anti-corruption Action Plan for 2015-2016. The Action Plan recognizes that the private sector is an essential partner in achieving the G20's anti-corruption goals and to combat corruption. G20 countries committed to continue working with the private sector including

by developing anti-corruption education and training for business.

ICC also applauded the G20's continued commitment to modernize international tax rules and to move towards a world standard. ICC fully supports the G20/OECD base erosion and profit shifting project and calls for increased coordination between governments to avoid inconsistencies between national tax systems and to create transparent, efficient, predictable and stable tax regimes that incentivize long-term investment, job creation and economic growth.

Energy and climate issues

Because energy and climate issues had not been a priority for the Australian G20 Presidency, ICC was pleased to see a dedicated session on global energy issues debut at the Brisbane Summit.

The leaders' declaration included the launch of a G20 Energy Efficiency Action Plan, explicit support for the United Nations Framework Convention on Climate Change, the endorsement of G20 principles for increased energy collaboration, energy trade and investment, deployment of innovative energy technologies, cost-effective energy efficiency, and renewable and clean energy solutions.

ICC G20 engagement

Mr. McGraw joined leading members of the ICC G20 Advisory Group to represent the B20 during a Summit session with G20 leaders. The B20 presented heads of state and government with business policy recommendations and called for leadership to drive economic growth and job creation through trade liberalization and the improvement of conditions for global investment, particularly in infrastructure.

ICC has been deeply engaged in the B20 process since the Seoul Summit in 2010, and this year worked closely with the head of the B20 Australia group Richard Goyder to formulate a set of 20 recommendations that focus on the core economic drivers of trade, infrastructure, human capital, finance and transparency. Presented to Australian Prime Minister Tony Abbott in July 2014, the recommendations have been strongly endorsed by ICC.

Mr McGraw was joined in Brisbane by representatives of the ICC G20 CEO Advisory Group that includes Rifat Hisarcıklıoglu, President of the Union of Chambers and Commodity Exchanges of Turkey, Peder Holk Nielsen, CEO of Novozymes, Antonio Brufau, Chairman and CEO of Repsol, Alejandro Ramirez Magana, Director General of Cinepolis, Jamal J. Malaikah, President of National Petrochemical Industrial Co, Alexander Shokhin, President of Russian Union of Industrialists and Entrepreneurs. Richard Goyder, CEO of Wesfarmers and Michael Smith, CEO of Australia New Zealand Bank are also members of the ICC CEO Group.

Comprising over 30 CEOs and prominent business leaders, the ICC G20 CEO Advisory Group has been a platform for continuity in the B20 process between Summits, soliciting priorities and recommendations from companies and business organizations of all sizes and in all regions of the world.

ICC hails TFA breakthrough as victory for the global economy

The International Chamber of Commerce (ICC) has hailed 13th November breakthrough on the World Trade Organization (WTO) Trade Facilitation Agreement as an important milestone for the global economy – and one which places multilateralism firmly back at the centre of trade policy-making.

Following several months of intense campaigning to encourage leaders back to the negotiating table to complete the deal, ICC welcomed the timely progress in talks between the US and India which comes just days before the G20 Summit kicks off in Brisbane, Australia.

ICC adopts new set of rules for dispute resolution in trade finance

The International Chamber of Commerce (ICC) Banking Commission unanimously adopted on November 6 revised rules for Documentary Credit Dispute Resolution by Expertise (DOCDEX).

First issued in 1997, and revised in 2002, the DOCDEX rules have grown to become a trusted dispute resolution system for documentary credits, demand guarantees and collections that are governed by ICC Banking Commission rules. Jointly created by the ICC Banking Commission and the ICC Commission on Arbitration and ADR, DOCDEX is currently administered by the ICC International Centre for ADR.

Since its inception, 140 decisions have been rendered by DOCDEX panels, helping avert costly and protracted litigation. When the original rules began to show their limits, whether in terms of managing the expert appointment process, dealing with unwarranted delays or struggling to find an answer to unexpected procedural challenges, it was decided in 2012 to start a comprehensive revision of the rules, in both their scope and administration.

ICC hails progress on multilateral agreement on automatic exchange of information

The International Chamber of Commerce (ICC) has welcomed an agreement reached in last week of October by over 90 countries to automatically swap tax information describing the step towards achieving transparency in this area



as an important milestone for the international tax reform agenda. The new OECD/G20 standard on automatic exchange of information was endorsed in Berlin on October 29 by all OECD and G20 countries as well as major financial centres participating in the annual meeting of the Global Forum on Transparency and Exchange of Information for Tax Purposes. More than 50 countries additionally agreed to put exchange systems in place by the year 2017.

The ICC Commission on Taxation comprises more than 150 taxation experts from all sectors of business and private practice and represents the world's major companies and tax consultancy firms. Its mandate is to promote transparent and non-discriminatory treatment of foreign investment and earnings that eliminates tax obstacles to cross-border trade and investment. The commission analyses developments in international fiscal policy and legislation and puts forward business views on government and intergovernmental projects affecting taxation.

Having recently called upon the G20 to maintain its stance on keeping Country-by-Country (CbC) tax reports from public release, ICC has applauded the efforts of the G20 and other governments to globalize taxation standards.

Following yesterday's announcement, ICC underscored its continuing commitment to providing business comment on OECD proposals and the current overhaul of international taxation rules, noting that the process calls for an inclusive and transparent process. ICC has also welcomed the opportunity to remain actively engaged in the G20's tax agenda process, which would lead to changes in international and domestic tax systems, and impact both the business community and international trade.

ICC announces Banking Commission leadership changes and enhances internal technical support

The International Chamber of Commerce (ICC) has appointed six new Advisory Board members to its Banking Commission, the world's essential rule-making body for the banking industry, and three new Technical Advisors on the ICC Trade Register project. The appointments form an integral part of ICC's plans to stimulate the continued growth and evolution of its leadership structure.

ICC is pleased to announce the appointment of the following members to the commission's Advisory Board:

Alberto Amo, Global Head of Trade Asset Solutions in Global Banking and Markets at Banco Santander. Mr Amo has spent 17 years with Santander working in both trade finance and corporate banking; Eric de Jonge, Global Head of Structured Export Finance at ING Bank. Mr De Jonge brings 20 years of experience in financing assets, companies and projects to the ICC Advisory Board. He has held senior positions within ING in various locations around Europe, and currently leads a global team of up to 40 professionals; Olivier Paul, Global Head of Trade and Banking Flow at BNP Paribas. Mr Paul started his career 30 years ago in corporate banking, and later moved into export finance. He is also currently a member of the Business Finance Committee of the European Banking Federation; Rudolf Putz, Deputy Director for Financial Institutions at EBRD. Mr Putz boasts more than 30 years of experience in trade finance and has been developing EBRD's Trade Facilitation Programme since 2000; Stuart Tait, Global Head of Trade and Receivables Finance at HSBC. Mr Tait's knowledge of international trade and finance has accrued over years working in Asia, Europe, North America and the Middle East with HSBC; Markus Wohlgeschaffen, Global Head of Trade Products at UniCredit. Mr Wohlgeschaffen has been working in the sector for more than 30 years and is responsible for the management, innovation, development and implementation of all traditional commercial trade finance and service products offered by UniCredit worldwide.



The ICC Banking Commission has also appointed three additional

Technical Advisors on the ICC Trade Register to support the project with their technical expertise in their dedicated area of expertise. They will work closely with the Alexander Malaket, Chair ICC Trade Register project, and the team responsible for the ICC Trade Register project.

The new Technical Advisors are:

Henri d'Ambrieres, Advisory Services in Export, Trade and Project Finance at HDA Conseil. Mr D'Ambrieres has held a variety of senior positions in both corporate finance and in project and export finance, and since joining HDA Conseil in 2013 has advised companies, banks and ECAs; Krishnan Ramadurai, Head of Product Returns and Capital Optimization at HSBC Bank. Mr Ramadurai brings a wealth of experience in banking and risk management to the team and has worked in a variety of locations across the globe. He is a regular speaker on Basel II, III and Capital Requirements Directive; Hugo Verschoren, Senior Product Manager in Trade Finance Services at ING. Mr Verschoren has worked 36 years at ING, as well as across Europe in a number of senior positions relating to all aspects of trade finance. He is a frequent speaker at conferences about trade finance and is a renowned trainer in the discipline. He is currently the Chair of the Banking Commission of ICC Netherlands.

More than ever, the ICC Banking Commission is helping policymakers and standard setters to translate their vision into concrete programmes and regulations to enhance business practices throughout the world. With over 80 years of experience and over 600 members in 93 countries, the ICC Banking Commission has gained a reputation as the most authoritative voice in the field of trade finance.

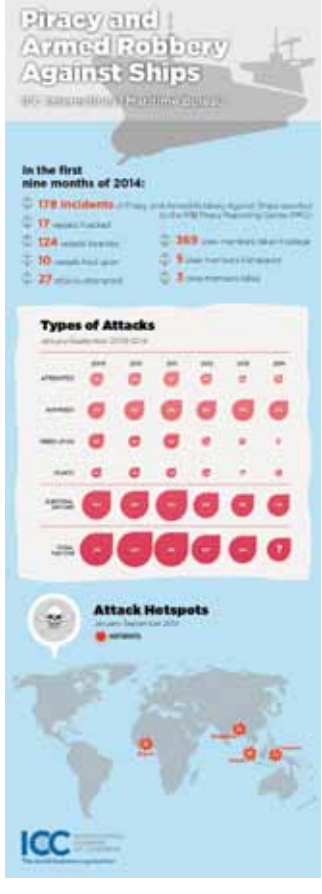
IMB notes concern over small tanker attacks in SE Asia

While pirate attacks on the world's seas have fallen for the third consecutive year, small tanker hijacks by armed gangs are escalating in Southeast Asia, reveals the International Chamber of Commerce (ICC) International Maritime Bureau (IMB) in its latest piracy report.

IMB's 2014 third quarter global piracy report notes a total of 178 incidents so far this year, down from 352 for same period in 2011. In the first nine months of 2014, pirates killed three crew, kidnapped five from their vessels and took 369 seafarers hostage. A total of 17 vessels were hijacked, 124 were boarded and 10 were fired upon. There were 27 further reports of attempted attacks.

Oil thieves

IMB's Piracy Reporting Centre says gangs of thieves armed with knives and guns are making Southeast Asian waters increasingly dangerous



for small tankers carrying products such as gasoil or marine diesel oil. Boarding the ship at sea, pirates hold the crew hostage for a short time while they unload all or part of the cargo, which they then use, or sell locally. Of the six vessels hijacked worldwide in the third quarter of 2014, five were in Southeast Asia.

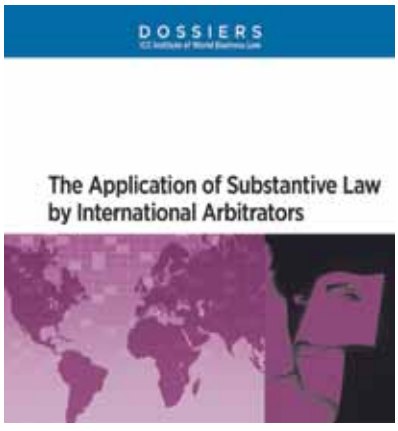
Indonesia recorded 72 incidents between January and September, including 67 armed robberies and five hijackings. In two separate hijackings off Pulau Bintan in September, 26 crew were taken hostage. Elsewhere in Indonesia 59 vessels were boarded and there were eight attempted attacks. Waters off Pulau Bintan saw more attacks than any other area in the world, with 27 incidents reported. The incidents were low level thefts or attempted thefts from vessels at anchor or berthed. The report commends the efforts taken by the Indonesian Marine Police in addressing the problem areas.

New publication on the application of substantive law now available from the ICC Store

The International Chamber of Commerce (ICC) Institute of World Business Law has released The Application of Substantive Law by International Arbitrators, the eleventh volume of the Institute's Dossier Series on international commercial law and arbitration.

Lawyers, arbitrators, magistrates, academics and corporate counsel can now get a copy of the new publication which will help them solve some of the complex questions they face: How should the contents of the applicable law be proved by

the parties? Are the arbitrators free to ascertain the applicable rules of law independently from the parties?



Dossier XI assembles in eleven chapters the salient points that were brought up during panel discussions of the Institute's 33rd Annual Meeting. The conference was co-organized and co-chaired by Fabio Bortolotti, Partner, Buffa, Bortolotti Mathis Studi Legali Associati, Turin and Pierre Mayer, Partner, Dechert LLP, Paris, both Council Members of the ICC Institute.

The Dossiers of the renowned ICC Institute of World Business Law are the outcome of the Institute's annual meetings, where experts from around the globe come together to discuss topical issues of international commercial law including arbitration.

The Dossiers Series analyses important issues which are frequently faced by arbitrators and counsel in international disputes. The ICC Institute of World Business Law is a think-tank that provides research, training and information to the legal profession concerned with the development of international business law. Its main objectives are to foster wider knowledge and the development of the law and practices of international business.

ICC conveys sustainable development commitments at 2014 World Investment Forum

ICC Chairman Harold (Terry) McGraw, ICC Secretary General John Danilovich and ICC Trade and Investment Commission Chair James Bacchus joined the heads of dozens of transnational corporations, private sector CEOs and heads of state and government at the United Nations Conference on Trade and Development's (UNCTAD) World Investment Forum 2014 which took place in the Palais des Nations, Geneva, from 13–16 October.

The ICC leaders underscored private sector commitment to global investment in sustainable development goals, and stressed that business and governments must work together and capitalize on the nexus between the public and private sector in order to achieve results.

Linking investment to global trade, Mr McGraw stressed the role international trade played as a catalyst for growth that in turn brought about job creation. Mr McGraw said that one thing every country could do to help advance development and investment was to support global institutions like the World Trade Organization and get behind multilateral trade deals that ultimately benefit all countries.

Highlighting the importance of small- and medium-sized enterprises (SME) in promoting growth, creating jobs and contributing to economic prosperity, Mr McGraw told participants that ICC, in its continuing role to drive business views into the G20 process, supported Turkey's endeavours to augment focus on SMEs as drivers of jobs and growth during the Turkish cycle of the G20 and beyond.

During the World Investment Forum, Messrs McGraw and Danilovich and other ICC representatives also took part in the Investment Advisory Council, a joint initiative by UNCTAD and ICC providing a platform for high-level consultations between business and government leaders on investment issues. During the lunch discussions with government heads, including Prime Minister of Tunisia Mehdi Jomaa, ICC G20 CEO Advisory Group member Kimball Chen of the Energy Transportation Group called attention to the importance of public-private partnerships in finding and implementing sustainable solutions. Mr Chen said that the rule of law and agreement of all players on their vision for the country's sectors was paramount. Inter-ministerial and political coordination was particularly needed he said to avoid delaying necessary change.

The World Investment Forum gathers more than 2,000 private and public sector representatives from more than 140 countries to consider policy frameworks and conditions for investment at national and global levels to address sustainable development challenges.



The 2014 forum also featured a meeting on iGuides, a series of online guides, designed by UNCTAD and ICC to provide investors with up-to-date information on business costs, opportunities and conditions in developing countries. The global iGuides meeting aimed to explain the establishment and the use of

iGuides to countries that either have an iGuide or are interested in having one developed.

While in Geneva, ICC also participated in private meetings with the Prime Minister of Tunisia and with WTO Director-General Roberto Azevedo to discuss ways in which business can help to break the current impasse on the ratification of the WTO's Trade Facilitation Agreement.

On day two of the forum, UNCTAD and the WTO co-hosted a high-level roundtable on the investment-trade-development nexus. The event brought together trade ministers, trade ambassadors and representatives of business and international organizations for a practical discussion on trade flows and rules and the regulatory factors that shape trade and investment decisions by business.

ICC announces new Vice-Chairs of Commission on Environment and Energy

The International Chamber of Commerce (ICC) is pleased to announce the appointments of Lakshmanan Rajasekar and Gilles Vermot-Desroches as new Vice-Chairs of the ICC Commission on Energy and Environment.

Mr Rajasekar and Mr Vermot-Desroches will be working in close collaboration with the current Chair Kersten-Karl Barth, Sustainability Director Siemens, as well as the commission's two existing Vice-Chairs Martina Bianchini, Adviser at Virtual Collaboration and Wendy Poulton, General Manager Organizational Strategy at Eskom.

Mr Rajasekar is Head of Technology and Sustainability at UltraTech Cement, India's largest cement company and part of Aditya Birla Group, a multinational conglomerate. As such, he is responsible for technology and sustainability in cement business, including safety and energy issues, reduction in CO2 footprint, and use of alternate fuels. Mr Rajasekar is also Co-Chair of the Environment Committee and a member of the Climate Change Committee of the Federation of Indian Chambers of Commerce and Industry.

Mr Vermot-Desroches is Senior Vice-President Sustainability at Schneider Electric, a global leader in electricity distribution, automation and energy management. He oversees the definition and implementation of the company's environmental, ethical and social policies, and awareness-raising activities towards Schneider Electric employees and other stakeholders on sustainable development issues. Mr Vermot-Desroches served as the president of an NGO and within a Minister cabinet in France. His various engagements include board membership in the French Global Compact network.





The ICC Commission on Environment and Energy examines major environmental, energy and green economy policy issues of interest to world business by elaborating multi-sectorial business policy positions, and highlighting achievements and business solutions to sustainability issues. Moreover, commission members gain influence through ICC's privileged links with major intergovernmental organizations such as the United Nations Framework Convention on Climate Change, United Nations Environment Programme, and United Nations Industrial Development Organization.

Alexis Mourre nominated to take reins as International Court of Arbitration President



The Chairmanship of the International Chamber of Commerce (ICC) is pleased to announce that the ICC Executive Board has recommended that Mr Alexis Mourre be appointed to succeed John Beechey as President of the ICC International Court of Arbitration with effect from 1 July 2015. The recommendation will be submitted to the ICC World Council for approval at its meeting in Turin, Italy in June 2015.

Mr Mourre, who is a serving Vice-President of the ICC Court, is a member of the Paris Bar and the founding Partner of Castaldi Mourre & Partners, a leading boutique international arbitration and litigation practice. Mr Mourre's longstanding links with ICC also include service as a Vice-President of the ICC Institute of World Business Law.

He has a wealth of experience variously as counsel, arbitrator and expert in ad hoc arbitrations and cases conducted under the rules of prominent arbitral institutions, including those of ICC.

WTO News

Nairobi, Kenya to host 10th WTO Ministerial Conference

The General Council, on 10 December, agreed that the 10th Ministerial Conference be held in Nairobi, Kenya from 15 to 18 December 2015. The chair, Ambassador Jonathan Fried, warmly thanked and congratulated Foreign Minister Amina Mohamed and the Government of Kenya for their successful offer. He noted that he had previously informed delegations of Turkey's decision to withdraw its offer to host the Conference in favour of Kenya, and thanked Turkey for its constructive spirit during the whole process.

Statement by Chair of the General Council

At the General Council meeting in October, I reported that a third round of consultations was taking place to ascertain Members' views with respect to the two potential hosts for the Conference — Turkey and Kenya.

A total of 94 delegations came forward to consult with me or express their views, either in person, or by phone, or through note verbales. Let me add that my understanding is that those delegations that did not express a view are neutral and I have ascertained that this is the case.

On 3 december, I circulated — at the request of Turkey — a communication to all Members, in which the Government of Turkey informed the membership — after relevant consultations with the Minister of Foreign Affairs and International Trade of Kenya — of Turkey's decision to withdraw its offer to host MC10 in favour of Kenya. This communication was also circulated as WT/GC/166 in the three WTO languages.

You will recall that, following Turkey's communication, I convened an Informal General Council meeting at the level of Heads of Delegation on 5 December.

Allow me at this point, in my capacity as General Council Chairman and in my personal capacity, to express my deepest gratitude to the Government of Turkey for its offer, and to the entire Delegation of Turkey for its dignified engagement during the whole process and for its constructive spirit throughout. The organization is very much in your debt. I would also like to pay tribute in particular to Ambassador Haluk Ilicak for his personal commitment to the smooth conduct of this process, and for his endless support to the organization as a whole.

As I noted at the Informal HODs meeting on 5 December offer of the other potential candidate, Kenya, has been favourably received by the membership as a whole since the beginning of the process. Kenya has indeed proved to be attracting consensus throughout my consultations, and it is therefore in that spirit of consensus that I believe that the General Council is now in a position to take a decision on this matter.

Regarding the date of the Conference, during my consultations, several delegations stressed the importance to avoid any overlap with the UNFCCC Conference that will be held in Paris from 30 November to 11 December 2015. As a result, and also in light of my consultations, it appears that the most suitable date for MC10 is the period from 15 to 18 December 2015.

Therefore, unless there is any objection, I would like to propose that the General Council formally agrees that the Tenth Session of the WTO Ministerial Conference be held in Nairobi, Kenya, from 15 to 18 December 2015.

The General Council so agrees.

Thank you. Let me warmly thank and congratulate Minister Amina Mohamed and the Government of Kenya for their successful offer. I would also like to express my appreciation to Amb John OTACHI KAKONGE for his personal contribution to the efficient conduct of the process. And I would like to thank most sincerely the whole Membership for participating in this important endeavour with a very constructive spirit.

Kenya's offer is a clear sign of its commitment towards this organization. As the host of the MC10, I am sure Kenya can count on the support of the whole membership in working together towards a successful Ministerial Conference.

Hong Kong, China first to ratify WTO's Trade Facilitation Agreement

Hong Kong, China has become the first WTO member to formally ratify the WTO's new Trade Facilitation Agreement (TFA). Hong Kong officials informed the WTO's General Council on 10 December 2014 that the territory deposited its instrument of acceptance for the TFA Protocol with the WTO Secretariat on 8 December.

WTO Director-General Roberto Azevêdo congratulated Hong Kong, China for moving so quickly on ratification. "I hope that other members will gain inspiration from this and will soon be able to follow Hong Kong, China's lead," he added.

WTO members concluded the TFA at their December 2013 ministerial conference in Bali, Indonesia. The Protocol of Amendment inserting

the TFA into Annex 1A of the WTO Agreement was subsequently adopted by the General Council on 27 November. This in turn opened the door for Members to formally ratify the Trade Facilitation Agreement (TFA) through their domestic legislative procedures. The TFA will only enter into force once the Protocol has been ratified by two-thirds of the World Trade Organization's Membership.

Azevêdo: "We are very close to overcoming impasse on Bali implementation"

Director-General Roberto Azevêdo briefed WTO members on 26 November on developments in efforts to break the impasse on implementing the Bali Package. He presented a draft decision on post-Bali work, which, in addition to draft decisions regarding public stockholding for food security purposes and the Trade Facilitation Agreement, would be put to members for agreement at the General Council meeting on 27 November. He said: "We are at the end of a very long journey. Tomorrow we just have to take the final step."

This followed a meeting of all members on 24 November when three texts were put to members. These texts were: a General Council decision to clarify the Bali decision on Public Stockholding for Food Security Purposes; the Protocol of Amendment to insert the Trade Facilitation Agreement into the WTO rulebook along with a General Council decision that formally adopts the Protocol and; a statement that the Chair of the General Council would make recommitting members to an immediate resumption of work on all Bali Decisions and the post-Bali work programme on the remaining DDA issues. On 26 November meeting the Director-General said that the feedback from his conversations with members has been "overwhelmingly positive".

He explained that during consultations many members expressed the desire to have a General Council Decision on the post-Bali work. This would essentially replicate the language of the General Council Chair's statement as circulated on 24 November, and would give equal prominence to the work program and all other areas of the post-Bali work, as is provided for Public Stockholding and Trade Facilitation, which take the shape of General Council Decisions.

Therefore a General Council Decision on Post-Bali Work was presented to members on 26 November, containing the elements which were previously contained in the General Council Chair's statement. Under this Decision members would:

- decide that work shall resume immediately and all Members shall engage constructively on the implementation of all the Bali Ministerial Decisions, including the work programme.
- decide that "as per paragraph 1.11 of the Bali Declaration, Members agree that the issues of the Bali package where legally binding outcomes could not be achieved, including the LDC issues, shall be pursued on priority".
- agree that the deadline for agreeing on the work program will be July 2015.

On 26 November meeting DG Azevedo said:

"We are very, very close to a successful conclusion of our efforts to overcome the impasse. Everything presented to members today in this Decision is either a simple statement of fact, or a reiteration of text from the documents circulated on Monday. Significantly the Decisions on Public Stockholding and Trade Facilitation have not changed at all. They remain exactly as they were presented on Monday."

"The idea here is to capture the elements of the previous General Council Chair's statement that emphasised the importance of our post-Bali work, and the priority that was attached to it. As a result of this new Decision, it was also necessary to make changes to the Chair's statement. All of the language on the work program and the other Bali decisions is now contained in the new General Council Decision. But other than that the changes to the statement are very limited. The delicate balance of the texts has been preserved."

"We are at the end of a very long journey. Tomorrow we just have to take the final step." The final texts will be put to members for agreement at the General Council on Thursday 27 November. This meeting was postponed until the 27th to allow delegations the opportunity to consult with their capitals on the texts, even though nothing has changed in substantive terms.

WTO launches discussion forum on 2014 World Trade Report

The WTO launched on 18 November 2014 a discussion forum on trade and development, the topic of the 2014 World Trade Report. The forum is intended to encourage an open discussion of what could be contained within a new generation of trade reforms for facilitating development. The WTO invites delegates, non-governmental organizations, academia, WTO staff members and all those with an active interest in trade and development to submit short contributions (of no more than 1,000 words) to wtr2014@wto.org. Contributions will be published on a dedicated webpage.

The World Trade Report 2014 was launched on 20 October 2014. Entitled "Trade and development: recent trends and the role of the WTO", the Report looks at how four recent major economic trends have changed how developing countries can use trade to facilitate their development. These trends are the economic rise of developing economies, the growing integration of global production through supply chains, the higher prices for agricultural goods and natural resources, and the increasing interdependence of the world economy.

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