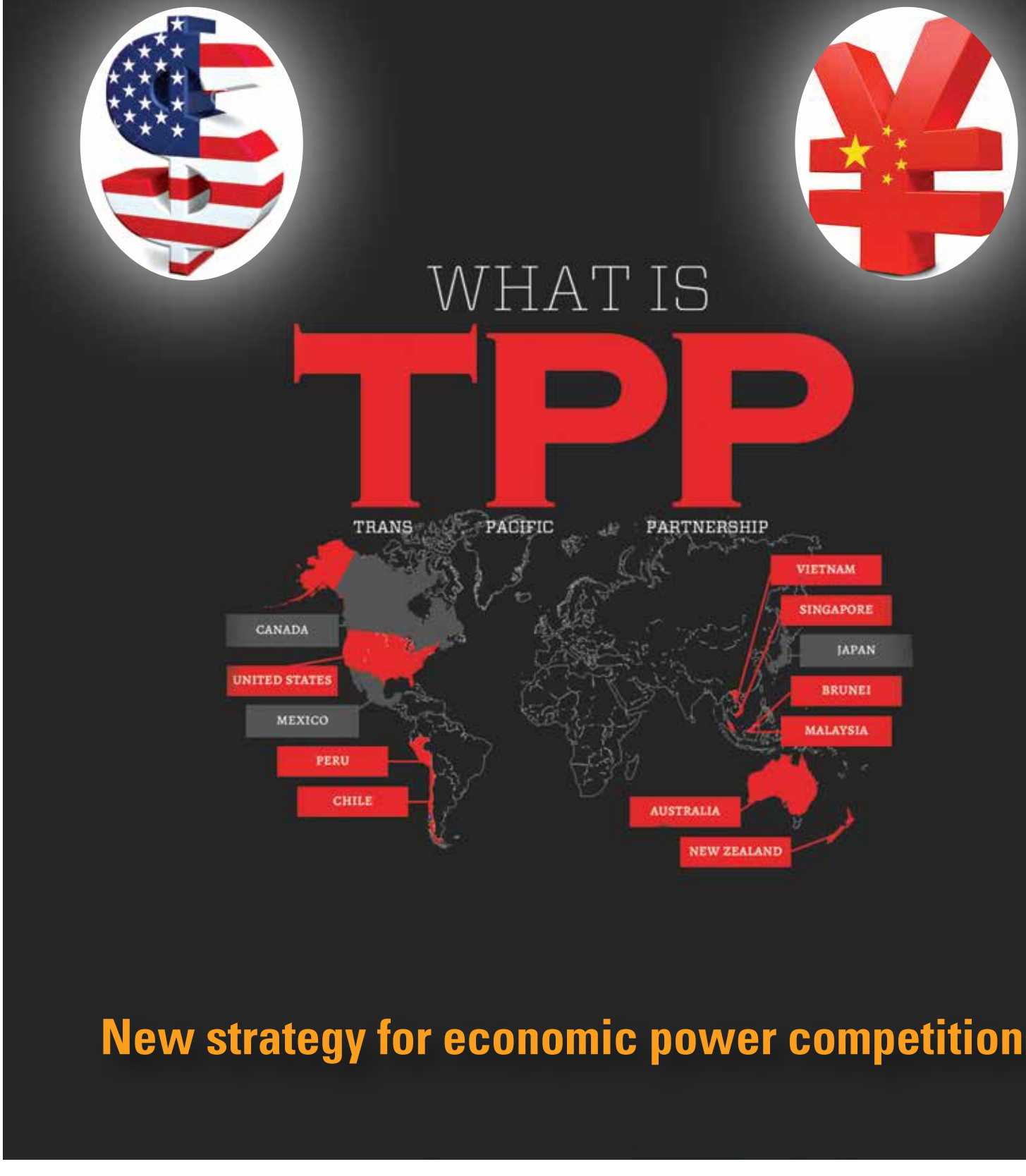
ICC BANGLADESH
INTERNATIONAL
CHAMBER OF COMMERCE
The world business organization

January- March 2015

NEWS BULLETIN

A Quarterly Newsletter of ICC Bangladesh

Volume 18 > Issue 69



New strategy for economic power competition

ICC Bangladesh

The world business organization

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Contents

ICC Bangladesh News	02
Bangladesh Economy	10
Regional News	25
ICC HQs News	32
WTO News	38

Editor's Note

Economic power competition : New strategy

In the Asia Pacific Region the US and China are having direct contacts through their territorial proximity (Guam) and the deployment of their various national military, naval and air assets. The emerging strategic and economic asymmetry in the US-China relationship will first manifest themselves in the Asia-Pacific Region. China's strategy of competing with the U.S. in global finance and investment seems both prudent and shrewd.

According to former Australian Prime Minister Kevin Rudd, the shifting balance of economic power is also beginning to be seen globally, where China's economic presence in Africa, Latin America and Europe also challenges the long-standing US world economic primacy and political role will also begin to reshape international norms, rules and institutions. It will reverberate across geopolitics, global trade, investment, capital flows, reserve currency status, climate & other environmental challenges and global people movements. And it will also influence the great questions of war and peace in the decades ahead.

China has overtaken the US to become the world's largest economy, according to IMF, using purchasing power parity (PPPs). The Monetary Fund now estimates China's GDP at $17.6tn, against the US's $17.4tn. In 1980, the country's economic output was a tenth of the US which is now estimated that China's economy will soon be 20 per cent larger than the US. Experts have described the toppling of America, after nearly 150 years by China, even on the PPP measure, as a 'symbolic' moment for the global economy. This is the first time since George III that a non-Western, non-English-speaking, non-liberal democratic state has become the largest economy in the world.

The shift in economic power also comes inevitably with a shift in political power. This spectacular evidence in recent times is being seen with the last-minute stampede of political support from Western governments around the world to become founding members of China's proposed Asian Infrastructure Investment Bank (AIIB), in defiance of Washington's objections. Earlier China has formed financial institutions that directly compete against those founded and dominated by the U.S. In the last two years, China has set up the US$50 billion Shanghai-based New Development Bank (NDB), US$40-billion New Silk Road Fund and a US$100 billion liquidity reserve.

Besides, China has put together massive bilateral aid packages for strategic allies and resource-rich developing countries designed to strengthen its economic ties. The latest manifestation of China on this front is the US$20billion and US$46 billion energy and infrastructure deal announced for Bangladesh and Pakistan respectively. And when President Xi Jinping visited Latin America in July 2014, he signed contracts worth roughly $70 billion.

On the other hand, US President Barak Obama's proposed Trans Pacific Partnership (TPP) is in the final stage of negotiations and appears to be just around the corner. TPP would be the largest trade deal in American history, involving the U.S., Japan and 10 other countries, excluding Chin and India, that combined together make up 40% of the world economy. President Obama has made the proposed trade deal the centerpiece of his foreign policy in East Asia, where China is challenging America's long-held dominant influence in the region. And in that sense, Obama's legacy as the self-proclaimed Pacific president hinges on nailing down the TPP. With the TPP, the U.S. wants to reduce tariffs and other barriers to open markets as well as establish standards on a range of issues affecting trade and commerce, such as intellectual property rights, government procurement and state-owned enterprises. The White House has estimated that the trade deal would boost American exports by $123.5 billion a year by 2025.

According to some political pundits, the main reason for US interest in passing the TPP is to inhibit China's economic dominance. The TPP is also seen as rivaling the FTAAP (Free trade Area of the Asia Pacific), initiated by China. Experts told that reduced tariffs and higher quality standards among TPP states are likely to result in many Asian nations preferring to import from fellow signatories, rather than from China. However, the future relationship between China and the United States is one of the mega-changes and mega-challenges of our age. China's rise is the geopolitical equivalent of the melting polar ice caps: gradual change on a massive scale that can suddenly lead to dramatic turns of events.

Can this defining trend of the 21st century be managed peacefully?

ICC Bangladesh News

FTA can boost trade between Bangladesh and Sri Lanka: Observed Sri Lanka Minister at ICC Workshop in Colombo

Free Trade Agreement (FTA) between Sri Lanka and Bangladesh could boost current trade levels by seven-fold according to feasibility studies. "I am pleased at the success of first meeting of the Bangladesh-Sri Lanka Joint Working Group (JWG) on Trade in Dhaka last year. To identify ways and means of enhancing Sri Lanka and Bangladesh bilateral trade, the Feasibility Study on establishing a Framework Arrangement has been completed. Consolidation efforts of finance and banks need to be done with wider consultation" said Mr. Rishad Bathiudeen, Minister for Industry and Commerce of Sri Lanka while addressing at the inauguration of the 3-day Workshop on International Trade Finance organized by ICC Bangladesh jointly with ICC Sri Lanka in Colombo on 13 February.



Sri Lankan Industry and Commerce Minister H.E. Mr. Rishad Bathiudeen speaking at the inaugural session of the three-day ICC Workshop on 'International Trade Finance' in Colombo, Sri Lanka. ICC Bangladesh President Mahbubur Rahman(3rd from left) and ICCB Secretary General Ataur Rahman (2nd from right) also seen in the picture among others.

"Bangladesh was the 25th export destination of Sri Lanka. Bilateral trade between the two countries increased by 67% in 2013 to US$ 139 million from 2012's US$ 83 million. This also shows that there are great unrealized trade potentials that we need to explore for mutual benefits. Also both our nations are members of SAFTA, APTA and BIMSTEC. Therefore I am sure that we can synergize faster in this regard", the Minister said.

"This is the largest such delegation of bankers and business leaders to arrive in Sri Lanka from Bangladesh in recent times. It is very clear to us of the high importance placed by Bangladesh on relations with Sri Lanka. Therefore, I have no doubts that this is also a new chapter in our centuries old trade and business cooperation efforts. I am aware that there are some 110 bankers and industry delegates from Bangladesh who are present here today", he said.

ICC Bangladesh President Mahbubur Rahman chaired the inaugural session. Sri Lanka and Bangladesh have a close affinity. South Asia has the potential to increase its trade and play a big role in global trade. Both "Sri Lankan and Bangladeshi economies are expected to expand in 2015. Current bilateral trade is at minimal level but there is potential towards $1 Billion trade", observed Mahbubur Rahman.

"Therefore we are trying to get an FTA. Such an Free Trade Agreement (FTA) would be the first FTA for Bangladesh and for Sri Lanka it's a huge opening as it would open a single entry point for an important regional economic corridor- the BCIM economic corridor (Bangladesh, China, India, and Myanmar corridor)", Mahbubur Rahman added.

Jim McCabe (Chief Executive Officer, Standard Chartered Bank, Colombo), addressing the event, said: "We are excited to support this initiative. Trade between the two countries are becoming stronger. We are very bullish on Sri Lanka." The inaugural session was also addressed by ICC Sri Lanka Chairman Keerthi Gunawardane,



Sri Lankan Industry and Commerce Minister H.E. Mr. Rishad Bathiudeen, M.P. (4th from left) is seen at a group picture with dignitaries (from left to right) : Jim McCabe, CEO, SCB of Colombo; Acting Governor of Central Bank of Sri Lanka P. Samarasiri ; ICCB President Mahbubur Rahman; ICC Sri Lanka Chairman Keerthi Gunawardane; Executive Director of Bangladesh Bank Md. Ahsan Ullah; ICCB Executive Board Member A.S.M. Quasem; immediate past President of ICC Sri Lanka Tissa Jayaweera; ICCB Executive Board Member Aftab ul Islam and ICCB Secretary General Ataur Rahman.

Acting Governor of Central Bank of Sri Lanka P. Samarasiri, Executive Director of Bangladesh Bank Md. Ahsan Ullah and ICC Bangladesh Secretary General Ataur Rahman. ICC Bangladesh Executive Board Members A.S.M.Quasem, Chairman of Newsage Garments Ltd. and Aftab ul Islam also attended the inaugural session. A total of 106 bankers from Bangladesh and 60 from Sri Lanka attended the Workshop on 13-15 February.

ICC Bangladesh President and Vice President attended ICC Meetings in Singapore

ICC Bangladesh President Mahbubur Rahman and Vice President Latifur Rahman attended the Extra-Ordinary World Council Meeting of the International Chamber of Commerce (ICC) held in Singapore on 18 March. Mahbubur Rahman also attended the Meeting of the Permanent Heads of ICC National Committees on 17 March. ICC Bangladesh Vice President Latifur Rahman who is a member of Global ICC Executive Board attended the World Council and the Executive Board Meetings. The Council deliberated on extension of the current Chairmanship terms, increase of the Chairmanship terms, addition of Vice Chairs and creation of First Vice Chair, extension of authorization to the Executive Board and Resolution for the creation of the ICC Academy.

ICC Academy is launched on March 18 in partnership with International Enterprise (IE) Singapore, the government agency that promotes international trade and assists Singapore companies to internationalize. Singapore Minister for Trade and Industry Lim Hng Kiang, ICC Board Members and ICC Bangladesh President and Vice President were present at the launch of the ICC Academy, which aims to enhance the expertise of practitioners across a wide range of business sectors.

IE Singapore and ICC share a common vision to promote global trade. The former's role is to establish Singapore as a global trading hub



while the latter promotes open trade and investment and helps businesses worldwide meet the challenges and opportunities of an increasingly integrated world economy. The ICC Academy is a successful partnership milestone for both parties in nurturing global business leaders and experts. It will serve as a centre of excellence and thought leadership for the global business community.

Taking full advantage of ICC's extensive global network, the ICC Academy promotes the highest standards of excellence in global professional education - providing a wide range of specialized programmes that are recognized worldwide. The courses are designed and taught by ICC's unrivalled roster of experts and practitioners, incorporating insights from external senior business leaders and policy makers.

"As the world's business organization, ICC has long provided training and certification programmes to help build business skills for the jobs of today and tomorrow," said Harold (Terry) McGraw, ICC Chairman and Chairman of McGraw Hill Financial. "We are taking this commitment to growing a skilled workforce and jobs globally to a new level with the launch of this Academy, which will be internationally recognized and accessible to all - in developed and developing countries", he mentioned.

ICCB bid farewell to outgoing Canadian High Commissioner Ms. Heather Cruden

The Canadian High Commissioner H.E. Ms. Heather Cruden hoped that Bangladesh can reach its full potential in terms of economic and social development and achieve middle-income status by 2021. "Bangladesh has made a significant progress in achieving MDGs 4 and 5 and Canada is proud of its support," she observed while speaking at the farewell lunch hosted by ICC Bangladesh for her in Dhaka on 12 January. High Commissioner Cruden talked about Canada-Bangladesh relations, the development partnership between the two countries and trade relations. Expressing satisfaction over her three-year tenure in Bangladesh, she said, "I'm extremely pleased that over that period our bilateral trade relationship grew to over Canadian $1.8 billion and that Bangladesh has been confirmed as a country of focus for our development program."

Canada continues to provide duty-free access for more than Can $1 billion in readymade garment exports to Canada, Cruden said. Bangladesh imported about Can $660 million from Canada in 2013, including cereals (wheat), pulses and iron. Canada and Bangladesh concluded an agreement last year to ship potash which will help Bangladeshi farmers improve their crops. She highlighted the contributions of more than

100,000 Bangladeshi immigrants to Canada.

She also highlighted that Canada's development assistance remains focused on children and youth, including maternal newborn and child health and primary education. In addition, the High Commissioner noted Canada's continuing support to improving labour rights and expanding skills development for sustainable economic growth. She also highlighted recent announcements to assist Bangladesh in reducing child, early and forced marriage.

She mentioned that Canadian companies are interested in working in different sectors, and she hoped that exports would be diversified in the coming years. The High Commissioner highlighted how much she enjoyed her time in Bangladesh. "The Bangladeshi people continue to impress me with their generosity, entrepreneurial spirit, innovativeness and resilience," she said.



ICC Bangladesh President Mahbubur Rahman is seen speaking at a Farewell lunch. Also seen in the picture Bhutanese Ambassador H. E. Ms. Aum Pema Choden, Canadian High Commissioner H.E. Ms. Heather Cruden and ICCB Vice President Rokia Afzal Rahman and others on his left.

Earlier ICC Bangladesh President Mahbubur Rahman in his address mentioned about the keen interest taken by High Commissioner Cruden in promoting trade and investment between the two countries. He said that the personal initiative of the High Commissioner has helped in expanding the trade volume.

ICC Bangladesh President appreciated her efforts in supporting and extending development assistance in various key sectors of Bangladesh. He praised High Commissioner Cruden for taking initiative in strengthening bilateral relations as well as expanding trade between the two countries. Mahbubur Rahman wished all the success in her future assignments and hoped that she will continue to assist Bangladesh in achieving its goal of becoming a middle income status. The farewell lunch was attended by Ambassador of the Netherlands Mr. Gerben de Jong, Malaysian High Commissioner Mrs Norlin Binte Othman, Ambassador of Bhutan Ms. Aum Pema Choden, Ambassador the Republic of Korea Mr. Lee Yun-young, Ambassador of Norway Ms. Merete Lundemo; ICC Bangladesh Vice Presidents Latifur Rahman and Rokia Afzal Rahman; ICC Bangladesh Board Members Aftab ul Islam; R. Maksud Khan and Waliur Rahman Bhuiyan, OBE; ICCB Members Md. Fazlul Hoque and Asif Ibrahim; ICC Bangladesh Secretary General Ataur Rahman, Ambassador M.R.Osmani; Trade Commissioner of High Commission of Canada Md. Kamal Uddin.

Business Leaders urged politicians to end enervating unrest

Political impasse, inadequate physical and legal infrastructures and bureaucratic bottlenecks are unwanted barriers to economic activities in Bangladesh pinpointed top business leaders on March 30 at a luncheon meeting organized by the American Chamber of Commerce in Bangladesh (AmCham) in Dhaka. They called upon political leaders to heal the ongoing restive political situation and bring back confidence of the investors, both local and foreign, which will help in elevating the nation to MIC (middle-income country) status at a faster pace.

They also suggested greater coordination between the business community and government agencies for effective implementation of the business-related rules and regulations. In the meeting ICC Bangladesh President Mahbubur Rahman said "Leave us alone. Don't put any roadblock. We don't want any money from the government just the right environment so that we can conduct our business freely,". Mr. Rahman also said Bangladesh is the best place for making investment and gaining best of profits. But, he hastened to add, there is a small problem: the political glitch. Bangladesh can easily touch 8.0 per cent GDP growth in place of over 6.0 per cent, which the country had attained over the last several years, if there were no roadblocks, he added.

AmCham President Aftab ul Islam presided over the function. In his speech he noted the country has been passing through a "very critical and difficult" period of time. General people, businessmen in particular, are very much concerned over the nonstop blockade coupled with hartal. As a result of the confrontational politics, the leading businessman deplored, supply chain is breaking down, law and order under question and "nobody knows what happens tomorrow", he added. Mr. Islam mentioned "the biggest hindrance the private sector is now facing is not power, gas and labour unrest. It is the fear, mistrust and uncertainty that took away the confidence of business community. We hope that political leaders will realise it and take necessary measures to this effect," he added.

President of Chittagong Chamber of Commerce and Industry (CCCI)

Mahbubul Alam said the overall scenario of economic activities throughout the country has been suffering acutely because of political unrest and 'anarchic' situation. Speaking on the occasion, President of FBCCI Kazi Akram Uddin Ahmed said GDP, export, import, remittance and foreign reserve all are in a positive shape despite such political impasse. "So, none can hold back progress of the country. Now Bangladesh is considered as the country of progress, not the country of famines and natural disasters," he added.

Foreign Investors' Chamber of Commerce and Industry (FICCI) President Rupali Chowdhury laid emphasis on infrastructural development, especially on legal infrastructure, to further reduce the cost of doing business here. David Meale, Charge de Affaires at the US Embassy in Dhaka and AmCham Executive Director A. Gafur also spoke at the luncheon meet.



ICCB President Mahbubur Rahman (4th from right), AmCham President Aftab ul-Islam (5th from right), FBCCI President Kazi Akram Uddin Ahmed (4th from left), FICCI President Rupali Chowdhury (3rd from right), CCCI President Mahbubul Alam (2nd from right) seen among others at a luncheon meeting organized by AmCham.

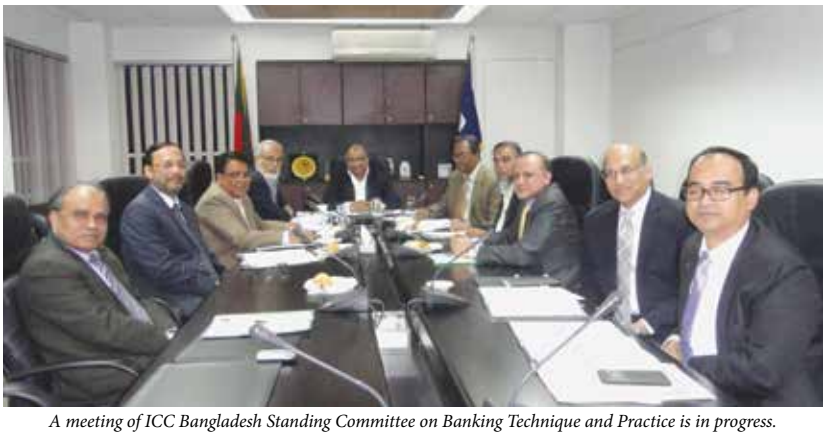
Meeting of the Executive Committee of the ICC Knowledge Centre held

The second meeting of the Executive Committee of the ICC Knowledge Centre was held on 25 March. Presided over by the Committee Chairman Md. Fazlul Hoque, the Meeting was attended by four members, Bangladesh Institute of Bank Management Director General Dr. Toufic Ahmad Choudhury; Bangladesh Bank Executive Director Md. Ahsan Ullah; HSBC Bangladesh Country Head of GTRF (Global Trade & Receivable Finance) Syed Javed Noor and ICC Bangladesh Secretary General Ataur Rahman.

The Committee suggested to organize workshops and seminars on topics such as Operation of ASYCUDA jointly with Bangladesh Bank and Customs, Foreign Exchange Regulations, UCP 600 and URDG. It was also proposed to hold two Seminars on topics like Investment in Infrastructure. The Committee agreed that there should be an independent office of the ICC Knowledge Centre with required office staff, equipment and budget and advised to ICC Bangladesh Secretary General to follow up the matter with HSBC Bangladesh.

Meeting of the ICC Bangladesh Standing Committee on Banking Technique and Practice suggested Action Plan for 2015

A Meeting of the ICC Bangladesh Standing Committee on Banking Technique and Practice was held on Wednesday, 28 January at ICC Bangladesh. The Meeting Chaired by Muhammad A. (Rumee) Ali was attended by eight members of the Committee: Director General of Bangladesh Institute of Bank Management Dr. Toufic Ahmad Choudhury; Deputy Managing Director of Islami Bank Bangladesh Mahbub-ul-Alam; Head of Structured Finance & Relationship Unit of Corporate Banking of Eastern Bank Ahmed Shaheen; Former Managing Director of Sonali Bank Mohammed Hossain; Deputy Managing Director of NRB Commercial Bank Shoeb Ahmed; Sr. Representative of Commerzbank AG in Bangladesh Tawfiq Ali; Executive Vice President & Head of MFIS, MITS & NRB Division of Mutual Trust Bank Md. Bakhteyer Hossain and Former IFC Consultant to Bangladesh Bank on SME Financing Kamal Niaz Hassan.



A meeting of ICC Bangladesh Standing Committee on Banking Technique and Practice is in progress.

The Committee after reviewing the activities of the National Committee during 2014 and the need of the banking sector recommended the following Action Plan for 2015 for consideration of the Executive Board:

Proposed Plan of Action for 2015

Workshops

- Workshop on International Trade Finance: Rules and Tools, Operations, legal cases and proven trade finance strategies held jointly with ICC Sri Lanka in Colombo on 13-15 February
- Seminar/Workshop on International Factoring to be organized jointly with BIBM, ADB and FCI (Factors Chain International) of The Netherlands in Dhaka on 12-13 April 2015
- Workshop on Basel III
- Workshop on Treasury Management
- Workshop on Credit Risk Management including Environmental Risk Management
- Workshop on URBPO/ Automation of International Trade Operation
- Workshop on URDG and UCP 600

Business Dialogues/Seminars

- Annual Conference for CDCS/CITF/CSDG/FIT-Initiative
- Public Private Partnership for Infrastructure Development
- Dialogue on Regional Connectivity for Trade and Investment
- Regional Seminar on Integration of SMEs in Global Value Chain

Certificate Courses

- Certified Documentary Credit Specialist (CDCS), Certificate in International Trade Finance (CITF) and Certificate of Specialists in Demand Guarantee (CSDG) Examinations to be held on10 April 2015
- E-learning IFC 'FIT Initiative' (Finance of International Trade) Programme

Publications

- Quarterly News Bulletin
- Media Blitz
- Annual Report

Dhaka-Manila direct flight to boost trade: Suggested Business Leaders at a BPCCI Seminar

Business leaders on February 26 urged for direct flight between Dhaka-Manila and identified as one of the major barriers to boosting trade between Bangladesh and the Philippines. Trade between the two Asian countries came down from US$ 56.41 million in 2009 to US$ 22.73 million in 2013, according to data available. The views came at a seminar organised by the newly launched Bangladesh Philippines Chamber of Commerce and Industry at DCCI Auditorium, Dhaka.



Commerce Minister H.E. Mr. Tofail Ahmed, M.P. (4th from right), ICCB President Mahbubur Rahman (2nd from right), Ambassador of the Philippines to Bangladesh H.E. Mr. Vicente Vivencio T. Bandillo (3rd from left), FBCCI President Kazi Akram Uddin Ahmed (3rd from right) and BPCCI President R. Maksud Khan (5th from right) are seen in the picture among others during the Installation Ceremony of BPCCI.

The Philippines is a very promising trading partner for Bangladesh, but many people do not know of the potential due to poor connectivity between the two countries said Commerce Minister H.E. Mr. Tofail Ahmed, M.P. adding that he will discuss the issue of launching direct flights between the two capitals with the Civil Aviation Minister.

He was addressing the occasion as chief guest. The Commerce Minister officially launched the Bangladesh Philippines Chamber of Commerce (BPCCI) and unveiled the first issue of its News Letter at the seminar.

Ambassador of the Philippines to Bangladesh H.E. Mr. Vicente Vivencio T. Bandillo presented a key-note speech at the seminar. Appreciating the BPCCI, Mr Bandillo said that it will support to exploit bilateral trade potentials between the two countries and take the trade relationship forward.

Citing different affinities and business prospects of the two countries, ICC Bangladesh President Mahbubur Rahman said, "Then, why not we harness those business opportunities and develop our trade relationship." He also emphasized the importance of direct flight between Dhaka-Manila. Mr Rahman expressed the hope that the vibrant role of BPCCI will facilitate doubling the trade volume in a few years.

President of DCCI Hossain Khaled made a presentation on "Business Opportunities in Bangladesh" while another presentation on business prospects in the Philippine was made by a Philippines Embassy official.

The speakers underlined the need for easing some VISA- and tariff-related problems to enhance the trade and business between the two countries of the ASEAN region.

The seminar was also addressed, among others, by President of Federation of Bangladesh Chambers of Commerce and Industry Kazi Akram Uddin Ahmed, Chairman of MG Madecor Group in Philippines Eduardo Sison, Managing Director of SGS Bangladesh Ltd Ariel Miranda, BPCCI President Rashed Maksud Khan, and BPCCI Director-Finance Abul Kasem Khan.

In 2013, Bangladesh's import from the Philippines was US$ 10.18 million while exports amounted to US$ 12.55 million. Bangladesh is the 66th trading partner, 67th export market and 56th import source of the archipelago nation.

ICCB reception to outgoing CEO Jim McCabe & incoming CEO Abrar A. Anwar of Standard Chartered Bank

Standard Chartered Bangladesh is the oldest international bank operating in Bangladesh and is not only considered to be the best in class as an International Bank, but also in building on a rich history of over 100 years said outgoing Chief Executive Officer Jim McCabe. He was speaking during a reception hosted by ICC Bangladesh in Dhaka on 24 January to bid farewell to him and to welcome the new CEO Abrar A. Anwar.

He mentioned that today, Standard Chartered Bank is the largest international bank in Bangladesh with 26 Branches & Booths, employing over 1,700 people. It is the only foreign bank in the country with presence in 6 cities – Dhaka, Chittagong, Khulna, Sylhet, Bogra and Narayanganj; including the country's only offshore banking units inside Dhaka Export Processing Zone (DEPZ) at Savar and Chittagong Export Processing Zone (CEPZ), said Jim McCabe.

Jim observed that during his five wonderful years of stay in Bangladesh as the CEO of the Bank, he was amazed to see the commitment of the private sector in developing the industrial base of the country, increasing and diversifying export basket as well as creating much needed employment opportunities. He found the private sector most vibrant. Bangladesh can emerge as a major economy in Asia by harnessing its potentials in four sectors apparels, leather, pharmaceuticals and information technology, he further added.



ICCB President Mahbubur Rahman presenting a memento to outgoing CEO of Standard Chartered Bank Jim McCabe.

He hoped that his successor Mr. Abrar A. Anwar will continue to receive the same level of support that has been extended to him by all, in particular the business leaders. Jim McCabe thanked ICC Bangladesh President Mahbubur Rahman for arranging the reception for him and Abrar A Anwar.

Earlier ICC Bangladesh President thanked Jim McCabe for his all out commitment in development of Bangladesh as well as extending credit to the private sector for expansion of existing industries and setting up new industries and businesses.

He also appreciated the role of Standard Chartered Bank in fueling the businesses in the economy by facilitating the financing for the Small and Medium Enterprises (SME's).

Mahbubur Rahman thanked Jim McCabe for the unqualified support extended to ICC Bangladesh in carrying out various activities and in particular the ICC International Conference on Global Economic Recovery: Asian Perspective organized in Dhaka on 25-26 October 2014 in celebrating the 20 years of ICC's presence.

Welcoming the new CEO Abrar A. Anwar, ICC Bangladesh President assured him of full cooperation of ICC Bangladesh and the businesses and hoped to further strengthen the relations between Standard Chartered bank and ICC Bangladesh.

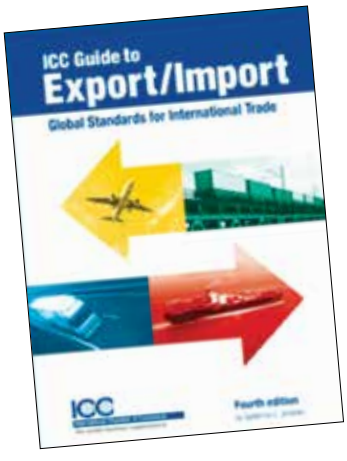
Abrar A. Anwar thanked ICC Bangladesh President for inviting him and welcoming him in his new role as the CEO of this international bank operating in Bangladesh. He assured that he will continue to extend his full cooperation to the private sector and hoped to receive same support as has been extended to Jim and him in the past.

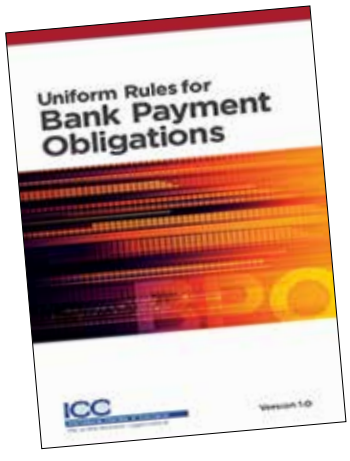
Among others, ICC Bangladesh Vice Presidents Latifur Rahman and Rokia Afzal Rahman; ICCB Executive Board Members, A.K.Azad, Mahbub Jamil, R. Maksud Khan Waliur Rahman Bhuiyan, OBE; Tapan Chowdhury, Managing Director, Square Textile Mills Limited; Salahuddin Kasem Khan, Managing Director of A. K. Khan & Company Ltd; Md. Ghulam Rahman, Vice Chairman, Eastland Insurance Company Limited; Simeen Hossain, Managing Director, Eskayef Bangladesh Ltd.; Dr. Mark Wong, Chief Executive Officer, Karnaphuli Fertilizer Co. Ltd. (KAFCO); M. A. Hashem, Chairman, United Commercial Bank Limited; Pinak Chakraborty, Country Head, State Bank of India; Ahmed Kamal Khan Chowdhury, Managing Director, Prime Bank Limited; Francois de Maricourt, Chief Executive Officer, The Hong Kong and Shanghai Banking Corporation Ltd.; Ali Reza Iftekhar, Managing Director, Eastern Bank Limited; Md. Habibur Rahman, Managing Director, Al Arafah Islami Bank Limited; Shamim Ahmed Chaudhury, President & Managing Director, AB Bank Limited; Anis A. Khan, Managing Director & CEO Mutual Trust Bank Limited; Fromer Pubali Bank Managing Director Helal Ahmed Chowdhury; MCCI President Syed Nasim Manzur; DCCI former President Asif Ibrahim; Masrur Reaz, Programme Manager, IFC-BICF & ICCB Secretary General Ataur Rahman attended the event.



Group picture at a farewell of outgoing Standard Chartered Bank CEO Jim McCabe.

Selected ICC Publications







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Pictures from the Gallery



Canadian High Commissioner H.E. Heather Cruden (7th from left) is seen at a group picture during the farewell lunch organized by ICCB. ICC Bangladesh President Mahbubur Rahman (6th from left) and ICCB Vice Presidents Latifur Rahman (8th from left) & Rokia Afzal Rahman (5th from left) also seen in the picture among others.



Standard Chartered Bank outgoing CEO Jim McCabe is seen speaking at a reception hosted by ICCB. ICC Bangladesh President Mahbubur Rahman is seen on his left and new SCB CEO Abrar A. Anwar on his right .



A group picture of participants at a 3-day ICC Workshop on International Trade Finance organized by ICC Bangladesh jointly with ICC Sri Lanka in Colombo.

Bangladesh Economy

Bangladesh Economy to grow 6.2pc if politics plays its due part: WB

Bangladesh's economy is expected to expand at 6.2 per cent rate in the current financial year (FY) 2014-15 provided the political stability of the past year prevails, the World Bank says in its latest forecast. However, as the Washington-based multilateral funding agency came up with its findings and predictions, the country was experiencing some disruptive developments on the economic front for political unrest.



"The growth will be supported by continued robust remittances and recovery in private consumption demand if political stability is sustained in 2015," the WB said in its Global Economic Prospect (GEP) report, released from its headquarters on January 13 (Washington time).

The government has targeted Bangladesh's Gross Domestic Product (GDP) growth at 7.3 per cent in the current FY. According to the preliminary estimation, Bangladesh grew at 6.1 per cent rate in the last FY14 against a higher target of 7.2 per cent. About the political situation and its impact on the economy, the WB report said improved political stability supported activity elsewhere in the region, too, except in Afghanistan and, in the second half of the year, in Pakistan. "Activity in Bangladesh began to normalise in 2014 as social unrest abated from a spike in the run-up to national elections in January 2014. With government spending offsetting softness in private demand, the economy is (officially) estimated to have grown by 6.1 per cent in FY2014, ostensibly because increased agriculture and service sector growth outweighed the decrease in industrial growth."

The multilateral funding agency has sketched an economic recovery scenario for the South Asian region banking on some positive developments on the macroeconomic and political fronts. It projects regional growth to rise to 6.8 per cent by 2017, as reforms ease supply constraints in India, political tensions subside in Pakistan, remittances remain robust in Bangladesh and Nepal, and demand for the region's exports firms.

On Bangladesh's economic scenario the WB's GEP report says: "In Bangladesh, exports are projected to improve after transition to better enforcement of factory safety standards and working conditions." However, wage pressures in the absence of productivity gains could erode its competitiveness. Given the high obstacles to trading across borders, trade-facilitation reforms in the region could significantly boost integration into global trade, it added.

- Robust remittances, higher consumption may help
- Agriculture, service sector growth offsets industrial decline
- Weak banking impedes investment financing
- Power deficit to restrict prospects

The GEP report projects export-momentum buildup in line with the strengthening of global import demand in high-income countries, particularly in the United States and the Euro Area the two largest markets for South Asian exports.

About the financial market, the global lender in its GEP report observes that the resilience of capital flows and asset markets has partly reflected improved (India) or healthy (Bangladesh) current-account balances, robust growth prospects (India, Bangladesh), and ample global liquidity as a result of accommodative monetary policies in the Euro Area and Japan.

The WB found supply-side bottlenecks continuing to hold back growth in the baseline forecast, particularly in Sri Lanka and Bangladesh where economies are operating at close to capacity. "With power generation unlikely to keep pace with growing demand in the region, shortages are expected to persist in the near term, including in Bangladesh, India, Nepal, and Pakistan," said the report.

The global lender said weak bank balance sheets continue to impede financing for an upturn in the investment cycle. Stressed bank loans (including restructured loans) exceed 10 percent of loans in Bangladesh, Bhutan, India, and Pakistan. "Restructured and problem loans need to be recognised as non-performing, even though this would impair capital (with possible need for fiscal support)." It suggests banking-system reforms, in particular aimed at strengthening human resources, improving non-performing loan management, and raising capital ratios, to improve financial intermediation. "Such reforms are especially needed in India, where state-owned banks account for close to three-quarters of banking assets."

Among the policy challenges, the WB has termed South Asia's tax base lower. "Tax payments tend to be concentrated only among a few taxpayers in South Asian countries. In India, for instance, only 3.0 percent of the population in India pays the personal income tax, with the figure dropping to about 1.0 percent in Bangladesh, Nepal, and Pakistan," it says. The WB pleads for a second generation of tax reforms in the region, given substantial benefits that the additional revenues can bring to the severely resource-constrained governments, and the moderate success of their past reforms.

Bangladesh contributes notably to Asian Frontier Fund

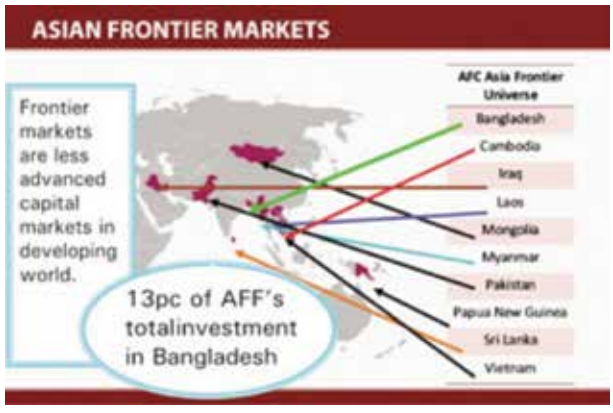
Despite having a sluggish performance in the domestic stock market, Bangladesh emerged as a leading 'return contributor' for Asian Frontier Fund (AFF) in last year. Hong Kong-based Asia Frontier Capital (AFC) Limited is a fund management company specialises in investing in high growth Asian frontier economies by managing the AFC Asian Frontier Fund and the AFC Vietnam Fund.

'Breaking down 2014 performance country wise, on a gross return basis, the leading return contributors within fund were Pakistan, Vietnam, Bangladesh and Sri Lanka, in that order,' said the annual review of the AFC, revealed second week in January this year. The review report also mentioned that these four countries make up 68 percent of AFC's fund as of December 2014 and historically these four countries have been a majority of the portfolio. The fund puts around 13 per cent of it's total investment to Bangladesh market, the data reveals.

The report also refers to five stocks which provided the highest returns on investment without mentioning specific names. These are: a pharmaceutical, a consumer beverage and a tobacco company from Pakistan; a pharmaceutical company from Bangladesh, and a consumer-focused conglomerate from Sri Lanka.

'All of these five companies were part of our top 20 holdings during the year except for the Pakistani tobacco company, which we exited and booked profit on in the beginning of second quarter,' said the report.

The first one invests in public equities of Asian frontier countries that are seeing increasing consumption due to favourable demographic trends, rising incomes and high economic growth. The fund invests in listed equities of companies that have their principal business activities in Bangladesh and 12 other countries.



Less advanced capital markets from the developing world are known as frontier markets. They have invest-able stock markets that are less established than those in the emerging markets like China and India.

Bangladesh's Outlook Better

The AFF expects better return from Bangladesh in this year taking the political risk in consideration. 'Political protests can be an issue going forward but these events have occurred in the past as well and companies have continued to deliver numbers,' said AFF. On it's outlook, it also said, 'The beginning of 2014 witnessed political protests due to the election period, but things have stabilised since then. We continue to like Bangladesh as we think it provides a good consumer story with a population of close to 160 million and a GDP/capita of $1,100.'

According to AFF, consumer companies in the country will be benefited due to rise in income level in future. 'Therefore we like the long term story of consumer related stocks in Bangladesh. We think lower crude oil prices will be a positive for the economy and also for consumer stocks in general.'

AFF also underscored the macroeconomic performance of Bangladesh and termed it better compare to Pakistan and Sri Lanka as the country has managed to have a current account surplus through increased exports, kept its fiscal deficit under control (3.4 percent of GDP), and has not built up high levels of government debt (35 percent of GDP).

The fund, however, put a note of caution on future investment as it said, 'Valuations are not cheap in Bangladesh and we will need to be selective in our investments.'

Bangladesh labeled one of the expected drivers of growth in emerging markets

Bangladesh is labeled as one of the expected drivers of growth in emerging markets in near terms for its steady growth and improvement in social indicators. Bangladesh is grouped with four other developing countries as all these countries have a population of over 100 million each. Four other countries are: Indonesia, Pakistan, Nigeria and Mexico.

The Agility Emerging Markets Logistics Index makes this projection as Bangladesh climbed three notches in this closely watched logistics industry ranking of the world's 45 leading emerging markets. Bangladesh advanced to 28th position in the 2015 index, unveiled this week in Switzerland, from 31st position last year. Thus the country is among 'next-tier' markets poised for growth.

The Agility Emerging Markets Logistics Index is an annual data-driven ranking aided by a separate

survey of nearly 1,000 global logistics and supply chain executives. The index, now in its sixth year, ranks emerging markets based on their size, business conditions, infrastructure and other factors that make them attractive for investment by logistics companies, air cargo carriers, shipping lines, freight forwarders and distribution companies. Having headquarters in Kuwait, Agility is an international logistic company providing freight forwarding, transportation, warehousing and supply chain management services.

Although large BRICS nations (Brazil, Russia, India, China and South Africa) have accounted for much of the growth and investments in emerging markets and have dominated the index, Saudi Arabia and next-tier economies including Bangladesh climbed up in the index. Along with those next-tier economies, emerging markets in ASEAN, GCC (Gulf Cooperation Council) and Sub-Saharan Africa are offsetting mixed performance in the BRICS countries powering emerging markets' growth in recent years.



Bangladesh scores high for 'market compatibility' or business climate and 'connectivity' or infrastructure and trade links as both have improved according to the index report. The country's sub-ranking on market connectedness surged by four steps to 41 and that on compatibility by one step to 26. On growth attractiveness, Bangladesh's position also improved one step to 17.

The report also said that Bangladesh, the world's second largest garment exporter after China, posted an average 6 per cent growth rate in recent years and was 'trying to build an IT and software development sector.' Thus Bangladesh's economy proved to be resilient in the face of domestic challenges, mentioned the index report.

'However, the current volatile political situation in Bangladesh may negatively affect foreign direct investments critical to the country's growth over the long term,' said Jude Julius Crasto, CEO, Agility Global Integrated Logistics Bangladesh.

Bangladesh need improvement in six areas : IMF

Bangladesh needs to prioritise major infrastructure projects, make available land for investors and reform the financial sector as part of its measures to boost economic growth, the International Monetary Fund said on March 4. The government should also pay attention to revenue collection, enactment and implementation of effective policies on power and energy, and combating climate change impacts, it said.

The IMF identified the six areas as a recipe for the government to fuel the growth of the country's gross domestic product, which has been stuck at around 6 percent for a decade now. The suggestions came during a meeting between a delegation from the IMF and Planning Minister AHM Mustafa Kamal at the latter's office in the capital. Rodrigo Cubero, head of the IMF mission, highlighted the areas that the country needs to pay heed to, according to a statement from the planning ministry.

Despite various obstacles, the way the economy is progressing is praiseworthy, said the mission, adding that the country's debt to GDP ratio is also one of the lowest in the world. "It points to economic stability," the IMF said, adding that the country now needs to build on its achievements.

Bangladesh's overall economic stability would also hinge on how the country achieves its targets in the post-Millennium Development Goals period, said the mission. The IMF said if the availability of land can be ensured and infrastructure deficit removed, the country can attract foreign investors. "The way the country's infrastructure sector is moving forward, we hope that it would attract industrial investors very soon." However, the government would have to pay attention to financial sector reforms, it said.

The Planning Minister Mr. AHM Muustafa Kamal said the government would set up 100 economic zones throughout the country in the next five years. As a result, there will be no scarcity of land for making investment. The government would utilise unused public land in the country's northern parts for attracting investment. The government also plans to take an initiative for capital dredging for all rivers to raise their banks such that economic zones can be set up alongside them, the minister added.

Focusing on the IMF's emphasis on meeting the infrastructure deficit, the Minister said the four-lane Dhaka-Chittagong and Dhaka-

Mymensingh highways would be completed this year. He said the work of the construction of Padma bridge and the setting up of power plants in Rampal, Payra and Matarbari are progressing fast. The completion of the deep-sea ports would boost GDP growth. The planning minister presented to the IMF mission the main aspects of the forthcoming seventh five-year plan, which aims to create 1.32 crore new jobs between 2016 and 2020.

The IMF team wanted to know whether the prevailing political situation, which has dealt serious blows to the economy, would have any adverse impact on GDP growth. In response, the Minister informed the IMF team that already we have gotten the GDP growth achieved in the last six months.

PwC projects BD to be 23rd largest economy in 2050

Bangladesh will become the world's 23rd largest economy in terms of purchasing power parity (PPP) by 2050, says the PricewaterhouseCoopers (PwC) in its latest report on global economy. The PwC projection showed that Bangladesh would outnumber developed countries like Australia and advanced developing countries like Malaysia within next 35 years.

The report titled 'The World in 2050', revealed in February showed that Bangladesh's gross domestic product (GDP) was $536 billion (53,600 crore) in 2014 in PPP terms. But the GDP size will be $1,291 billion in 2030 and increase further to $3,367 billion in 2050, according to the PwC projection,

PwC's latest report is an updated version of the long-term economic growth projection of the multinational professional service network. The group, having headquarters in London, first published such a report in March 2006, which set out projections for potential growth in GDP in 17 leading economies over the period to 2050. Later these projections were updated in March 2008, January 2011 and January 2013, expanding the country coverage.



Bangladesh is included in the latest update along with Colombia, Egypt, Iran, the Netherlands, Pakistan, the Philippines and Thailand. Thus 'World in 2050' model now covers a total of 32 countries where Bangladesh is ranked 31st followed by Vietnam. These 32 countries currently account for around 84 per cent of global GDP, up from around 80 per cent for the 24 economies in PwC's 2013 report.

China, which is already the largest economy in the world in terms of PPP, will continue to keep the top place in 2035 and 2050. India will replace the United States after 35 years and become the second largest economy followed by the USA. Indonesia will be fourth and Barzil will be fifth.

The PwC identified four key factors behind these 32 countries' growth in next 35 years. These are: growing labour force of working age, increase in human capital, growth in physical capital and factor productivity. "Emerging economies have stronger potential growth than the current advanced economies on most of these measures," said the PwC report.

PwC, however, makes a note of caution by saying that "the projections are of potential future GDP if such policies are followed, rather than predictions of what will actually happen." "Not all of these countries may be able to sustain such policies in the long-run in practice," it added.

Bangladesh a top choice for Japanese investors: JETRO survey

Most Japanese firms operating in China choose Bangladesh as the second best investment destination after India due to lower production costs here, according to a survey by Japan External Trade Organisation (JETRO).

Due to sluggish operations and struggle for expansion of business in China, firms are expanding their operations mainly in Bangladesh, India, Vietnam and Thailand.

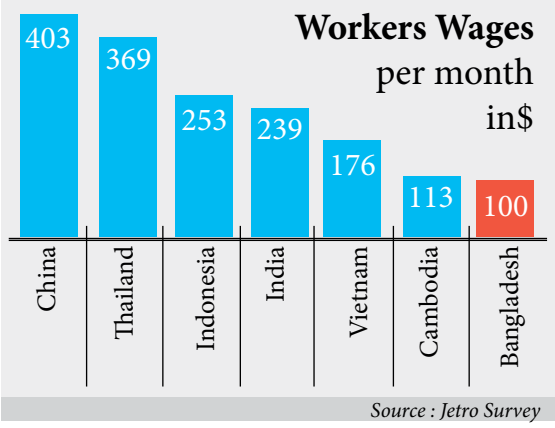
Some 71.7 percent Japanese-affiliated firms in China want to expand their operations in Bangladesh, with 78.2 percent favouring India, 66 percent Vietnam and 60.9 percent Thailand, according to the official trade and investment promotion agency of Japan.

Jetro that has been conducting such surveys since 1987 took opinions of 10,078 firms from 20 countries. It also directly interviewed the chief executives of the firms between October and November last year to conduct the survey. A survey of Japanese Affiliated Firms in Asia and Oceania for the Year 2014.

Bangladesh is offering the lowest worker wage levels among its competing countries. Workers' wages in the manufacturing sector in Bangladesh is $100 a month, while Cambodia has the second lowest wages at $113, according to the survey. Japanese investors also think that Bangladesh has the widest room

for cost cutting, according to some 84 percent of the CEOs in the survey.

In comparison to Japan, the cost of production in Bangladesh is less than half (48.7 percent), while it is 77 percent in China and 71 percent in Vietnam. Japanese corporate heads feel that there are better trade opportunities in Bangladesh in 2015, as some 71 percent of the CEOs surveyed are expecting profits to rise in the country.



Source : Jetro Survey

Jetro's Dhaka office published the highlights of the survey on 22 February.

The survey, however, stressed improving worker efficiency in the country by providing basic education and vocational training. Among the countries surveyed, Bangladesh ranked the lowest in quality of employees. The average rate of workers' productivity in Bangladesh is 31.6 percent, while it is 77.8 percent in Sri Lanka, 68.4 percent in Pakistan, 44.4 percent in China and 42.1 percent in India, the study shows.

The study suggested the Bangladesh government focus more on signing free trade agreements (FTA) with countries under the Asia and Oceania region, to boost regional trade.

The survey portrayed that the highest utilisation of FTA is made by firms engaged in the textiles trade. "FTA is the means to trade facilitation among the countries under the Asia and Oceania region, not only a generalised system of preference. In this context, it is high time that Bangladesh considers FTAs seriously," it said.

Japanese entrepreneurs have been shifting their investments to other countries since its government announced the 'China plus one' policy in 2008 to reduce over-dependence on China.

Investment from Japan rose three times to $94.37 million in 2013, compared to the previous year, according to Bangladesh Bank.

The bilateral trade balance between the two countries is heavily tilted towards Japan, as Bangladesh imports vehicles, electronic goods and spare parts. On the other hand, Bangladesh mainly exports apparel items, leather and leather goods, and footwear to Japan.

In fiscal 2012-13, Bangladesh exported goods worth $750.27 million to Japan, against $600.52 million in the previous year, according to data from Export Promotion Bureau. In 2012-13, Bangladesh imported goods worth $1.19 billion from Japan against $1.45 billion in the previous year, according to BB. At present, more than 180 Japanese companies have operations in Bangladesh.

Better infrastructure, reform policies needed to fuel growth : ADB chief economist

Bangladesh should improve infrastructure and reform policies to tap the potential of its economy, the chief economist of the Asian Development Bank Shang-Jin Wei said on January 21. He came to Bangladesh to see and learn as part of preparation for an ADB study on constraints to growth and economic inclusion. He met senior officials and experts from government agencies, the private sector and local think-tanks. Bangladesh's economy has been growing at greater than 6 percent on average for quite a while, making the country one of the top 20 performers in the world in terms of economic expansion.

"In the face of global financial crisis, a very few countries have managed to grow as fast as Bangladesh did. That's a very impressive record," ADB chief economist told The Daily Star in an interview at the ADB office in Dhaka.

Mr. Shang-Jin Wei said Bangladesh has certainly the potential to grow at 7.3 percent and even can surpass the target set by the government for the current fiscal year. "But high growth potential will not automatically translate into higher growth. One has to work hard for that." ADB's judgement is that the economy would grow by 6.4 percent in the current fiscal year, Wei said.

ADB chief economist said Bangladesh, which has a vast inexpensive working age population, has the potential to grow even faster similar to some of the East Asian countries in recent past. He said the country's need for infrastructure is vast. "So, ADB is working to do more to mobilise funds for Bangladesh from our own resources as well from other sources."

He said the country faces several challenges to continue the current level of economic growth and raise it further. Ensuring reliable supply of power is one of them. "The government needs to ensure reliable supply of power to reduce the cost of doing business of the companies so Bangladeshi firms can compete in the world markets."

The country also needs to address transport and congestion bottlenecks and improve the quality and capacity of its ports further. "The ADB is

helping Bangladesh in all of those areas. We did it in the past and will continue to do so in the future." The chief economist also said Bangladesh needs to raise its tax-GDP ratio from the current 12-13 percent. "It is relatively lower compared to many other countries at this stage of development. Because of low level of revenue generation, the government's ability to finance infrastructure projects and provide services to the citizens is constrained."

Wei said improving governance is also important. The ADB chief economist is opposed to higher customs duty as well as discretionary exemption of customs duties as they deprive the country of potential revenues. He praised Bangladesh's macro-economic management, particularly for bringing down inflation to the region of 6 percent. "However, we should not be satisfied with this inflation rate and we need to try to bring it down further." He also praised the country's banking sector for having a sizeable number of private banks, saying the sector is not dominated by only state-run banks. He talked about high non-performing loans in the banking sector. This is an area that needs to be reformed for the efficiency of the banking sector. This requires a combination of reforms of corporate governance in both private and public banks.

The ADB economist particularly talked about the reforms of the public banks as they sometimes come under pressure from the members of the government to provide loans to borrowers they would not otherwise provide. On the government's plan to float international bonds, Wei said the international investors look at the present and future fiscal position of a country.

A former economist of the World Bank and the International Monetary Fund, Wei declined to specifically comment on the current political situation in the country and its impact on the economy. He, however, said: "From our experience from other countries we can say that political stability is helpful for growth."



Shang-Jin Wei

Also the director general of economic research and regional cooperation department of the ADB, Wei said the multilateral bank is working very hard to promote regional cooperation in South Asia by extending assistance in the areas of road connectivity and energy cooperation. South Asia is one the least integrated regions in the world, and intra-regional trade accounts for less than 5 percent of their total trade. The same is also true when it comes to cross-border investment.

"When we compare South Asia with some other regions such as East Asia and Southeast Asia, the degrees of trade and cross-border investment among the eight-member SAARC are much less than one would have expected given the physical proximity and size of the economy." "But there is a lot of potential to grow further," he said, adding that the ADB is providing support to the countries in the region for putting the right physical connectivity in place.

The ADB has been actively promoting regional cooperation in South Asia through the South Asia Sub-regional Economic Cooperation (SASEC) initiative, focusing on transport, trade facilitation, and energy.

"Saarc has the potential to do better. One of the very ingredients to growth for developing countries is the participation in the global value chain as well linkage between the countries with same production chain and common world markets. This is the area where countries have not done well." Wei, however, said this gap points to the existence of the problems and also to potential for growth. "The region can grow further if they take integration measures and bring in policy reforms."

He mentioned countries in South Asia tend to favour bilateral agreements more than the multilateral ones. But the ADB chief economist said he hopes the bilateral integration would not be the end point; rather they would act as inputs for fuller regional as well as global integration.

Container handling: Chittagong Port ranked 86th busiest port

Container handling performance of the Chittagong Port has improved as the Lloyd's Register listed it to the rank at 86 in 2014, upgraded by four steps from the rank at 90 in 2013, among 100 busiest container handling seaports in the world.

The port on January 8 announced that bigger ships of 9.5 metres draft and 190 metres in length would now be able to take berth in the port jetties.

The port authority organised a ceremony on the occasion of taking the Lloyd's Register certification that qualified the CPA as the world's 86th busiest container handling port out of 100 seaports in the year 2014.

According to Lloyd's Register, the Chittagong Port was ranked 98th in 2008-09 in the global.

Shipping Minister Shajahan Khan addressed the function as the chief guest. Representing the Lloyd's Register in the event, Captain Zillur Rahman Bhuiyan handed over the Lloyd's Register certificate to the

CPA chairman in presence of the minister and other dignitaries.



Presenting the port's performance through power-point, CPA board member (marine and harbour) Captain M Shajahan mentioned the volume of container handling in the port will stand at 3.00 million TEUs (twenty-foot equivalent unit) by 2019. The volume of containerised cargo handling in the Chittagong Port increased to 1.70 million TEUs in 2014 from 1.54 million TEUs in 2013. "But the port will face problems if new container terminal is not built by 2020 as containerised shipping has been rapidly increasing globally," he said.

According to Lloyd's Register, number one container handling port in the world is Shanghai of China with 33.60 million TEUs.

The second biggest container handling port in the world is Singapore with 32.20 million TEUs, followed by Shinzen (China), Hong Kong (China) and Bushan (South Korea).

Around 90 per cent of the country's export and import is done through the Chittagong Port. The total volume of bulk and containerised cargo handling through the port in 2014 was 50.00 million metric tonnes (import: 42.85 million MT and export 7.15 million MT).

The port's revenue earnings were Tk 6.3846 billion in five months of the financial year 2014-15 while revenue expenditure was Tk 3.4784 billion.

Garment exports to new markets on the rise

Garment exports to new destinations are increasing substantially though shipments to traditional markets have been on a downward curve. The new markets are promising mainly due to the government's stimulus package, aggressive marketing by exporters and relaxation of the "rules of origin" by some countries.



Rules of origin are the criteria that are used to define where a product was made. The origin of a product is important because it will determine how it is treated at the border of an importing country and the origin may impact the import duty payable and admissibility into the country. Apparel exports to new destinations all markets except the EU, the US and Canada -- rose 15.47 percent year-on-year to $1.87 billion in the first six months (July-December) of the current fiscal year, according to Export Promotion Bureau. The major new export destinations are Australia, Brazil, Chile, China, India, Japan, South Korea, Mexico, Russia, South Africa and Turkey.

During the six-month period, Bangladesh's garment exports to the US declined 5.18 percent, to EU 3.53 percent, and to Canada 14.60 percent. Garment exports to non-traditional markets got a boost when the government offered an incentive package to businesses in fiscal 2008-09 to offset the impact of the global financial crisis on the sector.

Under the scheme, the government gave 5 percent cash incentive to garment exporters in fiscal 2009-10, 4 percent in fiscal 2010-11 and 2 percent in fiscal 2011-12. The exporters are still receiving 2 percent cash incentive for exporting to the new destinations. Generally, Bangladesh's 60 percent garment items are destined to the EU, 23 percent to the US, 6 percent to Canada and the rest to other countries.

NON-TRADITIONAL MARKET	YEAR-ON-YEAR GROWTH IN % (JUL-DEC)
Australia	13.51
Brazil	10.99
Chile	-0.21
China	23.98
India	10.14
Japan	6.56
South Korea	12.75
Mexico	-5.94
Russia	8.68
South Africa	9.32
Turkey	-33.50
Other countries	12.91

SOURCE: EPB

BD signs US $ 20.14m deal with FAO for food security

An agreement was signed on January 14 between the Food and Agriculture Organisation (FAO) of the United Nations and the government of Bangladesh for $ 20.14 million (approximately Tk 1.56 billion) to strengthen the enabling environment for food security and nutrition.

Economics Relations Division (ERD) Senior Secretary Mohammad Mejbahuddin and FAO Representative in Bangladesh Mike Robson inked the deal at the ERD in the city's Sher-e-Bangla Nagar area. The total amount will be funded by the United States Agency for International Development (USAID) and European Union (EU). FAO will provide technical support to the Ministry of Food.



The assistance will be provided to implement the programme titled 'Meeting the Undernutrition Challenge (MUCH): Strengthening the enabling environment for food security and nutrition'. The programme will be implemented jointly by the Ministry of Food and FAO from October 2014 to September 2019.

The expected outcome of the MUCH is to strengthen enabling environment for eradicating food insecurity and malnutrition which will he achieved through five mutually reinforcing outputs, all of which are focused on strengthening national capacities through on the job, long- and short-term training programmes.

Dr. Atiur the best Central Bank Governor in Asia Pacific Region



Dr. Atiur Rahman

Bangladesh Bank Governor Dr. Atiur Rahman has been named the best central bank governor in the Asia Pacific region for promoting socially and environmentally responsible financing without compromising on macroeconomic stability.

The Banker, a UK-based magazine owned by the Financial Times Group, announced the winners of the Central Bank Governor of the Year, Asia-Pacific for 2015 on January 5. The Banker's award recognises the officials who have best managed to stimulate growth and stabilise their economies.

Rahman's work exemplifies how central banks can play essential roles in providing capital for environmentally- and socially-aware development without compromising on growth or macroeconomic stability, the magazine said. Rahman, now in his second term as governor, dedicated the award to Prime Minister Sheikh Hasina and the known and unknown martyrs of the Liberation War.

Since assuming office as the 10th central bank governor in 2009, Rahman has been spearheading initiatives to ingrain socially and environmentally responsible financing ethos, with multi-pronged facilitation and policy support for inclusive, green financing. The approach has contributed notably in upholding domestic demand-led growth and stability, with faster poverty decline sustained by employment and income in small and medium enterprises, stable downward inflation, and external sector viability.

Rahman's inclusive, green financing initiatives have earned him a few other recent accolades and awards, like the Indira Gandhi Gold Plaque from India, Gusi International Peace Prize from the Philippines, WHO anti-tobacco award, and membership of an elite small global United Nations Environment Programme advisory panel on designing a sustainable global financial system.

The new award from The Banker is a strong affirmation of the 63-year-old's positive vision driven proactive innovative approach in central banking. Rahman said he would now focus on his unfinished agenda before his retirement. "I want to give bank accounts to every citizen of Bangladesh." Rahman won an award titled 'Regulator with Human Face' from the University of Dhaka in recognition to his outstanding contribution to bring un-banked people in the banking sector. Four years ago, he took an initiative to provide bank accounts at only Tk 10 as deposit to farmers who were shunned by the banking sector.

Now more than 10 million farmers have bank accounts. Rahman said he would also work to bring more funds from banks' corporate social responsibility to the education sector so no poor child has to discontinue studies because of a lack of money.

Rahman said he would also continue to promote green financing in the

textiles sector and stand by exporters affected by political violence. He also pushed loans for agriculture and small and medium enterprises. In 2009, when he took helm of the central bank, there was not even one single taka given as agriculture loans by the private and foreign banks.

The same was also true for the small and medium enterprises sector, where promises were aplenty but nothing of note came through.

Now, half of the farm loans are disbursed by private and foreign banks and a third of all loans are going to SMEs. Due to banks' serious involvement in agriculture and SMEs, domestic demand has gone up significantly, helping the country avoid the onslaught of global financial crisis.

Under his leadership, Bangladesh Bank has introduced the digital payment system, automated clearing house and mobile financial services. On average, around Tk 263 crore is transacted a day through mobile banking services.

BIDS retains 97th spot in global rankings

Bangladesh Institute of Development Studies (BIDS) has ranked 97th among more than 6,500 think-tanks worldwide. The autonomous multi-disciplinary organisation ranked 17th in South Asia and the Pacific and 24th among top international development think-tanks in the "2014 Global Go To Think Tank Report" published by the Lauder Institute of the University of Pennsylvania. The Think Tank and Civil Societies Programme (TTCSP) published the seventh report of the ranking globally on January 22.

The index is the result of an international survey of over 1,950 scholars, public and private donors, policymakers and journalists who helped rank more than 6,500 think-tanks using a set of 18 criteria developed by the TTCSP.

The BIDS, which also ranked 97th in 2013 globally, conducts policy research on development issues facing Bangladesh and other developing countries.

It also facilitates learning in development solutions by conducting credible research, fostering policy dialogue, disseminating policy options and developing coalitions to promote informed policymaking. It is governed by a high powered board of trustees under the chairmanship of the planning minister. Initially, funding for the BIDS was made through regular government budgetary support.

In 1983, the government created an endowment fund to ensure a source of recurring revenue for running the institute, reducing its dependence on regular budgetary support, and enabling the BIDS to enjoy more functional autonomy.

In 2009, the government provided a research endowment fund of Tk 20 crore to support core institutional research of the BIDS. Some donor agencies and foundations also provide resources for its activities.

Chinese company to invest $3.345m in Uttara EPZ for setting up packing manufacturing industry

M/s Shanzhou (Bangladesh) Packing Limited, a Chinese company, is going to establish a packing materials manufacturing industry in the Uttara Export Processing Zone (EPZ) involving US$3.345 million. In this connection, an agreement was signed between Bangladesh Export Processing Zones Authority (BEPZA) and M/s Shanzhou (Bangladesh) Packing Ltd in the city on January 15.



Member (Investment Promotion) of the BEPZA Sayed Nurul Islam and General Manager of M/s Shanzhou (Bangladesh) Packing Zhai Hai Peng signed the deal on behalf of their respective organisations.

The fully foreign-owned company will produce 5.0 million square metres paper carton, 500 tonnes blisters, 2.0 million square metres sellotape and 2.0 million pieces color box annually. The company will also create employment opportunity for 915 Bangladeshi nationals. Among others, Executive Chairman of the BEPZA Major General Mohd Habibur Rahman Khan, ndc, psc, was present at the agreement signing ceremony

EPZ investments edge up 12pc

Investments in the eight export processing zones or EPZs went up 12.17 percent year-on-year in the first half of the current fiscal year, getting a boost from new industrial units. Over $213 million was invested in the EPZs in July-December, compared to $190.23 million in the same period last year, according to Export Processing Zones Authority.



The companies in operation exported goods worth $2.9 billion between July and December, against $2.59 billion in the same period last year, according to Bepza data. A total of 437 industrial units are in operation in the EPZs as of December; a further 123 enterprises are under construction.

Chittagong EPZ attracted the biggest investment -- $72.99 million, followed by Dhaka at $48.8 million, Adamjee $32.17 million and Karnaphuli $30.69 million. Uttara EPZ received $10.71 million in investment, Comilla $10.17 million, Ishwardi $4.46 million and Mongla $3.42 million. Cumulative investments stood at $3.4 billion as of December 2014.



Government approved proposals for setting up 17 economic zones

The government approved on February 18 proposals for setting up 17 economic zones (EZs) in the country, including three private zones, one in Narsingdi and two in Munshiganj. The approval was given in the second meeting of the Board of Governors of the Bangladesh Economic Zones Authorities (BEZA) at Prime Minister's Office with Chairman of the Board Prime Minister Sheikh Hasina in the chair, according to News Agency.

The 17 approved EZs are at Sreepur in Gazipur, Sabrang Tourism SEZ in Cox's Bazar, Anwara SEZ-2 in Chittagong, Dhaka IT SEZ in Keraniganj, Jamalpur, Narayanganj, Bhola, Ashuganj, Panchagarh, Narsingdi, Manikganj, Kushtia, Barisal, Nilphamari, Private Economic Zone in Narsingdi, Abdul Monem Private Economic Zone in Munshiganj and another Private Special Economic Zone in Munshiganj.

Briefing reporters after the meeting, PM's press secretary AKM Shameem Chowdhuri said the meeting also approved a special stimulus package for attracting both local and foreign investors. Of the 17 economic zones, three are private economic zones and one each exclusively for Chinese and Japanese investors. Sreepur Economic Zone will be dedicated to Japan as Japanese Economic Zone, while the one in Anwara of Chittagong to China as Chinese Economic & Industrial Zone (CEIZ).

The government enacted private economic zone law in 2010 aimed at materializing the Vission-2021, long term perspective plan, sixth five-year plan, expediting economic growth, alleviating poverty, industrialisation and balanced development of the country.



Prime Minister Sheikh Hasina asked the officials for providing one-stop service from every economic zone for the investors.

The meeting was informed that some 100 EZs will be set up in the country over the next 15 years, creating jobs for some 10 million people and taking the export earnings from there to $ 40 billion a year.

Foreign investors can now apply online for visa, permits

The Board of Investment on March 1 launched its new streamlined application procedure for visa, work permits and representative offices for foreign investors, aiming to boost investment in Bangladesh. Prospective foreign investors will now have to fill in just a one-page application instead of the previous 16

pages, according to BoI. If everything is all right in the application, the recommendation letter for visa will go straight to the relevant foreign mission without delay, the step had earlier taken weeks or months. The move will improve the country's investment climate and reduce time and registration cost by 40 percent, said Kyle F Kelhofer, country manager of International Finance Corporation, the private sector arm of the World Bank Group that financed the automation of BoI.

Many foreign companies have been looking for simplification of the investment registration process, according to Johan Frisell, ambassador of Sweden. He said the country has immense potential given its steady economic growth and low-cost labour. But it still has to address some challenges such as energy, roads, infrastructure to attract more foreign investment, Frisell added.

Industries Minister Amir Hossain Amu, who inaugurated the automated system, said the country is expecting a 25 percent rise in foreign direct investment this year. In 2014, some $1.6 billion was received in FDI. Bangladesh is an investment-shortage country.

The country needs to increase its investment to 34.3 percent of GDP, nearly 6 percentage points higher than its current level to achieve the targeted economic growth of 7.3 percent for the current fiscal year, according to Asian Development Bank.

Bangladesh Shows Gains in Global Logistics Index

Bangladesh climbed three spots in a closely watched logistics industry ranking of the world's 45 leading emerging markets. Bangladesh advanced to No. 28 in the 2015 Agility Emerging Markets Logistics Index, an annual data-driven ranking accompanied by a separate survey of nearly 1,000 global logistics and supply chain executives.

The Index, now in its sixth year, ranks emerging markets based on their size, business conditions, infrastructure and other factors that make them attractive for investment by logistics companies, air cargo carriers, shipping lines, freight forwarders and distribution companies.

Steady growth and improving social indicators were behind the improvement in the ranking for Bangladesh. Its scores for "market compatibility" - business climate – and "connectivity," or infrastructure and trade links, both improved.

Large BRICS nations Brazil, Russia, India, China and South Africa have accounted for much of the growth and investment in emerging markets and have dominated the Index. But Saudi Arabia climbed to No. 2 in the 2015 Index, ranking behind only China, which has 47 times the population and 12.5 times the economic output.

Next-tier economies Indonesia (No. 4 in the Index), Nigeria (27), Bangladesh (28) and Pakistan (25) all with populations topping 100 million climbed in the Index rankings. The other large non-BRICS market Mexico held steady at No. 9.

Along with those next-tier economies, emerging markets in ASEAN, the GCC and Sub-Saharan Africa are offsetting mixed performance in the BRICS countries that powered emerging markets growth in recent years.

Bangladesh 28th country on biotech crop map

Bangladesh becomes the world's 28th country producing biotech crops by introducing commercial production of 'Bt Brinjal' (eggplant) last year. International Service for Acquisition of Agri-Biotech Applications (ISAAA), in its latest brief report on commercialisation of biotech crops, revealed the information.

It showed that about 181.5 million hectares of biotech crops were grown globally last year, an increase of more than six million hectares from the level 2013. "With the addition of Bangladesh, a total of 28 countries grew biotech crops during the year (2014)," says the report. "The 20 developing and eight industrial countries where biotech crops are produced represent more than 60 per cent of the world's population."

Introduction of Bt Brinjal in Bangladesh, however, faces strong protest from environmentalists and right groups as they termed it a curse for farmers and consumers. They

opined that genetically modified (GM) crop would increase toxicity in the human body and eliminate delicious indigenous varieties.

Big agro-based multinational companies like Monsanto claims that GM or biotech crops are safe to eat and not harmful for environment. The ISAAA report termed Bangladesh a 'model for success' in the field of biotech crop production on a commercial basis. The ISAAA has attributed it to the strong government support, particularly that from Minister for Agriculture Matia Chowdhury. It has termed the experience 'exemplary for small poor countries'. "Bangladesh is already field testing biotech potatoes and exploring biotech cotton and rice," it added.

The ISAAA has also claimed that the case of Bangladesh in 2014 reconfirmed the value and success of public-private partnerships. "The Bt biotech trait for brinjal, one of the most nutritious and important vegetables in Bangladesh, was donated by Mahyco, an Indian company," it mentioned.

Interestingly, despite being world's 5th largest GM crop producer, India in 2009 put an indefinite moratorium on Bt Brinjal field test, in the face of strong opposition.

Bangladesh remains stuck in the category of "mostly unfree" countries : survey

Despite improvements in labour, corruption, and monetary indicators, Bangladesh remains stuck in the category of "mostly unfree" countries in an international survey on economic freedom. The country's economic freedom score is 53.9, making its economy the 131st freest -- the same as last year's -- among 186 countries in the 2015 Index of Economic Freedom, an annual guide published on January 28 by Washington-based Heritage Foundation and The Wall Street Journal.

Bangladesh was ranked 132nd in 2013 and 130th the previous year. Its position remains unchanged at 27 among 42 countries in the Asia-Pacific region. The country's overall score eroded by 0.2 points since last year though it made improvements in labour freedom, freedom from corruption, and monetary freedom outweighed by notable declines in investment freedom and business freedom.

Launched in 1995, the Index evaluates countries in four broad areas of economic freedom: rule of law, regulatory efficiency, limited government and open markets. Based on its aggregate score, each country graded in the Index is classified as "free" (combined scores of 80 or higher), "mostly free" (70-79.9), "moderately free" (60-69.9), "mostly unfree" (50-59.9) and "repressed" (under 50). The Index covers 10 freedoms: property rights, freedom from corruption, fiscal freedom, government spending, business freedom, labour freedom, monetary freedom, trade freedom, investment freedom and financial freedom.



Over the last five years, Bangladesh's economic freedom hovered around the lower end of the "mostly unfree" category, said the report.

Modest score improvements have occurred in just four of the 10 economic freedoms (financial freedom, labour freedom, freedom from corruption, and trade freedom), and overall policy reform appears to have stalled. A general disregard for the rule of law, rampant corruption, and a judicial system that suffers from political interference provide a weak foundation for economic modernisation. Lack of a national consensus on the direction of future policy changes has diminished the momentum for economic reforms, and deteriorating prospects for near-term improvements in economic freedom make it unlikely that the relatively high growth rates of recent years can be maintained. Most data used in the 2015 Index covers the second half of 2013 through the first half of 2014.

Bangladesh scored 20 in property rights on a scale of 0-100 as it couldn't improve its position in the area. The score in freedom from corruption indicator is 27. Institutional accountability is not well established in Bangladesh, and the judiciary is not clearly separated from the executive, according to the report.

"Government effectiveness is undermined by pervasive graft. Contract enforcement and dispute settlement procedures are inefficient. Antiquated real property laws and poor record-keeping systems complicate land and property transactions. Poor governance is one of the main barriers to foreign direct investment."



ECONOMIC FREEDOM RANKING

COUNTRY	2015	2014
Sri Lanka	101	90
Bhutan	115	116
Pakistan	121	126
India	128	120
Bangladesh	131	131
Maldives	134	145
Nepal	152	149

Bangladesh has improved in the areas of labour and monetary freedom, scoring 63.7 and 67.7 points respectively. Business freedom, however, went down to 62.2 points.

The index said reform measures in recent years have streamlined the procedures for establishing a business, but other institutional deficiencies such as pervasive corruption and poor access to credit discourage start-ups. The labour market remains underdeveloped, and the enforcement of labour rules is ineffective.

Both trade and financial freedoms remained unchanged at 59 and 30 points, and investment freedom dipped to 45. It said Bangladesh has a relatively high 13 percent average tariff rate.

"Efforts are underway to improve customs processes. Foreign investors face bureaucratic hurdles. The financial sector remains underdeveloped despite modernisation efforts. State-owned commercial banks account for over 30 percent of total banking system assets. Stock market capitalisation is low."

The country scored 92 points in government spending indicator and 72.7 points in fiscal freedom. Despite relatively high income and corporate tax rates (25 and 45 percent), the country's tax revenue remains low at around 10 percent of gross domestic product, said the index. Public expenditures account for 16.3 percent of domestic economy, and public debt has grown to a level equal to about 40 percent of the GDP. Globally, economic freedom has increased for the third year in a row, it said.

The Index, once again, demonstrates that countries with higher levels of economic freedom substantially outperform others in economic growth, per-capita incomes, health care, education, protection of the environment, reduction of poverty and overall well-being. Hong Kong has maintained its status as the world's freest economy, a distinction that it has achieved for 21 consecutive years.

Despite the global progress recorded since the Index's inception in 1995, the number of people living without economic freedom remains disturbingly high: 4.5 billion, or 65 percent of the world's population. And more than half of these people live in China and India.

While structural reforms in the two countries sometimes boosted growth, the governments have failed to institutionalise open environments that promote broad-based and sustained improvements in the economic well-being of the population as a whole.

Local pharma sales may reach $2b by 2018: study

Annual pharmaceutical sales are likely to hit $2 billion by 2018 due to increasing demand for good-quality medicine, according to a study by IMS Health, a leading global information and technology service provider to healthcare and life sciences industries. The growth in sales could be even higher than projected if the political situation remains stable, said Aminur Rahman, IMS Health's managing director for Bangladesh and Sri Lanka. At present, the local pharma market stands at $1.2 billion.

Pharma exports rose 15.65 percent year-on-year to Tk 553.3 crore in fiscal 2013-14, boosted by the country's high-quality products at competitive prices against rising global demand. The global pharma market stands at $1.3 trillion, of which 25 percent is accounted for by biological medicines. Also, seven of the top ten products in the global market are biological medicines. Like other medicines, biological drugs are intended to treat diseases and medical conditions as well as prevent or diagnose diseases. A number of companies are developing biological medicines in the country.

For instance, Incepta Pharma has invested around Tk 200 crore so far to develop biological medicines, according to company data.

Of the 150 companies currently operational in the country, the top 50 meet 98 percent of the local demand for medicine, Rahman of IMS Health said.

Bangladesh becoming a top spot for Muslim travellers

Bangladesh has found a place among the world's top destinations for Muslim travellers, largely thanks to its availability of Muslim-friendly services and facilities, according to a study. The Global Muslim Travel Index 2015 developed by MasterCard, a payment network provider, and CrescentRating, the world's leading authority on Halal-friendly travel, ranked Bangladesh 18th on the list of destinations, which are members of the Organisation of Islamic Cooperation.

Malaysia came first for OIC destination, followed by Turkey, United Arab Emirates, Saudi Arabia and Qatar. Singapore came in first for the non-OIC destinations, which also saw Thailand, UK, South Africa and France make the top five. The

index looked at data covering 100 destinations, creating an overall index.

All the destinations were scored against a backdrop of criteria which included suitability as a family holiday destination, the level of services and facilities it provides, accommodations, marketing initiatives as well as visitor arrivals. Each criterion was then weighted to make up the overall index score.

The study, which was released on March 4, showed that Bangladesh received 67,000 Muslim arrivals last year, which is 19 percent of the total arrivals. Last year, some 108 million Muslim travellers spent $145 billion globally, representing 10 percent of the entire travel economy, it said. The Muslim travel market is forecast to grow to 150 million visitors a year by 2020, and their annual spending will reach about $200 billion, according to the study.

Saudi Arabia saw the highest number of Muslim arrivals in 2014 of 10.2 million, followed by Turkey at 8.1 million.



GLOBAL MUSLIM TRAVEL INDEX: TOP 20 DESTINATIONS

RANK	DESTINATION	SCORE
1	Malaysia	83.8
2	Turkey	73.8
3	United Arab Emirates	72.1
4	Saudi Arabia	71.3
5	Qatar	68.2
6	Indonesia	67.5
7	Oman	66.7
8	Jordan	66.4
9	Morocco	64.4
10	Brunei	64.3
11	Tunisia	64
12	Kuwait	63.9
13	Iran	63.9
14	Bahrain	63.6
15	Egypt	63.6
16	Maldives	62.3
17	Kazakhstan	60.5
18	Bangladesh	60.2
19	Algeria	58.5
20	Azerbaijan	58.2

The overall average score for 40 destinations currently stands at 56, while the overall average index score for the complete 100 destinations is at 43.8. From a regional perspective, Asia Pacific destinations lead with an average score of 54. The study also said the Muslim population is growing rapidly and is expected to become 26.5 percent of the world's population by 2030.

The majority of the Muslim population comes from some of the fastest growing economies such as Indonesia, Malaysia, Turkey and the Gulf countries. Muslims are now becoming an important consumer market for the entire world. They will become an increasingly important segment for businesses across all sectors.

The top 100 destinations ranked in the report are taken from 110 studied, including 29 OIC destinations and 81 non-OIC destinations. These 100 destinations represent more than 95 percent of Muslim visitor arrivals in 2014.

Bangladesh a bright example of women's employment: study

Bangladesh has made significant progress in women's employment according to a study by MasterCard. Since 2009, the country has gained more than 80 points in overall employment, which is part of an index that consists of 16 countries from the Asia Pacific region, indicating that women are more or less as economically active as their male counterparts.



A score under 100 indicates gender inequality in favour of males, while a score above 100 indicates inequality in favour of females. A score of 100 indicates equality between the sexes.

Of note is the stride made by the country between 2007 and 2015 in 'regular employment', a sub-category of the MasterCard Index of Women's Advancement. During the period, Bangladesh soared 21.1 index points to 102.4 in regular employment opportunities, which is the second highest rise after India (39.6).

In terms of female participation in the workforce, the country surpassed India and Sri Lanka by a wide margin, scoring 69.3 against 35.8 and 46.5 respectively.

In fact, Bangladesh did better than the Philippines, Indonesia, Malaysia and South Korea in this respect. Yet, in the overall index for women's advancement, Bangladesh managed the second lowest overall score, of 44.6, this year.

Scores are indexed to 100 males to indicate how close or how far women are to achieving socio-economic parity with men. In the overall index, Bangladesh was slightly ahead of India (44.2) but behind Sri Lanka (46.2). The fact that all three countries scored less than 50 means much more needs to be done to achieve gender parity.

The index consists of three main indicators that were derived from additional sub-indicators: employment (workforce participation, regular employment), capability (secondary education, tertiary education) and leadership (business owners, business leaders, political leaders). Of the three components, 'capability' remains the

strongest indicator of Asia Pacific women's progress towards gender parity for the ninth consecutive year, the survey found.

Five markets, namely New Zealand, the Philippines, Vietnam, Sri Lanka and Thailand had a score of 100, indicating that women are on par or better represented in secondary and tertiary institutions than their male counterparts. Comparatively, women in India (85.7), South Korea (85.9) and Bangladesh (87.6) have fewer opportunities than men when it comes to secondary and tertiary education.

However, women in Bangladesh have made the biggest strides in tertiary education enrolment over the past nine years (2007 to 2015), rising 31.7 index points to 76.8. When it comes to women breaking the glass ceiling and hitting the top rungs of corporate ladder, Bangladesh scored the lowest among the 16 Asia Pacific countries surveyed. It scored a paltry 6.2, meaning for every 100 male business leaders, the country has around 6 females in top positions.

The study also revealed that business ownership among Bangladeshi women is the lowest (11.7 points) in the Asia-Pacific region. But, the country came in the eight position when it comes to political leadership with its score of 24.7, which is more than Thailand, Indonesia, Malaysia, Japan, South Korea, India and Sri Lanka.

2.5 percent of total US tariff is from Bangladeshi products

The United States of America (USA) continued to collect higher tariffs on Bangladeshi products during import from this country. Last year, the US collected 2.5 per cent of its total tariff revenue against imports from Bangladesh.

Data available with the US International Trade Commission (USITC) showed that they earned some $824.30 million (82.43 crore) as tariffs while importing Bangladeshi products worth $5276.16 million (527.61 crore) or $5.276 billion in 2014. Total import tariffs collected by US Customs last year stood at $32.484 billion.

US imports equal to Bangladeshi exports by this calculation, it is Bangladeshi exporters who are actually facing tariff peak on the US market. On an average, Bangladeshi products are facing 15.6 per cent tariff. At the same time, average tariff rates on imports from the United Kingdom (UK) and France are 0.92 per cent and 0.96 per cent respectively in the USA. Bangladesh is paying highest amount of tariff among the least-developed countries (LDCs).

Dr Mostafa Abid Khan, acting chief executive officer of the Bangladesh Foreign Trade Institute (BFTI), termed the US practice 'highly discriminatory'. "Main problem is the USA has imposed high tariff on low-end products and Bangladesh mostly export these kinds of products,' he told The Financial Express (FE).

For instance, products like clothes and shoes have to face 14.8 per cent and 12.7 per cent average tariffs while entering the US market against zero tariff on products like aircraft, furniture and toys and games. USITC data also show that tariff has increased following incremental exports of Bangladesh. But last year, total Bangladeshi exports to the USA declined slightly to $5.276 billion from $5.281 billion in 2013.

The USA also scrapped GSP (generalised system of preferences) facility for Bangladesh in mid-2013. Thus, last year, there was no export under GSP scheme, although it covered only around 1% of Bangladesh's total exports. Analysis prepared by Progressive Economy, a Washington-based think-tank, revealed that 78 per cent of US imports from developing countries were duty-free.

It also showed that 100 years ago, tariffs raised 30 per cent of US government revenue but now it came down to only 1%.

The US is yet to provide duty-free market access to Bangladesh, along with Nepal and Cambodia. Only these 3 LDCs don't get tariff-free market access to the world's largest economy. The US is denying full market access on the plea that the Hong Kong ministerial declaration of the World Trade Organisation (WTO) linked 100 per cent market access with "no later than the start of the implementation period" of the Doha-round trade talk. As the round is yet to complete, there is no binding to implement full market-access facility.

Dr. Abid, however, said that the WTO has finalised the Trade Facilitation Agreement (TFA) and it would be implemented in July this year. "This is the start of Doha Round implementation and now US has to provide tariff-free market access to Bangladesh." The Bali Ministerial Declaration in December 2013 has asked developed-country members of the WTO to extend existing coverage of tariff-free market access, if not already covered 97 per cent of products originating from LDCs.

Except the US, all the developed countries have already offered duty-free, quota-free market access to almost all the LDCs, including Bangladesh.

Regional News

More countries join China-backed AIIB investment bank



Denmark, has applied to join the Beijing-led Asian Infrastructure Bank (AIIB). Becoming the latest European power to join the institution despite misgivings of the United States. China's Ministry of Finance on March 29 said that Denmark has written to China to "announce its intention to apply to be a founding member" of the AIIB.

"China welcomes Denmark's decision," the ministry said in a statement on its website, adding that China will first seek the views of other members. If the decision is approved, Denmark will officially be a founding member of the AIIB on April 12, the ministry said. Danish Minister of Trade and Development Mogens Jensen called China's establishment of the AIIB "a significant and exciting development in the world order".

"Since many Danish trade interests as well as development cooperation interests will be at stake in AIIB, there are many reasons to engage in and influence AIIB's investment decisions from its beginning," Jensen said in a statement. On March 29, Russia, Australia and the Netherlands became the latest countries to say they plan to join the AIIB, adding clout to an institution seen as enhancing China's regional and global influence.

China has set a March 31 deadline to become a founding member of the AIIB, which is seen as a significant setback to US efforts to extend its influence in the Asia Pacific region and to balance China's growing financial clout and assertiveness.

China's leadership of a new global financial institution, the Asian Infrastructure Investment Bank (AIIB) is proving divisive. This month has seen a number of European countries apply to be founding members, including the UK, France and Germany, to the chagrin of the US. Now, however, the US is proposing that the bank work in a partnership with the development institutions where it takes the lead, such as the World Bank and Asian Development Bank.

China and 20 other Asian countries agreed to establish the AIIB in October 2014. As the name suggests, its focus will be on funding infrastructure development projects in Asia – where there is still significant need for investment. China is leading the initiative and would like the headquarters to be based in Beijing (though Indonesia has also staked a claim to this).

While China is taking the lead in funding the bank, it has emphasised a desire for other members – which include India, Kuwait and Qatar – to participate. To this extent, China has reduced its proposed share from 50% to 20% and given up its veto power (which the US retains in the World Bank). There is also a great deal of scope for working with existing global financial institutions, with the head of the IMF Christine Lagarde recently expressing a desire to cooperate with the AIIB.

There is, however, a clear political and strategic dimension to the creation of the AIIB and the reaction of the US to its allies' involvement. The US lobbied hard for its allies not to join the initiative and the White House signalled clear unease at Britain's decision to join it last week. The decision of many of the US's allies to join speaks of China's global influence. No other country has the capital to establish such a bank and garner the support of so many countries. There have been many moments in China's economic rise, but this may mark another historic point of China's global influence surpassing the US and the US losing out on future investment and influence opportunities.

The AIIB will help China's new development strategy of "One belt, one road", which aims to bring China to world power status and enhance its political and economic impact on both Asia and the EU. With key US allies – including Korea and Japan in Asia and the UK, France and Germany in Europe – joining the AIIB, China will chalk this up as a win in the race for global influence.

The biggest difference between the AIIB and existing international financial institutions is who its shareholders are. The World Bank is responsible for providing assistance to developing countries across the world and its president is nominated by the US president and is usually American. The Asian Development Bank, meanwhile, focuses on Asia, but is dominated by Japan (all presidents having been Japanese) and the US, who are the largest shareholders.

Although China is a member of both the World Bank and the Asian Development Bank, it has no actual influence. Establishing the AIIB and having the largest tranche of shares in it means that China will have the main influence, lessening US control of the international financial system.

There is also room for another bank in terms of the amount of infrastructure that is still needed in Asia. The Asian Development Bank forecast back in 2010 that there is US$8 trillion demand for infrastructure funding up until 2020 and the current levels

of investment provided by the World Bank and Asian Development are far from enough to meet this.

The AIIB has been seen as a challenge to the World Bank and Asian Development Bank, institutions Washington helped found and over which it exerts considerable influence. The United States has urged countries to think twice about joining the AIIB until it could show sufficient standards of governance and environmental and social safeguards. But the United States' European allies Britain, France, Germany and Italy announced this month they would join the bank, leading the Obama administration to reassess its stance.

China, India to lead world by 2050 : PwC

Asia's rise to global economic pre-eminence could see China and India leading the world by 2050, with Southeast Asia also making gains, according to PwC. However, Japan, South Korea and Australia are seen slipping down the world rankings without major reforms. The projections came in the consultancy's latest "World in 2050" report, which provides growth forecasts for 32 of the world's largest economies, accounting for around 84 percent of global gross domestic product (GDP), based on purchasing power parity (PPP).



According to PwC, China is already the world's biggest economy in PPP terms and will become the biggest at the more commonly accepted figures of market exchange rates by 2028, despite its projected reversion to the global growth average. China's share of world GDP in PPP terms is forecast to increase from 16.5 percent in 2014 to a peak of around 20 percent in 2030, before easing slightly to 19.5 percent in 2050.

However, China's growth rate is forecast to slow to just 3.4 percent annually during the period through to 2050, with its economy reaching $61 trillion in PPP terms. "Given China's low population growth and aging population (accentuated by its one-child policy for the past three decades), increases in labor productivity will account for all of its economic growth (in fact, China is expected to experience a very minor decline in its population during the period 2014–2050)," the report said.

In contrast, India is seen surging from $7 trillion in 2014 to $17 trillion in 2030 and $42 trillion by 2050, claiming second place ahead of the United States on $41 trillion. The South Asian giant would overtake the European Union and the United States in share of world GDP (in PPP terms) by 2044 and 2049, respectively.

India's economy is forecast to expand by an average annual rate of 6.4 percent from 2014 to 2020, remaining faster than China after 2020 due to its "younger population and greater scope for catch-up growth." However, the report said India's envisaged golden destiny would require "sustained economic reforms and increased investment in infrastructure, institutions and mass education (notably for women in rural areas)."

Both the International Monetary Fund and the World Bank expect India to overtake China as the world's fastest growing major economy in 2016. On Monday, India's statistics ministry revised upwards its forecast for annual economic growth to 7.4 percent for the year to March, although it downplayed any rivalry with China.

Neighboring Pakistan is also expected to advance, rising from 25th-largest in 2014 to 15th by 2050 with an estimated $4 trillion economy in PPP terms.

Southeast Asia Moving Up

Southeast Asia is also set for further moves up the global economic ranks, led by Indonesia's forecast rise from ninth in 2014 to fourth-largest by 2050 in PPP terms, at $12 trillion. The Philippines is seen surging from 28th place last year to 20th by 2050 at $3.5 trillion, narrowly ahead of Thailand which is seen holding its 21st ranking. Bangladesh is predicted to climb from 31st to 23rd, with Malaysia also rising from 27th to 24th over the same period.

According to the report, Southeast Asia's rise will be helped by a shift in overseas investment away from China due to its increasing labor costs. "Rising costs will mean that many offshored jobs are likely to exit China over time and move to other cheaper economies such as Vietnam, Bangladesh, Philippines and Indonesia, whilst Chinese exporters will find themselves competing more on the basis of quality rather than price in their key U.S. and E.U. export markets," it said.

Demographic Decline?

Meanwhile, poor demographics are expected to weigh on growth in the developed economies, with Japan and Germany forecast to experience declining populations. "Demographics are now actually a drag on growth in the long term for these developed economies. This can also be seen in nations such as Poland and Thailand. This

brings into sharp perspective the importance of structural reforms and institution building aimed at boosting the productivity element of growth in the absence of high population growth," the report said.

Japan is predicted to slip from fourth-largest in 2014 in PPP terms to seventh by 2050, with South Korea dropping from 13th to 17th and Australia from 19th to 28th over the same period. PwC Australia economics partner, Jeremy Thorpe had a special warning for Australia as it struggles to maintain its economic winning streak following the end of a mining boom.

"Business, government and community leaders must move their focus away from the next results announcement or election and turn towards planning for the long term to prevent us slipping down the ranks," Thorpe said in a statement.

The report noted downside risks to its forecasts, including slowing global technological progress, political instability in emerging economies and potential future rises in energy and raw material prices, with the recent slowdown in Brazil and Russia indicative that forecast rapid growth is not always guaranteed.

According to PwC, the historic reawakening of China and India should ensure predictions of an "Asian century" are realized.

"This shift of global economic power to Asia may occur somewhat more quickly or slowly than this, of course, but the general direction of change and the historic nature of this shift are clear. In many ways, it is a return to the pre-Industrial Revolution era when China and India dominated world GDP in large due to their great populations, and relatively efficient agricultural sectors at that time," it said.

China free trade zone a bust so far: US business survey

Nearly three-quarters of American firms in Shanghai say China's first free trade zone (FTZ) offers them no business benefits almost 18 months after it was established, according to a survey on March 4. The Chinese commercial hub set up the FTZ in September 2013, promising a range of financial reforms, including full convertibility of the yuan currency and free interest rates, which remain unfulfilled.

"More than one year after the FTZ's opening, US companies remain sceptical about the business benefits," the American Chamber of Commerce in Shanghai said in its annual business climate report, released on March 4. A total of 73 percent of the 377 member



companies answering the survey said the FTZ offers "no tangible benefits" for their business, and almost half of them reported no noticeable changes for their operations so far.

But the US business group said the FTZ had brought improvement in customs procedures in Shanghai. Around a quarter of companies surveyed said they had already established a presence in the FTZ or planned to do so, despite the slow start, it said.

China's national government has already announced intentions to expand some reforms from the first FTZ nation wide, while three more locations plan to set up their own zones. In January, Shanghai Mayor Yang Xiong pledged greater efforts towards financial liberalisation in the FTZ but made clear they would depend on central authorities.

China's yuan now world's 5th payments currency: SWIFT



China's yuan has become the world's fifth most widely used payments currency, with the value of cross-border deals settled in it more than doubling in 2014, data from transactions organisation SWIFT showed on January 28. The data comes as China looks to make the yuan used more internationally in line with its standing as the world's second-largest economy, while at the same time keeping its value tightly controlled.

The yuan, also known as the renminbi (RMB), overtook the Canadian dollar and the Australian dollar to enter the top five of world payment currencies in November, according to a SWIFT statement. It has climbed eight spots in fewer than two years, having been in 13th place in January 2013. The yuan's share of global payments by value reached a new high of 2.17 percent in December, SWIFT said, closing in on the Japanese yen's 2.69 percent.

Total yuan payments rose 102 percent last year, the statement added, dwarfing the overall annual rise of 4.4 percent for all currencies.

Some analysts predict the yuan will one day rival the US dollar in international markets. The US dollar remains the top payments currency with a share of 44.64 percent last month, followed by the euro (28.3 percent) and the British pound (7.92 percent), SWIFT data showed.

China has set up yuan clearing arrangements with 10 countries and regions and signed currency swap agreements with 28 central banks. The commerce ministry said last week it will only issue figures for inward and outward investment in yuan, dropping the dollar statistic, a move that the agency acknowledged was partly an effort to push the local currency's greater international role.

Earlier this month, Customs only issued trade values in yuan at its quarterly briefing, with the official dollar amount made available later on its website.

IMF begins work on 'Plan B' as US blocks reforms

The International Monetary Fund said on January 28 it would begin working on alternatives to its stalled, five-year-old reform program after passing another year without the required ratification by the US government. In a proposal mapped out by the IMF executive board, the global crisis lender will take six months to see what can be salvaged from the 2010 reforms, originally backed by Washington, the IMF's largest shareholder, but now blocked in the US Congress.

The IMF did not say what the so-called "Plan B" could entail. And it appeared hopeful that the 2010 package, which doubled IMF funding and increased in a small way the voting power of emerging economies like China, could be completed. But the 24 member executive board said in a statement to the broader board of governors of the Fund that it "deeply regrets" that the 2010 reforms remain blocked, adding that this has caused it to miss deadlines in work on a subsequent, more sweeping quota review.

The executive board proposed taking until June 30 to come up with new measures "that represent meaningful progress towards the objectives of the 2010 reforms." The United States, as one of the key founders of the IMF and the world's largest economy, controls 16.7 percent of voting rights in the Fund. That gives it an effective veto over any major initiative, as reforms require 85 percent of total voting power to pass.

Lower oil prices to boost Asia-Pacific economies: UNESCAP

Economic growth in the Asia-Pacific developing countries will pick up moderately in 2015 if the current downward trend in the global oil prices continues and much-needed structural reforms are introduced, a UN agency has said in a survey.

Developing countries in Asia and the Pacific are forecasted to grow at an average of 5.8 percent this year, up from 5.6 percent in 2014. The higher growth will be driven by improved economic performances in Bangladesh, India, Indonesia, Papua New Guinea, Republic of Korea and Thailand, the survey said.

The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) released the survey report in Bangkok on January 13. The report also highlighted that growth in the region remains below pre-crisis levels. "Structural reforms in India and Indonesia are projected to help increase their growth to 6.4 percent and 5.6 percent from 5.5 percent and 5.2 percent respectively in 2014," according to the survey. Growth in China is expected to hover around 7 percent in 2015, consistent with the ongoing economic rebalancing.

A decrease in regional inflation this year to 3.5 percent from 3.9 percent in 2014 offers room in some regional economies to loosen monetary policies to support growth, according to the yearend update. The report was unveiled by United Nations Under-Secretary-General and UNESCAP Executive Secretary Shamshad Akhtar.

The steep decline in oil prices in recent months may be the start of a longer-term trend and will have a significant, yet varying impact across the region. The report estimates that for energy-importing countries, a $10 per barrel fall in the oil price in 2015 would translate into an increase in GDP growth of up to 0.5 percentage point.

The survey, however, said the fall in oil prices could reduce growth in Russia, a net energy exporter, by 1.1 percentage points and deprive neighbouring Central

Asian countries of $1.7 billion in remittance from nationals working in Russia. While a recovering US economy will support growth in Asia-Pacific exporting economies, slow growth in the eurozone and Japan will be a challenge as will be China's moderating growth.

The UNESCAP also alerts the region to brace for capital outflows following an expected hike in interest rates by the US Federal Reserve, although this could be buffered to some extent by new financial injections by the eurozone and Japan.

The UN agency also projects higher growth in all Asia-Pacific sub-regions in 2015, except North and Central Asia where it is expected to decline to 0.2 percent from 1.0 percent in 2014, mainly due to the difficult outlook for Russia. Russia accounts for almost 80 percent of the GDP of North and Central Asia sub-region.

The UNESCAP estimated that savings from energy subsidies could, for example, finance the provision of income security to all elderly and persons with disabilities as well as universal access to health and education in Indonesia, Malaysia, the Philippines and Thailand.

Developing world needs better roads to curb hunger: IFPRI study

Billion-dollar investments in basic transport and electricity in developing nations are among the best ways to curb hunger by 2030 since a quarter of all food is now wasted after harvest, according to a report issued on January 29. A total of $239 billion invested over the next 15 years, in road and railway connections to connect farms to markets and in electricity supplies to improve cold storage, would yield benefits of $3.1 trillion by safeguarding food, it said.

Mark Rosegrant, lead author and a director of the International Food Policy Research Institute in Washington, said that rural infrastructure was often overlooked by governments and investors as a way to cut food waste from rice to beef. Food losses, ranging from poor harvesting techniques in fields to rotting vegetables in consumers' kitchens, wipe out a quarter of all food produced, according to one 2012 study. Halving such losses could feed a billion people.

Past national studies had shown that improved roads, such as in India, help curb food waste. Rosegrant said this study was an attempt to estimate benefits for developing nations in Africa, Latin America and Asia. Bjorn Lomborg, head of the Copenhagen Consensus Center which commissioned the study, said debate about waste in rich nations was usually about how to discourage consumers from buying too much food and then throwing away large amounts uneaten.

The study also recommended a 160 percent rise in research to improve crop yields, estimating that an extra $88 billion spent over the next 15 years would give benefits of $2.96 trillion. Christopher Barrett, a reviewer at Cornell University, called Rosegrant's study the "most serious attempt to date" to estimate how cuts in post-harvest losses could feed a rising population.

Four South Asian states agree on multimodal transport for trade and tourist facilities

Senior officials of four South Asian countries have decided to explore the possibility of using multimodal transport to meet trans-border trade as well as tourist needs. The decision was taken at the second joint working group (JWG) meeting on Sub-Regional Cooperation among Bangladesh, Bhutan, India and Nepal (BBIN) on Water Resources Management and Power/ Hydropower and Connectivity and Transit held in New Delhi on 30-31 January.

An official joint statement said on 31 January the next JWG meet will be held in the second half of this year in Bangladesh. The Delhi meet also agreed on the significance of BBIN agreements to enable movement of motor vehicles and railways.



"The meeting exchanged ideas on potential cargo (both roads and railways) and bus routes, involving at least three countries in addition to the existing bilateral routes, and also agreed to share suggestions in this regard," said the statement, issued by the Indian ministry of external affairs from New Delhi.

It said the meeting discussed the scope for power trade and inter-grid connectivity binding the four countries as well as potential for closer cooperation in future power projects. The statement noted: "It was agreed that joint efforts would be made to explore harnessing of water resources, including hydropower and power from other sources available in the sub-region."

Exchange of lists of potential hydropower/power projects to be undertaken jointly, involving at least

three countries, on equitable basis was also agreed upon. "Exchange of experiences and best practices in other areas of power sector among the four countries was also discussed."

The JWG took stock of the existing bilateral arrangements between the four countries on data sharing for flood forecasting and ways of improving upon it. Possibility of exchanging best practices on basin-wide water resources management and development was also discussed, according to the statement. The JWG deliberated on the need for trade facilitation at land- border stations for effective sub-regional connectivity. "It exchanged views on usefulness of sharing trade infrastructure at land-border stations and harmonization of customs procedures." The Bangladesh delegation was led by Tareq Md. Ariful Islam, Director-General (South Asia) at the Ministry of Foreign Affairs.

The Bhutanese delegation was headed by Dasho Yeshi Wangdi, Director-General, the Department of Hydropower and Power Systems, the Ministry of Economic Affairs. Prakash Kumar Suvedi, Joint Secretary (South Asia), the Ministry of Foreign Affairs, led the Nepalese delegation and the Indian delegation by Abhay Thakur, Joint Secretary (North), and Sripriya Ranganathan, Joint Secretary (BM), the Ministry of External Affairs.

BIMSTEC identifies four key areas of work

A seven-nation sub-regional body identified four topmost priority areas out of its 14 sectors for more cooperation among the member countries. Senior officials of the BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) in a meeting held in Dhaka on 3 March also agreed to jointly combat the growing threat of terrorism and agreed to intensify efforts to enhance connectivity and cooperation in areas like trade, energy and environment.

The priority areas of cooperation, which the meeting identified, included connectivity, trade and investment, people-to-people contacts and the rising threat from terrorism and extremism. BIMSTEC Secretary General Sumith Nakandala inaugurated the two-day meeting urging the officials to find out ways and means of how to face the challenges and make the organization more effective. Bangladesh Foreign Secretary Shahidul Haque presided over the inaugural session of the meeting.

The foreign secretary in his speech identified the growing threat of terrorism and the adverse effect

- Connectivity
- Trade and investment
- People-to-people contacts
- Threat from terrorism and extremism

of climate change as two major challenges hindering development efforts of the sub-regional grouping that comprises seven South Asia and South East Asian nations- Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal.

Noting that the region faces many common challenges - from natural disasters to terrorism, he said they had to be collectively addressed to make an important contribution to peace, harmony, security and prosperity in the region. Since its inception in 1997, BIMSTEC has completed 17 years of its journey. Although the economic bloc has made some progress, still it needs to be invigorated, especially in the field of Free Trade Area Agreement.

"One of the most important concerns for the organisation is how to finalise the BIMSTEC Free Trade Area Agreement," said the BIMSTEC Secretary General while addressing the inaugural function.

Bangladesh will host the 6th BIMSTEC Trade and Economic Ministerial Meeting by mid-2015. Bangladesh is likely to sign four important deals relating to BIMSTEC Free Trade Area (FTA) in mid-April, when the Trade and Economic Ministerial Meeting of the group will take place in Dhaka, to boost economic relations among the member countries.

Singapore remains world's most expensive city

Singapore has retained its position as the world's most expensive city, according to research by the Economist Intelligence Unit (EIU). The top five most expensive cities in the world remain unchanged from a year earlier and include, in descending order, Paris, Oslo, Zurich and Sydney. The EIU's survey comprises 133 cities worldwide and uses New York as a base.

It compares the cost of more than 160 services and products including food, clothing and utility bills. Singapore was found to be 11 percent more expensive than New York for basic groceries. And together with Seoul, it was found to be the most expensive place in the world for clothes, "with prices 50 percent higher than New York", the EIU said. "Most significantly, Singapore's complex Certificate of Entitlement system makes car prices excessive, with Singaporean transport costs almost three times higher than

in New York." The information gathered for the survey is designed to be used online as a way to calculate the cost of relocating and living for expatriates and business travellers.

The EIU said it was "very rare" to have an unchanged top five in their survey, especially considering the worldwide drop in oil prices together with deflationary pressures in many markets.

Foreign currency movements and falling oil prices had an effect on the cost of living in several cities.

Most notably, a weaker currency in Venezuela saw Caracas slide 124 places in the ranking, from the sixth most expensive city last year, to one of the cheapest this year. However, the survey does not take into account the recent jump in value of the Swiss franc.

The EIU said that Zurich would top the list if that was included in the cost analysis. In 2014, Singapore replaced Tokyo, which topped the list in 2013. Japan's capital fell to 11th place this year as its currency weakened against the dollar and deflation continued to impact the economy.



Some of India's cities stand out as the least expensive in the world, with Bangalore, Mumbai and Chennai included in the five cheapest. The EIU said low wages and price subsidies on some staples had contributed to Indian cities' place in the survey.

Asia's third-largest economy has continued to battle an economic slowdown as well as deflationary pressure in recent years.

Last month, the country's central bank said it had seen a sharper-than-expected decline in the price of fruit and vegetables since September last year. It used this factor as one reason for cutting its benchmark lending rate in a surprise move earlier this year.

ASEAN to remove more nontariff barriers to boost economic integration

Trade ministers from 10 Southeast Asian countries pledged on March 1 to break down further nontariff barriers to boost intra-regional trade as they seek closer economic integration. The trade ministers of member countries of the Association of Southeast Asian Nations gathered for their annual retreat in Kota Bharu, the capital of Malaysia's northeastern Kelantan state, to chart the way forward for the grouping as it is poised to mark the formal establishment of the ASEAN Economic Community by end of this year.

Under the AEC blueprint, the grouping with a combined population of over 625 million people envisions an integrated market and production base with free flow of goods, services and investments, skilled labor and capital. It aims to boost intra-ASEAN trade further. In 2013, trade between ASEAN members amounted to $608.6 billion, accounting for 24.2 percent of total trade in the region. It was a 32.9 percent increase from the $458.1 billion recorded in 2008 when the AEC blueprint was first launched.

"The implementation of the AEC measures does not mean that ASEAN will become a single economic entity by Jan. 1, 2016, rather it sends a strong signal that positive measures have been put in place towards a more liberalized and integrated economic region," the ministers said in a statement at the end of the one-day retreat.

At present, ASEAN members have substantially eliminated custom import duties and beginning 2015, 97.3 percent of the products traded in the region are duty-free. The focus for the year, they added, will be on removing further nontariff barriers that impede trade, such as simplification of custom procedures, harmonization of standards, further liberalization of services and trade facilitation.

At a joint press conference, ASEAN Deputy Secretary-General for ASEAN Economic Community Lim Hong Hin illustrated some of the common problems like multiple testing required for a product by different countries in the region and labeling requirements such as the use of local language. Some of these have been resolved but there were still cases cropping up.

Malaysian International Trade and Industry Minister Mustapa Mohamed who chaired the retreat said they have identified 69 nontariff barriers and have resolved 45. "We are committed to see more progress in the removal of nontariff barriers," he said.

The eighth round of talks for the initiative known as the Regional Comprehensive Economic Partnership (RCEP) will be held in June in Kyoto, western Japan. Before that, some of the negotiating committees will hold a smaller "intersessional" meeting in April in Jakarta, Indonesia, he added.

RCEP is touted as the largest free trade deal as it will cover half the world's population and almost 30 percent of the global economy. The ministers also discussed concerns over the impact of falling oil prices for net-oil exporting economies in ASEAN like Indonesia and currency volatility including possible capital flow reversal.

ICC HQs News

Torino Chamber backing boosts LDC representation at 9th World Chambers Congress

Representatives of close to 50 least developed countries (LDCs) will have the opportunity to exchange with delegates from chambers of commerce from around the world, receiving sponsorship to attend the International Chamber of Commerce (ICC) World Chambers Federation (WCF) 9th World Chambers Congress in Italy.



The 9th World Chambers Congress will gather more than 1,600 delegates from 120 countries in Torino on 10-12 June. Among those participating will be representatives from 48 LDCs, who were invited and sponsored to attend by the Torino Chamber of Commerce, which is co-organizing the event.

The event will enable delegates from LDCs to exchange insights, develop networks, address the latest business issues affecting their communities and learn more about new areas of innovation as part of the event's extensive programme.

Representatives from LDCs who have already confirmed their participation include chambers from Afghanistan, Bangladesh, Burundi, Democratic Republic of Congo, Eritrea, Ethiopia, Gambia, Kiribati, Lesotho, Liberia, Mozambique, Myanmar, Senegal, United Republic of Tanzania, Timor-Leste, Tuvalu, Uganda, Yemen and Zambia.

Each LDC chamber will have the opportunity to enhance their management and service capabilities and exchange best practices and ideas, with an eye to later stimulating and fostering development in their home country.

LDC representatives will also have the opportunity to attend the World Chambers Competition which is designed to help all delegates learn from other chambers' experiences and explore new ideas and opportunities.

Chambers of commerce around the world, including leading business community members and influential world leaders will be part of this international environment and will enjoy a series of unique sessions and networking activities.

Seven benefits of attending the 9th World Chambers Congress

With registration now open, the ICC WCF 9th World Chambers Congress is one step closer to you. From 10-12 June, Torino will unite chamber leaders, business representatives, entrepreneurs and experts from all over the world. Here are seven reasons you should be in Torino in June for the biggest chamber event of its kind.

Lend your support to declarations that impact chambers locally and globally

New declarations on entrepreneurs' rights and the role of chambers of commerce and industry will be issued during the Congress. These declarations will aid chambers in their missions back home in their respective communities.

Join our daily "Network connections" sessions

These sessions are an exciting and effective way to meet with other delegates and add new contacts to your address book. An online matching system will help you register for this programme before the event.

Explore and showcase business opportunities at the Congress exhibition area

The event's exhibition area is a unique platform for your chamber and its member companies to promote opportunities and activities in your region, or display specific products and services among an audience of trade professionals. Help your members explore foreign markets and develop investment opportunities.

Register for the Congress and receive a discount for Expo Milano 2015

Taking place in Milan, just 40 minutes from Torino by high-speed train, the Universal Exposition will showcase tradition, creativity and innovation in the field of nutrition. Uniting 144 countries under the slogan "Feeding the Planet: Energy for Life", don't

miss the opportunity to explore some of the most ingenuous ideas of the future. An exciting post-congress tour awaits you!

Register for the Congress and receive a discount for Expo Milano 2015

Learn from and meet business delegates from all continents

The event is expected to attract 1,600 participants from 120 countries representing all regions of the world, as well as over a hundred internationally-renowned speakers. A truly global and inclusive meeting place for all, the Congress will welcome chamber leaders from 48 least-developed countries who have been invited and sponsored by the Torino Chamber of Commerce and Industry, the event co-organizer.

Join the circle of innovation champions

The Congress will also host the World Chambers Competition, the only global awards programme to recognize the most innovative projects undertaken by chambers of commerce and industry around the world. Since 2003, hundreds of chambers have submitted original projects across a wide range of disciplines. Are you ready to meet the innovators of tomorrow?

Join the circle of innovation championss

Spark up lively debates on global economic issues

The 2015 Congress will cover plenary issues around migration, sustainable resources, entrepreneurial development and good governance. Debate the impact of these challenges on your chamber and share your experience with global business representatives.

B20 Trade Task Force sets priorities for 2015 world trade agenda

The Business-20 (B20) Trade Task Force has committed to work toward ratification of the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) by year's end and to work with WTO and its members to ensure quick and effective implementation. The Task Force agreed to the strategy as it met to set business priorities for G20 governments, which also includes a call on the G20 to roll back protectionist measures implemented since the 2008 financial crisis.

The Turkey B20 Trade Task Force held its second meeting in Istanbul on 10 March. The Task Force consists of 76 company senior representatives from around the globe and is co-chaired by ICC Chairman Harold "Terry" McGraw and Guler Sabancı, Chairman of Turkey's Sabancı Holding, and is supported by Knowledge Partner The Boston Consulting Group (BCG) and Knowledge Expert Peterson Institute for International Economics.

Recognizing the robustness of the world's trade agenda, the task force's principal objective is to prioritize the B20's trade agenda to focus G20 leaders and WTO trade negotiators on actions that will lead to the fastest, most effective economic growth. The B20 group of companies unanimously agreed that the first priority is to call on all WTO countries to ratify the Trade Facilitation Agreement, which over time could contribute an additional US$1 trillion to world GDP and 21 million jobs, 18 million of which will be in developing countries.

The task force outlined plans to work at the country level to convey the economic and job growth benefits of the agreement and to press for ratification and implementation. Ms Sabancı and Mr McGraw strongly support this view and call for action, and B20 business leaders have committed to work with their governments to fulfill the WTO objective of securing two-thirds ratification of the TFA by its next Ministerial Conference in Nairobi this December.



The B20 Trade Task Force also agreed that the second key priority is to stop protectionism in its tracks and is calling on governments to move forward to remove trade restrictive measures. The Task Force additionally pledged its commitment to the success of the WTO as the central leading intergovernmental body driving trade negotiations and to continue to work with the WTO to advance multilateral trade liberalization.

B20 Trade Task Force co-chairs supporting Ms Sabanci and Mr McGraw include, Frederico Curado, CEO of Embraer (Brazil), Andrew Liveris, CEO of Dow Chemicals (US); Frank Ning, CEO of COFCO (China), Nils Andersen, CEO of Maersk (Denmark), Victor Chu, Chairman of First Eastern (Hong Kong) and Aleksey Mordashov, CEO of Seversatal (Russia).

B20 is the premier dialogue platform for engaging global business leaders with G20 governments and leaders. B20 Turkey is chaired by Rifat Hisarciklioglu, the President of the Union of Chambers of Commerce of Turkey. The 2015 G20 Leaders' Summit will be held in Antalya on November 15-16.

WCF launches Certificates of Origin survey

Data collected from the International Chamber of Commerce (ICC) World Chambers Federation's (WCF) latest worldwide survey on Certificates of Origin (CO) will gather valuable information on how chambers of commerce are using COs to facilitate trusted worldwide trade.



The International Certificates of Origin Survey, which will collect data on the issuance of COs, is part of WCF's work to harmonize CO-related procedures used by local chambers, as well as to reinforce best practices.

This biennial survey maps out trends and opportunities related to CO issuance, and helps WCF work more closely with chambers and their exporters through direct assistance and advocacy for chambers on trade facilitation matters.

Organizations such as chambers of commerce are natural partners for customs and trade agencies due to their close proximity to business, and their role as trusted, neutral third parties in the customs business partnership.

A previous International CO Survey led WCF to initiate the International Certificates of Origin Accreditation Chain, which assures businesses, exporters and importers, banks and customs that participating chambers meet internationally accepted best practices for issuing COs.

A CO verification website developed in 2014 also enables customs to verify the authenticity of COs issued by participating chambers.

All chambers of commerce undertaking certificate of origin activities are invited to take the survey, which takes only a few minutes to complete.

Responses will be kept strictly confidential. Chambers can access the survey online from 11 March to 30 April 2015.

Record number of projects submitted to the 2015 World Chambers Competition

The International Chamber of Commerce (ICC) World Chambers Federation (WCF) has received a record number of innovation and best practice projects for the World Chambers Competition, a prominent feature of the ICC WCF 9th World Chambers Congress to be held in Torino, Italy in June.

Open to more than 12,000 chambers across all five continents, the Competition has received 79 applications from 40 countries for the 2015 edition, making this year's event the biggest since its launch in 2003 in Quebec City.

The Competition is an unparalleled opportunity to raise the profile of these ground-breaking projects and give them significant and much deserved visibility in the world business community. In the coming weeks, an international jury composed of representatives from transnational, national and local chambers of commerce will shortlist four finalists for each of the following categories:

- Best corporate social responsibility project
- Best job creation and business development project
- Best policy advocacy project
- Best unconventional project

Successful chambers will be invited to present their projects to an audience of chamber delegates and business professionals during Competition finals at the 9th World Chambers Congress which will take place on 10-12 June. Winners of each category will be announced at the Congress' gala dinner on 12 June.



The 9th World Chambers Congress, taking place from 10-12 June in Torino, Italy is the largest global gathering for chambers of commerce. Held every two years in a different region of the world, the Congress is the only international forum for chamber leaders to share best-practice experiences, exchange insights, develop networks, address the latest business issues affecting their communities and learn about new areas of innovation from other chambers around the world.

University of Houston Law Center wins ICC Mediation Competition 2015

The University of Houston Law Center has won the International Chamber of Commerce (ICC)'s 10th International Commercial Mediation Competition, taking the title after a thrilling final against the University of Sao Paolo.

Featuring some 150 mock mediation sessions based on real commercial disputes, the 2015 Competition tested the problem-solving skills of 67 teams from 34 countries, making it the biggest and most diverse yet.

University of Houston Law Center was represented by students Brandon Schrecengost and Rose Badruddin, who win internships at the ICC International Centre for ADR, and the Centre for Effective Dispute Resolution, as part of the Competition prize.



Houston won the first ICC Mediation Competition in 2006, but has taken 10 years to get a team back into the competition finals.

The team was selected for their "good social dynamics" during their university's series of mediation, negotiation, and arbitration competitions, according to coach Kevin Hedges, a practicing attorney who teaches at the University of Houston and has been a moderator, mediator and arbitrator. He added: "The Competition has gotten much more competitive every year. It's invaluable for the students to meet their peers from around the world and interact with them both socially and professionally."

ICC releases best mediation training scenarios book

The International Chamber of Commerce (ICC) has published a selection of the best role-plays from its International Commercial Mediation Competition on the occasion of the event's 10th year. The new book was launched at a cocktail reception on 9 February in Paris which was attended by mediators, mediation specialists and students from around the world. ICC decided to produce the compilation after numerous universities and providers of mediation training asked for copies of the commercial dispute case-studies that professional mediators create for students to resolve in mock sessions at ICC's Mediation Competition each year.

Entitled International Commercial Mediation Training Role-Plays - Cases from the ICC International Commercial Mediation Competition , the new book is co-edited by Greg Bond and Colin J. Wall, two professional mediators originally from the UK and long-term residents of Germany and Hong Kong respectively. Both have also been working for many years as judges and mediators at the ICC Mediation Competition. The book assembles case-studies written by 16 prominent mediators who drew on their own professional experiences to write role-plays that reflect situations encountered in real disputes. This is a golden, diverse compilation of some of the best role-plays in mediation and negotiation, contributed by some of the best-known mediation and negotiation trainers.



New ICC Expert Rules come into force

The International Chamber of Commerce (ICC) has brought into force its new ICC Expert Rules, which clarify ICC's expanded services to help companies, judges, arbitrators and other parties find and use experts in resolving their cross-border disputes around the world. Available in English, Spanish and French, the new 2015 ICC Expert Rules replaced the 2003 ICC Rules for Expertise on 1 February. They will be administered by the ICC International Centre for ADR, as part of ICC's broad suite of dispute resolution services.



The International Chamber of Commerce (ICC) handled a growing number of cases under the outgoing Rules for Expertise, reaching some 350 cases over 12 years. While in 2013 many of these related to Internet domain names, during the other years the cases involved helping businesses worldwide in a huge range sectors, from food to

finance, chemicals to construction, energy to transport. Interesting is also the international reach of the Centre's work - not only have parties from over 50 nationalities requested the Centre's services during the last years, but the Centre also regularly identifies experts from the most diverse regions and sectors.

Become a new member of the ICC Institute of World Business Law

The International Chamber of Commerce (ICC) has opened applications for lawyers, arbitrators, academics and corporate counsel to become a 2015 member of the world business organization's prestigious Institute of World Business Law. The Institute, a think-thank for the legal profession worldwide, fosters close cooperation and discussions between practitioners and scholars.

Through its trainings, conferences and publications on a range of topics the Institute aims to foster a wider knowledge of the law and practices related to international business.

New members in 2015 will be given an entry into the Institute's newly launched membership directory, a practical reference tool that allows users to search for Institute members by nationality, country of residence and spoken language.

The ICC Institute has gained international renown through its membership of over 180 adherents from all over the world, including top practitioners in international business, scholars and researchers.



Membership benefits include discounts on a selection of ICC conferences and Institute publications including the reputable series of Institute Dossiers. In addition to these reductions, new members will receive an invitation for complimentary attendance of the annual Colloquium of Arbitrators on 19 March 2015 in Paris whose chosen theme is "The Interrelations among Arbitrators".

Members will also be eligible for Council membership, the governing body of the Institute, after two years of Institute membership.

ICC WCF celebrates 350 years of the Hamburg Chamber of Commerce

Peter Mihok, Chairman of the International Chamber of Commerce (ICC) World Chambers Federation (WCF) joined President of Germany Joachim Gauck and over 1,600 guests at an event in Hamburg on 19 January to celebrate the 350th anniversary of the Hamburg Chamber of Commerce (HCC).



The evening comprised various celebratory events attended by a wide variety of well-known guests. Speakers included Richard Weber, President of Eurochambres and Eric Schweitzer, President of the Association of German Chambers of Commerce and Industry.

Founded in 1665, HCC is the oldest Chamber of Commerce in Germany and possesses a rich history. It served as a commercial capital for the northern part of Europe 350 years ago, and thanks to the guidance that came from this institution, the region has been able to develop greatly.

Mr Mihok extended an invitation to chamber representatives to attend the 9th World Chambers Congress, the largest international forum for chambers of commerce, set to take place in Torino from 10-12 June 2015. He stressed that guidance is needed, even today, to let businesses flourish and let them reach their maximum potential.

Chambers can play an important role in the sustainable development of the world economy. ICC WCF strengthens regional and global ties among chamber leaders to eventually globally forge a powerful united force.

ICC WCF enjoys a fruitful partnership with HCC through relations with Hans-Jörg Schmidt-Trenz, CEO of HCC and a member of the WCF General Council.

Five ICC priorities for 2015

The International Chamber of Commerce (ICC) has published its 2015 Programme of Action, setting out the world business organization's work plan for the year ahead. The Programme of Action presents ICC's activities across all parts of the organization and is designed to help ICC create a global business consensus.

Here are five of ICC's top priorities for action in 2015:

B20/G20 process

Strengthen ICC's role in the Business 20/G20 process as an effective platform for policy advocacy on a range of major issues for business. These issues include banking, commercial law and practice, competition policy, corporate responsibility and anti-corruption, customs and trade facilitation, the digital economy, environment and energy, intellectual property, marketing and advertising, taxation, and trade and investment policy.

Trade facilitation

Advocate in favour of the implementation of the World Trade Organization (WTO) Trade Facilitation Agreement and progress on a robust WTO post-Bali trade and investment policy agenda. Bringing down barriers to international trade and investment and increasing cross-border trade and investment flows can make a significant contribution to meeting the need for jobs and growth in all parts of the world.

Trade finance and commercial law

Continue to develop practical ICC tools for international business, particularly in the fields of trade finance and commercial law. Accordingly, ICC will promote the wide use of new ICC DOCDEX Rules, develop a trade finance offer for the ICC Academy, and draft a model contract for Bank Payment Obligations.

Arbitration and ADR

Promote ICC rules, codes and other instruments for dispute resolution, self-regulation and compliance, including in the areas of marketing and advertising, competition policy, and anti-corruption. As part of this, ICC will launch new expert rules, finalize its ICC Dispute Board Rules, update the report on information technology and Arbitration, and more.

International forums

Lead global business representation in major international forums where key business issues are being discussed. Included on the agenda in 2015 are the Internet Governance Forum, global climate change negotiations and the UN post-2015 development agenda.

ICC calls on G20 Finance Ministers to accelerate implementation of the Brisbane Action Plan and National Growth Strategies

The International Chamber of Commerce (ICC) joined discussions on February 10 with G20 Finance Ministers and Central Bank Governors to set priorities for continued economic growth during the Turkish G20 presidency.As part of Turkey's G20 platform for inclusiveness, implementation, and investment - the three I's of the government's G20 2015 presidency - Deputy Prime Minister Ali Babacan hosted the meeting to connect business (B20), academic (T20) and labour (L20) leaders with G20 finance ministers and Central Bank governors.

Representatives of the ICC G20 CEO Advisory Group participated in the business delegation and called for progress on financial regulation, modernization of international tax rules, acceleration of infrastructure financing, the world trade agenda, and safeguarding the availability of trade finance.

B20 Turkey Sherpa Sarp Kalkan presided over the meeting and delivered remarks on behalf of the B20. ICC reiterated that the actions agreed by the G20 in November 2014 to build additional growth remained the right responses but that implementing the Brisbane Action Plan and national growth strategies must be accelerated.

The meeting was attended by approximately 70 members of the B20, T20, and L20 networks and provided an important platform to exchange views on the 2015 G20 agenda.

The ICC delegation included senior business executives from Shell, Repsol, GDF Suez, Eskihisar Group, Wesfarmers, Bayer, Nestle, Dow Chemicals, Li & Fung, National Petrochemical Industrial Co., Citi, Energy Transportation Group, Sabanci Holding, Novozymes, RSPP, Telefonica, and McGraw Hill Financial.

ICC continues to fully engage in the G20 mandated Organisation for Economic Co-operation and Development Base Erosion and Profit Shifting (BEPS) project as the debate over tax planning and business paying its fair share of taxation reaches the highest levels of government and public debate. ICC urged finance ministers to ensure that the deliverables of the BEPS Action Plan were implemented in a coordinated and consistent manner to prevent disparate rules and double taxation.



WTO News

Azevêdo reports continued progress on Doha work programme talks

Director-General Roberto Azevêdo called a meeting of all members on March 18 to share information and review progress on negotiations to agree a work programme on the remaining issues of the Doha Development Agenda.

After hearing reports from the chairs of the Negotiating Groups on Agriculture, Non-Agricultural Market Access and Services, the Director-General reported to members that:

"We are continuing to make steady progress in terms of understanding the issues and each other's aspirations and limitations. This is critical if we are going to advance these negotiations. It is particularly encouraging that new ideas are being put forward in some areas in the form of various papers and proposals. Of course this doesn't diminish what we already have on the table in terms of texts, but it does provide some new and creative approaches that we can further explore."

"There is a clear sense that members are moving into a solution-finding mode. The discussion is much more focused than it has been to date. But, while we are making progress, this does not yet mean we are converging. There remain many challenges to overcome before we can find solutions — but at least now we are looking for them." "As we move forward we also need to ensure that we are in a position to make progress on development issues, such as those issues which are of specific interest to least-developed countries, including cotton"

Discussions will continue in the various Negotiating Groups on specific Doha issues over the coming weeks. The Director-General will complement this process with his own consultations aimed at addressing the toughest political issues and seeing where trade-offs can be made between the different areas.

New 5-year plan approved for assistance in food safety, animal and plant health

Five agencies and their partners operating a programme to help developing countries meet international standards on food safety and animal and plant health have approved plans for 2015–2019 designed to further strengthen safe trade.

The decision will allow the Standards and Trade Development Facility (STDF) to continue to provide assistance to developing countries, at least until the end of the decade, and to function as a general framework for its partner organizations to provide their technical cooperation, with stronger management based on results.

An annual funding target will be maintained at US$5 million. The STDF trust fund, administered by the WTO, is financed through voluntary contributions from donors.

The "medium term strategy" (pdf) was recently endorsed by the STDF's Policy Committee and is now in place ahead of the up-coming end-of-March meetings of the WTO's Sanitary and Phytosanitary Measures Committee — which deals with food safety and animal and plant health and the STDF working group.

The STDF has two key roles in boosting the capacity of developing countries to meet sanitary and phytosanitary requirements:

- It provides a platform to coordinate the work of the various agencies involved in designing and providing assistance
- It provides a means of financing this work, including through projects and the development of projects.

The ultimate goal is to help trade in safe food and agricultural products flow more smoothly and to assist developing countries gain and maintain access to markets by meeting the relevant safety and health standards.

The STDF was set up in 2004 by the UN Food and Agriculture Organization (FAO), World Organization for Animal Health (OIE), World Bank, World Health Organization (WHO) and World Trade Organization (WTO), and is run by the five partners together with donor countries and representatives of developing countries.

The Secretariats of the joint FAO/WHO Codex Alimentarius Commission and the International Plant Protection Convention (IPPC) also participate in the partnership.

Codex, the IPPC and the OIE sometimes known as SPS's "three sisters" are the three standard-setting organizations designated as reference bodies in the SPS Agreement. Codex deals with food safety, the IPPC with plant health, and the OIE with animal health and zoonoses — infectious animal diseases that can be transmitted to humans.

The STDF also works closely with a range of other Aid for Trade programmes, including the Enhanced Integrated Framework for assistance to least developed countries.

WTO chairpersons for 2015

The WTO General Council on 20 February noted the consensus on a slate of names of chairpersons for WTO bodies.

General Council	H.E. Mr. Fernando DE MATEO (Mexico)
Dispute Settlement Body	H.E. Mr Harald NEPLE (Norway)
Trade Policy Review Body	H.E. Mr Atanas Atanassov PAPARIZOV (Bulgaria)
Council for Trade in Goods	H.E. Mr Héctor CASANUEVA (Chile)
Council for Trade in Services	H.E. Mr. Martin EYJÓLFSSON (Iceland)
Council for TRIPS	H.E. Mr. Abdolazeez AL-OTAIBI (Kingdom of Saudi Arabia)
Committee on Trade and Development	H.E. Mr Bassirou SENE (Senegal)
Committee on Balance-of-Payments Restrictions	H.E. Mr Bertrand de CROMBRUGGHE de PICQUENDAELE (Belgium)
Committee on Budget, Finance and Administration	H.E. Mr. Daniel BLOCKERT (Sweden)
Committee on Trade and Environment	Ms Irene B.K. YOUNG (Hong Kong, China)
Committee on Regional Trade Agreements	H.E. Mr Francisco PIREZ (Uruguay)(Ad interim)
Working Group on Trade, Debt and Finance	H.E. Mr Xavier CARIM (South Africa)
Working Group on Trade and Transfer of Technology	H.E. Mr Luc-Joseph OKIO (Congo)
The General Council also agreed on the appointment of the following chair of the bodies under the Trade Negotiations Committee:	
Committee on Trade and Development, Special Session	H. E. Ms TAN Yee Woan (Singapore)
The chairpersons of negotiating bodies are to serve until the next Session of the Ministerial Conference.	
Note: H.E. Mr Esteban CONEJOS (Philippines) continues as chair of Preparatory Committee on Trade Facilitation	

Azevêdo reports strong engagement on Doha work programme talks

At a meeting of all members on 29 January Director-General Roberto Azevêdo reported that the first week of intensive negotiations to agree a work programme on the remaining Doha Development Agenda issues had seen good progress and strong engagement. The Director-General launched this intensified process at an open-ended meeting of all members on 21 January.

The Director-General reported to members at meeting:

"We have made more progress in a week than we did in the first six months of 2014. There are some significant positives which we can take from our work so far. Members have started to go into more detail and to engage on the substance. While substantive positions haven't changed a great deal since last time these issues were discussed, it is clear to me that the tone of the discussion has changed. Despite the gaps between positions, I sensed a desire to overcome them."

I also sense that there has been a big increase in the political will behind our work. That's why these conversations have provided a clarity which we didn't have before. In addition, we have heard people express a willingness to entertain new thinking in certain areas. Now it is time to move from ideas to proposals." "This is still going to be incredibly difficult but I never thought it would be impossible, and I haven't changed my mind."

The first week of negotiations saw consultation meetings on each of the core Doha areas of agriculture, non-agricultural market access and services, as well as a meeting of the Committee on Agriculture in Special Session, and a meeting of ministers at the World Economic Forum in Davos organised by the Swiss Federal Government. Over the coming weeks this intensive work will continue in the various Negotiating Groups on Doha issues, with the aim of moving to the next stage in terms of detail, with a focus on finding solutions.

The WTO at 20 — a message from DG Azevêdo

20 years ago, on 1 January 1995, the WTO opened its doors for business. Since then this organization, and the system of transparent, multilaterally-agreed rules that it embodies, has made a major contribution to the strength and stability of the global economy. Over the years the WTO has helped to boost trade growth, resolve numerous trade disputes and support developing countries to integrate into the trading system. It has also provided a bulwark against protectionism, the value of which was made plain in the trade policy response to the 2008 crisis, which was very calm and restrained in contrast to the protectionist panic

that followed previous crises. Indeed, when the global economy is more interconnected than ever, it is difficult to imagine a world without the WTO.

Our organization has evolved since 1995. We have welcomed 33 new members, ranging from some of world's largest economies to some of the least developed. Today our 160 members account for approximately 98% of global trade. Moreover, at our 9th Ministerial Conference in Bali in 2013, we took our first major step forward in updating multilateral trade rules. The measures agreed in Bali were a real breakthrough for the WTO, and they will provide a significant economic boost. In December 2014 WTO Members came together to recommit to implementing all aspects of the Bali package.

So as we look to the year ahead there is a lot of work to do — and many challenges to meet. While we have delivered in many areas, and despite the success of Bali, the pace of negotiations remains a source of frustration. In future we know that we need to deliver more outcomes, more quickly. In addition, we know that our poorest members are still not adequately integrated into the trading system, so again we need to do more to help them reap the benefits that the system can offer.

2015 is set to be an eventful year for the WTO. We will be holding our 10th Ministerial Conference in Nairobi from 15 to 18 December — the first time the WTO has ever held a Ministerial Conference in Africa. Heads of international organizations will convene at our headquarters in Geneva to participate in the 5th Global Review of Aid for Trade from 30 June to 2 July, and we will welcome business people, NGOs, academics and others to discuss our work and a range of trade issues at the WTO's annual Public Forum from 30 September to 2 October.

Moreover, we will be working to implement all aspects of the Bali package and we already have a full negotiating agenda — including a deadline of July to conclude a detailed road map to tackle the remaining issues of the Doha Development Agenda. We will also be seeking to make progress in negotiations on trade in environmental goods and on an agreement to remove tariffs on a wide range of information technology products. Success in each of these areas would be the best way to mark our 20th anniversary — and to reaffirm the contribution that the WTO has made to improving people's lives and prospects over the last two decades. I would like to wish everyone a happy 2015.

Regional Trade Agreements
Members conclude oral review of three regional trade agreements

The Committee on Regional Trade Agreements, on 30 March 2015, considered and concluded the oral review of three regional trade agreements covering both goods and services.

Agreement between the European Union and Colombia and Peru: Colombia said it viewed this agreement as an economic necessity that would enable it to maintain trade preferences for its products in the EU. Peru said that this agreement is part of its long-term strategy of expanding its exports to more markets. It said the agreement would enhance the efficiency and competitiveness of Peruvian producers.

The United States expressed concern that the agreement provided disproportionate protection to agriculture as compared to industrial goods. It also called on the parties to notify regional trade agreements that they have not yet notified. Agreement between Singapore and the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu on Economic Partnership: Chinese Taipei said that this was its first free trade agreement with a member of the Association of Southeast Asian Nations (ASEAN). It said that bilateral trade has been increasing since the implementation of the agreement. Singapore said the agreement covered most of their bilateral trade. The US asked why Chinese Taipei had not notified its agreement with China, and Singapore with the Gulf Cooperation Council (GCC) members. Chinese Taipei said its agreement with China is only a framework one, and that it would notify all agreements once they have been concluded. Singapore said it would notify its agreement with the GCC members very soon.

Agreement between the United States and the Kingdom of Bahrain: Bahrain said that its trade with the US had trebled to $2 billion since the agreement went into effect in 2005. The US said that its imports from Bahrain had increased by 100% and its exports by 200% since 2005. It said the agreement has substantial coverage of services, including banking, insurance, telecoms, express delivery, health care, construction, architecture and engineering. The EU noted that the agreement was implemented in 2005, and urged all members to help the Secretariat complete factual reports by submitting information in a timely fashion. Australia asked if Bahrain could provide information on which tariff peaks were reduced as a result of the agreement. Bahrain said it would provide the response in writing as soon as possible.

The Chair, Ambassador Francisco Pirez (Uruguay), noted that some 61 non-notified regional trade agreements had been identified in the WTO Secretariat's factual presentations on RTAs and some WTO members urged the members concerned to notify their agreements as soon as possible. The Chair also said that he had continued to consult with delegations involved in RTAs whose factual reports by the Secretariat had been delayed due to lack of comments or incomplete and missing information from the parties concerned.

The Chair also noted that the General Council had agreed that he continue as chair of the Committee.

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. ICC works in close cooperation with national governments and multi-national institutions such as G-8/G-20, World Bank, WTO, Asian Development Bank, UNCTAD, OECD and several UN agencies for promotion, protection and development of world economy.

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 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.
- In 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.
- In February 2015, ICCB organized jointly with ICC Sri Lanka a Workshop on International Trade Finance in Colombo.
- In April 2015, ICCB organized one Seminar and one Workshop on International Factoring for Foreign Trade.

ICCB also organized: e-Learning programme on 'FIT Initiative' (Finance of International Trade) supported by ICC, Paris, eBSI of 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*** University College 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 HSBC Bangladesh have jointly launched a "ICC Knowledge Centre" in 2014 to develop professionals skill of the officials business houses.

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