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Non-Performing Loans : Curse for sustained growth

ICC BANGLADESH
The world business organization

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Editor's Note

Non-Performing Loans : Curse for sustainable growth

Now that Bangladesh has graduated to developing country all efforts should be made to strengthen the banking sector which is the backbone of the economy. The requirements and challenges of many to a developing country must not be ignored and the best way to do this is strengthening the capital & liquidity ratio of the banks.

Non-Performing Loans (NPL) is one of the issues that is impacting capital adequacy of the industry specially the eight state-owned commercial and specialized banks. For decades, state-owned banks have been the prime leader to the large corporate borrowers particularly in the industrial sector of the economy.

The prerequisite for the economic development of a country is smooth and efficient flow of saving-investment process. Bangladesh, being a developing country and with an underdeveloped capital market, mainly depends on the intermediary role of commercial banks for mobilizing internal saving and providing capital to the investor. Thus, it matters how well our financial sector is functioning.

In Bangladesh six state-owned commercial banks account for about a quarter of total banking sector assets. They are supplemented by two state-owned specialized development banks, 40 private commercial banks and nine foreign banks.

Capital adequacy is the primary indicator of the banks' financial fitness and stability. After successful implementation of Basel II guideline in regards to the adequacy of capital, Bangladesh Bank is now in the process of implementing Basel III guidelines which is an international regulatory framework for banks.

According to a Bangladesh Bank study five years (during CY2012 to CY 2016) average ratio of gross NPLs to total loans were about 27.1 percent, whereas, it was 4.9 percent for PCBs, 6.5 percent for FCBs & 22.56 percent for SCBs. The percentage of classified loan to total outstanding stood at 10.1 percent in June 2016. The percentage was highest for the SBs 26.1 percent, for the PCBs 5.4 percent, for the SCBs 25.7 percent and for the FCBs 8.3 percent.

Until September 2017, total banking sector loan amounted to Tk 7,527.30 billion, of which Tk 803.07 billion or 10.67 per cent was bad debt. And if restructured or rescheduled loans were included, NPL in the banking sector goes up to 17 percent of total outstanding loans.

By the end of September, the total bad debt of SCBs stood at Tk385.17 billion against the disbursed loans of Tk1,316.89 billion (29.25% of disbursed loan); total bad debt of specialized Bangladesh Krishi Bank and Rajshahi Krishi Unnayan Bank stood at Tk55.18 billion against the disbursed loans of Tk231.93 billion (23.79% of disbursed loan); PCBs had default loans of Tk339.73 billion against the disbursed loans of Tk5,687.32 billion (5.97% of disbursed loan) and FCBs had bad debt of Tk22.98 billion against the disbursed loans of Tk291.16 billion (7.89% of disbursed loan).

Naturally, these high NPLs have affected the profitability and the overall capital to risk weighted assets ratio (CRAR), a key measure of bank strength and stability. According to The Economist's Intelligence Unit, The CRAR at private banks was 12.2%, while that at the nine foreign banks was a healthy 23.9% , the six state-owned commercial banks was only 5.9% and that of the two specialised state-owned banks was an astonishing -35.23%.

Further bad loans are routinely restructured to permit further lending to the same borrowers. According to a study by the Bangladesh Institute of Bank Management (BIBM) an average banks rescheduled bad loans of Tk109.1bn annually during 2010–14.

According to a meeting of the parliamentary standing committee on finance ministry at the Jatiya Sangsad Bhaban on February 28 the amount of defaulted loans of top 25 defaulters stood at Tk 96.96 billion as of September last year. The central bank submitted the list at parliamentary standing committee suggested forming a joint committee comprising BB and finance ministry officials.

In contrast, to recapitalize banks over the past few years the government has provided large amounts to the sector. In the budget 2017/18 the government has earmarked Tk20bn to recapitalise state-owned banks. The decision to provide funding has been criticized by the experts. As despite the regular infusion of budget funds, state-run banks have not improved their NPL positions.

Until now, only limited action has been taken to penalise defaulters, improve risk management and strengthen bank management. To tackle the sector's deep-rooted problems of corruption and poor risk practices further efforts needed.

ICC Bangladesh News

Election of new First Vice–Chairman and Secretary General of ICC Hqs.

The Extra-ordinary World Council of ICC was held in Tokyo on 8 March. The Council unanimously elected Paul Polman, CEO of Unilever as ICC's new First Vice-Chair and John W.H. Denton AO – currently Chief Executive Officer of Australian law firm Corrs Chambers Westgarth as the next Secretary-General.



ICC Bangladesh President Mahbubur Rahman, Vice-President Latifur Rahman & Secretary General Ataur Rahman are seen among other delegates at the ICC World Council held in Tokyo on March 8.

Mr. Polman will succeed current ICC Chairman Sunil Bharti Mittal from 1 July, 2018, who in turn will take the position of Honorary Chairman of ICC.

Mr Polman is a globally recognized business leader and a pioneer in the field of corporate sustainability. He served as a member of the UN Secretary General's High-Level Panel responsible for formulating the Sustainable Development Goal (SDGs) – launched in 2015 – and was subsequently appointed as a UN SDG Advocate responsible for promoting the "Global Goals".

Mr Denton is a legal expert and adviser on global policy, international trade and investment and infrastructure. His advice is sought by Australia's most prominent corporations and by governments and international bodies alike.

Mr Denton will succeed outgoing ICC Secretary General John Danilovich upon stepping down from his current role at Corrs Chambers Westgarth. He previously served on ICC's Executive Board and in 2016 became the first Australian to hold the position of First Vice-Chair of ICC.

The ICC World Council was attended by more than 50 Chairmen/Vice-Chairmen/Secretary Generals of the ICC National Committees from different parts of the World. ICC Bangladesh President Mahbubur Rahman, Vice President Latifur Rahman and Secretary General Ataur Rahman also attended.

ICC Bangladesh Delegation to ICC Asia Pacific RCG and 4th Asia Pacific CEO Forum, Tokyo.

The ICC Asia Pacific Regional Consultative Group (RCG) Meeting and CEO Forum was held in Tokyo on 8-9 March 2018. Both the meetings were attended by almost all the National Committee of the Region. In addition, representatives from ICC Belgium, Finland, Germany, Mexico and Turkey and Chinese Taipei Business Council of ICC attended as observers. Extra-ordinary World Council of ICC was held prior to ICC RCG and CEO Forum. ICC Bangladesh President Mahbubur Rahman, Vice President Latifur Rahman and Secretary General Ataur Rahman attended all the meetings.

ICC Asia Pacific RCG Coordinator Harsh Pati Singhania delivered the welcome address. ICC Japan Vice Chair Toru Ishida, ICC Secretary General John Danilovich and ICC Secretary General Designate John Denton made introductory remarks.

The Meeting was informed that the National Committee membership fees will remain unchanged for the time being. An update on ICC strategy and policy work, status of Incoterms 2020, participation of Asia-Pacific NCs in the new Arbitration Incentive Scheme, promotion of the new ICC Dispute Resolution Bulletin, update on ICC activities with regard to SMEs, ICC' role at UN, ICC Academy and 11th WTO Ministerial Conference were made

by officials from ICC. ICC Japan also made a presentation on Asia Pacific Economic Outlook. ICC Bangladesh Vice President Latifur Rahman also attended the ICC Executive Committee Meeting.

ICC Secretary General John Danilovich, ICC Asia Pacific CEO Forum Task Force Chairman Raghu Mody and ICC Japan Chairman Mikio Sasaki made the welcome address at the beginning of the Forum.

Partners Securities PLC; Shujiro Urata, Professor of Waseda Univesity and Tetsuro Fukunaga, Director General for International Cyber Economy Policy, Ministry of Economy Trade and Industry of Japan.



ICC Secretary General John Danilovich (extreme left) moderating 2nd panel discussion on "Achieving the United Nations Sustainable Development Goals (SDGs) Through Innovation and Entrepreneurship".

As a very active National Committee in the Region, ICC Bangladesh was requested to make a presentation on its activities. ICC Bangladesh President briefed the Meeting about the activities of ICC Bangladesh which was followed by a power point presentation made by the ICC Bangladesh Secretary General.

The CEO Forum held on 9 March was attended by some 150 CEOs form various multinational companies. ICC Bangladesh President and Secretary General also attended the CEO Forum.

ICC First Vice Chairman & CEO of Unilever Paul Polman and Mr. Akio Mimura, Chair, Japan Chamber of Commerce and Industry, Senior Advisor & Honorary Chair, Nippon Steel and Sumitomo Metal Corporation were the Keynote Speakers.

There two panel discussions. The first Panel was on "Transforming the future –Technology, Trade and the future of work in the Asia Pacific" which was moderated by ICC Secretary General Designate John W.H. Denton and the discussants were Kasemsit Pathomsak, President and CEO of Merchant

The 2nd Panel was on "Achieving the United Nations Sustainable Development Goals (SDGs) Through Innovation and Entrepreneurship" was moderated by ICC Secretary General John Danilovich. The discussants were Takeo Harada, CEO of Institute for International Strategy and Information Analysis. Inc.; Cherie Nursalim, Vice President of Citi Group and Jemal Insishvilli, President of Confederation of Asia Pacific Chamber of Commerce and Industry (CACCI).

Technical Workshop on Private Sector Engagement through Development Co-operation: Opportunities for Business to bring solutions to scale-up for the SDGs

The Government of Bangladesh, Co-Chair of the Global Partnership for Effective Development Co-operation, ICC Bangladesh and the Secretariat of the Global Partnership for Effective Development Co-operation, held a technical workshop on private sector engagement in Dhaka on 4-5 February. The Workshop was organized with support from the Government of Germany. The workshop brought together public institutions, domestic and international private sector actors, civil society, trade unions, parliamentarians, development partners and research institutions. Representatives from India, Nepal

and Sri Lanka also participated, sharing experiences and promoting peer learning.

ment to map the SDGs to government institutions and the Global Partnership's efforts to assess ways

ship. The United Nations Development Programme Bangladesh country office is working on a mapping of



ICC Bangladesh Vice President Rokia A. Rahman (2nd from right) made the welcome address

ICC Bangladesh Vice President Rokia A. Rahman attended the inaugural session and delivered welcome address. ICC Bangladesh Secretary General Ataur Rahman attended the 2-day workshop.

Participants at the workshop welcomed initiatives by the govern-

to adapt policies and approaches in PSE by development partners. They called for a mapping of how the private sector is contributing to the SDGs to complement these efforts and enable the identification of gaps, reduce duplication of efforts and highlight opportunities for partner-

private sector contributions to the SDGs which can be shared going forward. Complementing these efforts, there is a need to identify best practice in PSE through development co-operation to facilitate greater understanding of what PSE means and identify opportunities to replicate and/or scale successes.

Bangladesh –Austria trade and Economic Forum
ICCB President urged Austria to ease visa & LC rules

Local exporters on 27 February urged Austria to ease rules for visa processing and accept Bangladeshi banks' letters of credit in order to expand bilateral trade. They said the move would also enable Bangladeshi businessmen to frequently travel to the European country. Currently, Bangladeshis have to obtain visa from Delhi in absence of an Austrian embassy in Dhaka.

ICC Bangladesh President Mahbubur Rahman suggested to the Austrian Ambassador to actively consider opening a resident mission in Dhaka as bilateral trade is growing. This will also help in

providing visa from Dhaka to facilitate promotion of trade between the two countries. He also said many Bangladeshi businessmen can't do business with Vienna as Austrian banks don't want to confirm Bangladesh's LCs.

So, Austria needs to relax the LC processes as bilateral trade is expanding every year, he told the "Bangladesh–Austria Economic and Trade Forum" held at the Metropolitan Chamber of Commerce and Industry (MCCI) in Dhaka. With a mission of easing the LC rules, he will lead a delegation from the local banking sector to

Vienna to participate in a global conference on LC and bank guarantee coming June, said ICC Bangladesh President Rahman.

The Business Initiative Leading Development (BUILD), a public-private policy dialogue platform, the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the MCCI jointly organised the forum on the occasion of a visit of a 25-member Austrian business delegation led by H.E. Mrs. Brigitte Oppinger-Walchshofer Austrian Ambassador to Bangladesh. The balance of bilateral trade is in Austria's favour.

Shubhashish Bose, Commerce Secretary, said the ministry would amend the Companies Act 1994 to bring in provisions legalising both single director companies and the handing over of companies from one foreigner to another. Bose invited Austrians to invest in the 100 special economic zones being developed by the Bangladesh Economic Zones Authority (BEZA) across the country. He also said foreign investors, like their local counterparts, enjoy zero-duty benefits on exports from Bangladesh under the European Union's "Everything but Arms" scheme.

Austria are readymade garments and textile while the main imports are energy equipment, boiler machinery and chemicals.

Mr. Saiful Islam, President of the Leathergoods and Footwear Manufacturer and Exporter's Association of Bangladesh, echoed Suggestions made by ICCB President Rahman. Every year, Bangladesh exports leather goods worth $3 million directly to Austria and if the LC issues are resolved, shipments will grow further, Islam said.

Syed Nasim Manzur, former president of the MCCI, said a lot of

number of Facebook users, and 12,000 businesses are running via Facebook in Bangladesh, he said.

Besides, Bangladesh manufacture shoes for globally renowned brands like Armani and the country is the largest consumer of Swiss Movenpick ice cream, Manzur said. Bangladesh also spends billions of dollars for tourism, especially for health tourism in India every year. "We need to show ourselves to the people of the world," he added.

Md Muntakim Ashraf, Acting President of the FBCCI, and Oskar Andesner, head of Advantage



ICC Bangladesh President Mahbubur Rahman (3rd from left) attended at Bangladesh-Austria Trade and Economic Forum held in MCCI on 27 February. Also seen in the picture are former MCCI President Syed Nasim Manzur (3rd from right) & former DCCI President Asif Ibrahim (2nd from right).

In 2016-17, Bangladesh imported goods worth $92.13 million and exported products valued $66.48 million, as per commerce ministry data. Bangladesh's main exports to

people around the world don't know about Bangladesh and its business potentials. Bangladesh is the second largest garment exporter in the world, Dhaka has the second largest

Austria signed an agreement to facilitate, strengthen and diversify cooperation between Bangladesh's apex trade body and the Austrian Federal Economic Chamber.

Two ICC Workshops on Letters of Credit heald in Chittagong

ICC Bangladesh organized two Workshops on Letters of Credit in Chittagong on 10-11 February. Mr. ATM Nesarul Hoque, CDCS, CSDG, CITF, Vice President of Mutual Trust Bank conducted the

First Workshop on Letters of Credit in Law and Practice. ICC Bangladesh Secretary General Ataur Rahman made the opening remarks and mentioned that both the workshop content have been developed

by the local resource persons and the London Institute of Baking and Finance (LIBF), UK approved 8 (eight) PDUs for local workshop for re-certification of CDCS (Certified Documentary Credit Specialists)

and CSDG holders. A total of 68 participants from 30 Banks attended the Workshop:

The second Workshop on Advanced Documentary Credits and Guarantees for Specialists was held in Chittagong on 11 February. The Workshop was conducted by Mr. K. M. Lutfor Rahman CSDG, CAMS, DAIBB, Senior Manager & Head of Import Settlement, Trade Operations of BRAC Bank.

President of Chittagong Chamber of Commerce and Industry (CCCI) Mr. Mahbubul Alam attended the closing session as chief guest and distributed the certificates to the participants. He thanked ICC Bangladesh for organizing the two workshops in Chittagong. He hoped that the bankers have been able to discuss about various issues related to letters of credit and how to solve the problems. ICC Bangladesh Secretary General Ataur Rahman thanked the CCCI President for kindly accepting the invitation to attend the closing session and distribute certificates among the participants. A total of 65 participants from 29 Banks attended the Workshop.



Group picture of participants with CCCI President Mahbubul Alam (6th from right), ICC Bangladesh Secretary General Ataur Rahman (7th from right) and Resource Person K.M. Lutfor Rahman (5th from right).

ICC Bangladesh - London Institute of Banking and Finance joint initiative for professional development of Bankers of Cambodia and Myanmar:

The London Institute of Banking and Finance (LIBF) and ICC Bangladesh have jointly taken the initiative for professional development of bankers from Cambodia and Myanmar dealing with international trade by conducting training on international trade finance. ICC Bangladesh Secretary General Ataur Rahman visited Yangon, Myanmar on 21-24 February and Phnom Penh, Cambodia on 4-6 March for discussion about training needs with concerned institutes and bankers. He also discussed providing training to those who are going to appear at Certified Documentary Credit Specialist (CDCS) Examinations held globally by LIBF in every April and October. It may be mentioned that a few bankers from Yangon will be appearing at CDCS Examination in April. At the request of the Myanmar Institute of Banking, ICC Bangladesh arranged a training in Yangon for the candidates on 24-26 March. Mr. ATM Nessarul Hoque CDCS, who is a senior official of the Mutual Trust Bank, conducted the training. Altogether 22 bankers attended the training. Some of them are planning to appear at CDCS Examination to be held in October.



Group picture of participants with resource person A.T.M. Nesarul Hoque, Senior official of Mutual Trust Bank at a training programme for bankers organized by ICC Bangladesh in Yangon.

71st ICCB Executive Board Meeting held decided on holding Annual General Council 2017

The 71st Meeting of the ICC Bangladesh Executive Board was held on 28 March at ICC Bangladesh Secretariat. The Executive Board confirmed the Minutes of the 70th Meeting of Board held on 26 December. The Executive Board also reviewed the activities of the National Committee and fixed the date of 23rd ICC Bangladesh Annual General Meeting 2017 to be held on 10 May. The other agenda items discussed included :review of ICC Bangladesh activities during January-March 2018; participation at ICC Asia Pacific RCG and the 4th Asia Pacific CEO Forum held on 8-9 March in Tokyo and participation at UNESCAP Asia Pacific Busyness Forum (APBF) scheduled to be held in Hong Kong on 10-11 April 2018.



ICC Bangladesh Executive Board Meeting reviewed activities of National Committee during January-March 2018.

The Executive Board Meeting presided over by ICC Bangladesh President Mahbubur Rahman was attended by Vice Presidents Latifur Rahman and Rokia Afzal Rahman and the following four Board Members: A.S.M. Quasem, Md. Fazlul Hoque, Kutubuddin Ahmed, Mir Nasir Hossain and R. Maksud Khan. Secretary General Ataur Rahman and General Manager Ajay Bihari Saha also assisted the President in deliberation of the Agenda.

ICC Bangladesh Banking Commission Meeting held ABB Chairman Syed Mahbubur Rahman attended as Special Guest

A Meeting of the ICC Bangladesh Banking Commission was held on 15 February at ICC Bangladesh Secretariat. The Meeting Chaired by ICC Bangladesh Banking Commission Chairman Muhammad A. (Rumee) Ali was attended by the following members: Md. Ahsan Ullah, Advisor, Financial Sector Support Project & Former Executive Director of Bangladesh Bank; BIBM Director General Dr. Toufic Ahmad Choudhury; BIBM Supernumerary Professor & Former Pubali Bank Managing Director Helal Ahmed Chowdhury; Managing Director of Islami Bank Bangladesh Mahbubul Alam; Prime Bank Managing Director Rahel Ahmed; Additional Managing Director of Dhaka Bank Emranul Huq; Deputy Managing Director & Head of Corporate Banking of Eastern Bank Ahmed Shaheen; Deputy Managing Director & Head of Operations of The City Bank Mahia Juned; Sr. Representative Commerzbank AG Bangladesh Tawfiq Ali, Head of Financial Market of Standard Chartered Bank Alamgir Morshed; Former Managing Director of Sonali Bank Mohammed Hossain; Executive Vice President of Mutual Trust Bank Md. Bakhteyer Hossain; Former IFC Consultant to Bangladesh Bank on SME Financing Kamal Niaz Hassan, and ICCB Secretary General Ataur Rahman.



Association of Bankers Bangladesh Chairman Syed Mahbubur Rahman addressing the ICC Bangladesh Banking Commission Meeting as a Special Guest.

Syed Mahbubur Rahman, Chairman of ABB & Managing Director of Dhaka Bank attended as Special Guest and shared his thoughts on the banking sector.

ICC Bangladesh President Mahbubur Rahman also attended and discussed with the members about various ICC Bangladesh activities as well as made a number of suggestions for the Members to consider for improving the banking sector operations.

Images from the Gallery



ICC Bangladesh President Mahbubur (middle), Vice-President Latifur Rahman (extreme left), Secretary General Ataur Rahman (extreme right) are seen with ICC Secretary General John Danilovich and Mrs. Danilovich during gala dinner of ICC Asia Pacific CEO Forum in Tokyo on 8 March.



ICC Bangladesh Secretary General Ataur Rahman (left) is seen with Dr. Sein Maung (middle), Chairman, First Private Bank, Myanmar and Ms. Thandar Htike Mary, Senior Manager, Trade Finance, United Amara Bank, Myanmar in Yangon on 23 February.



Group picture of participants with ICCB Secretary General Ataur Rahman (7th from right) & A.T.M. Nesarul Hoque (8th from right), Senior Official of Mutual Trust Bank Limited at ICCB Workshop on Letters of Credit in Law and Practice held in Chittagong on 10 February.

ICC HQs News

John Denton and Paul Polman to take up new leadership roles at world's largest business organization

John W.H. Denton AO – currently CEO of the leading Australian law firm Corrs Chambers Westgarth – on March 8 has been elected as the



next Secretary-General of ICC, the world's largest business organization. Mr Denton is a legal expert and adviser on global policy, international trade and investment and infrastructure. His advice is sought by Australia's most prominent corporations and by governments and international bodies alike.

Mr Denton – who was unanimously elected by ICC's World Council following an extensive search process – will succeed outgoing ICC



Secretary General John Danilovich upon stepping down from his current role at Corrs Chambers Westgarth. Mr Denton previously served on ICC's Executive Board and in 2016 became the first Australian to hold the position of First Vice-Chair of the Paris-based organization.

Paul Polman, CEO of Unilever, has also been unanimously elected as ICC's new First Vice-Chair. Mr Polman will succeed current ICC Chairman Sunil Bharti Mittal from 1July, 2018, who in turn will take the position of Honorary Chair.

Mr Polman is a globally recognised business leader and a pioneer in the field of corporate sustainability. Mr Polman served as a member of the UN Secretary General's High-Level Panel responsible for formulating the Sustainable Development Goal (SDGs) – launched in 2015 – and was subsequently appointed as a UN SDG Advocate responsible for promoting the "Global Goals".

ICC Secretary General-elect John W.H. Denton AO to Sky News: The global trade context has "completely changed."

In a live interview on March 14 with Australia's Sky News, ICC Secretary General-elect John W.H. Denton AO told presenter Ticky Fullerton that, as he takes the helm of an organisation with nearly a century of history, the political context surrounding world trade has reached a critical juncture. "I'm taking on a legacy of 100 years of business seeking to build better communities, create profit and drive economic growth, but the actual context in which we operate has completely changed," Mr Denton said.

At a moment when new tariffs imposed by the United States on steel and aluminium imports have spooked markets and sparked renewed fears of a looming trade war, Mr Denton argued that it was time, more than ever, to communicate the benefits of world trade for all and establish global trading rules for the twenty-first century.



"President Trump and his administration are not fans of multilateralism," Mr Denton noted. "What we're saying is that there is still great value to be had for the world—and for the US—in maintaining the predictable and regular nature of world trade. "Having an orderly system enabling world trade has been a key driver of economic growth and taking people out of poverty. The crown jewel of this system is the way in which disputes have been resolved in a predictable manner through the WTO [World Trade Organisation] dispute process."

Twenty-first century trade agenda

Asked what steps should be taken to move beyond current stalemates on trade and globalisation, Mr Denton identified three elements.

First, stakeholders should issue a robust defence of the multilateral trading system but in a good faith environment "where measured discussions can take place". This means noting real institutional or market challenges to current trading relationships while upholding the fundamental importance of the WTO—something clearly recognised by the global business community.

"Businesses want to maximise their supply chains with efficiencies that come through having access to an open trading system. US businesses and the US economy have been net beneficiaries of a successful and functioning WTO" said Mr Denton.

Second, the WTO needs "a new agenda that makes sense for the twenty-first century", and which demonstrates the institution's positive role in enabling job creation, economic growth and sustainable development. For instance, a defining challenge of our time is how to better share the gains of globalisation and make trade more inclusive. Solutions to this challenge, Mr Denton argued, will necessarily come through new global rules for the digital economy, particularly regarding e-commerce.

"You're not going to get that on a bilateral basis [but] only through a multilateral agreement and the WTO is best. The WTO, like any organisation and any system, needs to reinvent itself on a continual basis, and it's trying to."

An extraordinary opportunity

Finally, business needs to be engaged in economic policymaking at every level, sharing its expertise to develop holistic solutions to global challenges. "There is a realisation that states themselves can't solve everything," Mr Denton said. "ICC has now been identified as the representative throughout the United Nations for all of the private sector.

"It's an interesting recognition by the international community that they need the voice of the private sector. What it says is that public policy is richer when the private sector is engaged in its formation."

WTO and ICC select three more 'Small Business Champions' proposals

The proposals were put forward by the Institute of Export and International Trade (UK), eBay (US), and the National Confederation of Industry (Brazil).

ICC and the World Trade Organisation (WTO) on March 14 announced the selection of three more proposals submitted under the ICC-WTO Small Business Champions initiative. The proposed activities, including a range of training, capacity-building initiatives and competitions for micro, small and medium-sized enterprises (MSMEs), will be carried out over the coming months.

Under their proposal, the Institute of Export and International Trade will run a competition called the 'Open to Export International Business Awards', aimed at encouraging small businesses around the world to begin trading internationally. The Institute will provide support, training and the online tools to help small businesses put together a 'global growth action plan'. The businesses with the best action plans will then have the opportunity to present them to a panel of judges at the WTO Public Forum in October. The 20 finalists will receive training in export skills and the winning entries will receive support from the Institute to put their plans into action.

ICC-WTO Small Business Champions

The proposal from eBay, the 'eBay Emerging Markets Initiative', aims at raising awareness among small business communities in emerging countries of the opportunities that online commerce presents for them as independent companies to broaden their customer base. To that end, the initiative seeks to help MSMEs in Latin America, the Middle East and North Africa leverage the eBay marketplace to reach developed market consumers. The initiative will be executed in partnership with export promotion and development agencies. It will target export-ready and motivated MSMEs—identified through application campaigns—providing training on key online commerce issues (marketing skills, access to international payments, cross-border logistics, tax/regulatory processes). The initiative will also offer a package of promotional eBay services and support and showcase successful project participants.

The proposal from Brazil's National Confederation of Industry aims to provide a series of tools to support

MSMEs, to better understand, identify and overcome barriers to doing business in foreign markets. Under this project, titled 'Small Business Without Barriers', the Confederation will conduct a range of activities, including: launching a survey of small businesses to identify the difficulties they face as they trade internationally; conducting capacity-building roadshows in nine Brazilian states; and providing information and training through brochures, guides, online courses, and videos.

ICC appoints new Chair of the Commission on Environment and Energy

ICC is pleased to announce the appointment of Justin Perrettson from Novozymes as the new Chair of the Commission on Environment and Energy—effective from 1 March 2018. Mr Perrettson is Head of Global Engagements at Novozymes, the world`s leading bio innovation company, where he leads a series of policy and stakeholder interactions that support its sustainability agenda. He also has broad international policy experience from consulting, finance and not-for-profit sectors and has served as an active member of the ICC Commission on Environment and Energy over the past seven years.

Mr Perrettson has been instrumental in leading the business voice for the Sustainable Development Goals on climate change and public-private partnerships. He brings his strong leadership skills and rich experience of business engagement to the role.



Mr Perrettson is a British citizen based in Copenhagen and speaks English, Danish and French.

This is a key appointment for the Commission on Environment and Energy as it continues to evolve its strong and unique offering to the international business community. Mr Perrettson will be responsible for ensuring ICC's leading role on responsible business engagement that promotes sustainable, inclusive economic growth in line with the United Nations Climate Change and Sustainable Development Goals.

Mr Perrettson takes over from Kersten Karl Barth, who has led the work of the Commission on Environment and Energy for the past five years. ICC expressed gratitude for Mr Barth's time, commitment and stewardship during his time as Chair and looks forward to his continued engagement in ICC's policy work.

ICC announces 2017 figures confirming global reach and leading position for complex, high-value disputes

Preliminary statistics released on March 7 by the International Court of Arbitration of the International Chamber of Commerce (ICC Court) reveal a record number of countries represented in ICC Arbitration cases filed in 2017. According to the latest figures, a total of 810 new cases were filed in 2017 – slightly lower than the 966 cases filed in 2016, which included 135 cases related to a set of very small claims in a collective dispute.

Cases filed in 2017 involved 2,316 parties from a record 142 countries, compared with 137 countries represented in 2016. Newly-registered cases represented an aggregate value in dispute of over US$ 30.85 billion in 2017, while the average amount in dispute in new cases stood at US$45M with over 60% of all cases filed having an amount in dispute exceeding US$2 million. The 1,548 pending cases at the end of 2017 represented an average value in dispute of US$ 137,325, 630.



The statistics also revealed a record number of draft awards approved by the ICC Court (512) and a rise in the number of arbitrators appointed or confirmed by the ICC Court – from 1,411 in 2016 to 1,488 in 2017.

New ICC report confirms trade & export finance are not risky business

The low credit risk level of trade and export finance products continues to compare favourably to



that of similar asset classes, shows the 2017 ICC Trade Register. Default rates for a range of trade finance products ranged from 0.03% to 0.24%, demonstrating the extremely low level of credit default risk such activities present banks and other financial institutions, according to the 2017 ICC Trade Register—the authoritative annual report from the ICC Banking Commission.

This compares favourably to the credit risk posed by other banking activities, such as enterprise lending, despite the inference from some financial regulations that these asset classes are equally risky. The 2017 Trade Register also found that time to recovery—the period it takes banks to recover their loans—is exceptionally short for trade finance products. The average time to recovery for trade finance products is 120 days, compared to 437 days for other asset classes.

Overall risk in export finance also remains very low despite a slight increase in expected losses driven by a small rise in default rates, especially considering its backing by export credit agencies. "The 2017 Trade Register reiterates what we have seen year on year since the project was initiated in 2009: that trade finance is a reliable and low-risk asset class that should be looked upon favourably by regulators, industry stakeholders and investors," said Daniel Schmand, Chair of the ICC Banking Commission and Global Head of Trade Finance at Deutsche Bank.

20 million trade finance transactions

Initiated in 2009, ICC's Trade Register is the only authoritative source of trade finance and export finance-related credit risk and default data. Published annually, the report aims to underpin an objective dialogue on trade finance policies between practitioners and regulatory authorities around the world.

The 2017 report, produced with support from ICC's project partners—The Boston Consulting Group and Global Credit Data—draws on information from 22 member banks to present a global view of the credit risk profiles of trade and export finance transactions. It is based on over US$10.5 trillion of exposures and more than 20 million trade finance transactions from 2008 to 2016—constituting approximately 40% of global traditional trade finance flows. The trade finance products in the register are import letters of credit, export letters of credit, loans for import/export, and performance guarantees.

A strong basis for smart regulation

As the scope and depth of financial regulation has expanded following the global financial crisis, some new rules have had the unintended consequence of making it difficult for banks to viably provide trade finance services, which are nonetheless vital for economic growth and development. Regulations published by the Basel Committee, for instance, have the potential to increase the capital requirements for banks, even for activities like trade financing with negligible levels of risk.

"ICC's new data on the low credit risk of trade and export finance products comes at a crucial time, as Basel III rules will need to be translated into national law in the run-up to their implementation in 2020," said Krishnan Ramadurai, the new Chair of the ICC Trade Register project.

"The Trade Register data provides a strong basis for a differential treatment of trade and export finance products under banking regulation," added Mr Ramadurai. As the Trade Register project continues to evolve in the future, ICC will seek to bring new banks on-board, as well as to extend its coverage to new products, such as supply chain finance.

ICC Court launches Belt and Road Initiative Commission

The International Court of Arbitration of the International Chamber of Commerce (ICC Court) has announced the establishment of a commission to address dispute resolution potential in relation to China's Belt and Road Initiative.

Alexis Mourre, President of the ICC Court announced the establishment of the commission during the ICC Court's working session last autumn. The commission will drive the development of ICC's existing dispute resolution procedures and infrastructure to support Belt and Road disputes. Justin D'Agostino, Global Head of Disputes at Herbert Smith Freehills and Hong Kong's alternate member of the ICC Court, has been named commission chair while Mingchao Fan, ICC Director for North Asia, will act as secretary.

Underscoring that ICC's existing procedures are well-suited to Belt and Road disputes, Mr D'Agostino said:

"There is no 'one-size-fits-all' method of resolving Belt and Road disputes. But there is a concerted effort to encourage mediation clauses in Belt and Road agreements, with provision for arbitration if mediation fails. ICC is already a world leading provider of arbitration andmediation services, with tried and tested mechanisms and a strong pool of arbitrators and mediators. It is ideally placed to provide appropriate, effective dispute resolution services to parties all along the New Silk Road."



The Belt and Road Initiative commission has been established to consider how ICC can best respond to dispute resolution opportunities arising from the Belt and Road initiative, which is estimated to have US$900bn in projects planned or already underway.

"ICC is unique among arbitral institutions in that it has truly international coverage, with secretariats and/or national committees in over 100 jurisdictions," Mr D'Agostino said. "Many of these lie along the Belt and Road route, giving ICC the regional expertise to resolve the disputes that will inevitably arise from a construction and infrastructure initiative of this scale."

ICC is planning a series of events over the next year to spotlight its Belt and Road capabilities. Events are planned in diverse locations including China, Kazakhstan,

Kyrgyzstan, Nigeria, Southeast Asia, Japan and Hong Kong, with more to come.

"We recognise the importance of engaging key stakeholders within both corporates and governments all along the Belt and Road, to ensure that we are offering the best possible service to parties on all sides," said Mr Mourre. "Our main objective is to ensure that where disputes arise, they are resolved efficiently and with minimal damage to the parties' commercial relationships. The Belt and Road is a long-term initiative; many of these relationships will last for decades."

Global business concerned by "trade war" threat

In view of growing global trade tensions – following the US administration's announcement of plans to impose new duties on imports of steel and aluminium – ICC has issued the following statement:



ICC Secretary General John Danilovich said:

"There will be no winners from a trade war. Open markets are – and remain – the key driver of economic growth, prosperity and job creation across the world. Families struggling to make ends meet will be hardest hit by any new tariffs which will inevitably push up prices at the till and restrict consumer choice. In a globalized world trade is not a zero-sum game – and policy decisions must reflect this reality.

"We encourage the US administration and its trading partners to seek alternative means to address the longstanding issue of excess capacity in the steel and aluminium markets. Recent years have seen a notable decline in trade distorting measures in these sectors and further progress can only be made-through enhanced multilateral dialogue. Rising trade tensions must not become an excuse for recklessness: we urge all governments to act within the bounds of existing WTO rules and to commit to accelerated talks under existing international processes."

Commission on Arbitration and ADR Vice-Chairs announced

The International Chamber of Commerce (ICC) has announced the appointment of 11 new Vice-Chairs to the ICC Commission on Arbitration and ADR, ICC's leading think tank and rule-making body for international dispute resolution.

Formally appointed by ICC Secretary General John Danilovich following a proposal by Commission Chair Carita Wallgren-Lindholm and in consultation with the ICC International Court of Arbitration and its Secretariat, the new Vice-Chairs are:

Babatunde Ajibade, SAN, S. P. A. Ajibade & Co (Nigeria; based in Lagos); Jose Ricardo Feris, Squire Patton Boggs LLP (Dominican Republic, Guatemala, Spain; based in Paris); Susanne Gropp-Stadler, Siemens AG (Germany; based in Munich); Dyala Jiménez Figueres, DJ Arbitraje (Costa Rica; based in San José); Vladimir Khvalei, Baker & Mckenzie CIS (Russia; based in Moscow); Xiaohong Liu, Shanghai University of Political Science and Law (China; based in Shanghai); Jenni Lukander, Nokia Corporation (Finland; based in Espoo); Caline Mouawad, King & Spalding LLP (Lebanon, United States; based in New York); Christopher Newmark, Spenser Underhill Newmark LLP (United Kingdom; based in London); Melanie van Leeuwen, Derains & Gharavi (The Netherlands; based in Paris) and Sharif Ali Zu'bi, Ali Sharif Zu'bi Advocates & Legal (Jordan; based in Amman)

The new Vice-Chairs – together with Commission Chair Ms Wallgren-Lindholm, President of the ICC Court Alexis Mourre, Secretary General of the ICC Court Alexander G. Fessas, Chair of the Institute of World Business Law Yves Derains, Chair of the ICC International Centre of Expertise James Nicholson and Commission Secretary Helene van Lith – constitute the Steering Committee of the commission's leadership.

Each Vice-Chair will serve a three-year term, with the exception of Christopher Newmark and Xiaohong Liu who serve for one year each.

The Commission membership comprises approximately 850 practicing lawyers, arbitrators, mediators, in-house counsel and academics. It includes members, from more than 90 countries, of the commission's task forces established to undertake study of a particular aspect of dispute resolution or sector to set a standard within the international dispute resolution community.

The commission holds two meetings per year, generally in spring and autumn, with the next meeting scheduled to take place on 10 April in Paris during Paris Arbitration Week 2018.

ICC releases global outsourcing guide

The International Chamber of Commerce (ICC), the world business organization, has released a practical guide on how to create successful outsourcing solutions—available free of charge for download.



In a globalised world, companies seek partners for cooperation and outsourcing in markets and regions suitable for their business. According to a 2016 survey by consulting firm Deloitte, most companies outsource to reduce costs, focus on core business areas and solve capacity issues. Outsourcing also creates opportunities for increased global trade between companies and for international relationships between countries.

While outsourcing is widely expected to grow—especially in functions such as human resources, information technology and finance—regulatory environments are becoming increasingly detailed and risk-focused for business operations in a number of historically regulated sectors. Half of all the private sector respondents in the 2016 Deloitte survey say that government legislation affects their outsourcing decision process, with 41% saying it makes them more cautious.

This practical guide, created by ICC's Commission on Commercial Law and Practice, aims at facilitating and supporting regulated businesses when they outsource their activities and offers a tool for interpreting quality-based rules such as 'sound governance' and 'proper risk management'. With the guide, ICC hopes to strengthen self-regulation

in outsourcing, complementing other self-regulatory initiatives.

"Outsourcing is key to global open markets as access to new markets is often dependent on the possibility to outsource," said Christina Strandman Ullrich, Senior Compliance Adviser at CSU Compliance and Member of ICC Sweden's Committee on Financial Services and Insurance, who led the outsourcing guide project.

"All business activities involve risk but outsourcing vital business functions—especially in a context where standards and requirements are not always regulated—can compound risk, giving companies pause. We hope that this guide will build confidence and trust in the outsourcing process, with the end goal of facilitating trade and investment."

ICC's outsourcing guide provides general principles and guidelines for both the Outsourcing Party and Service Provider and is intended to be applicable in any jurisdiction. The guide is designed to be particularly useful when the outsourcing party is a regulated entity, such as where financial companies are required to ensure sound management of their business regardless of whether their activities are outsourced or not.

ICC Special Counsel named recipient of prestigious diversity award

Mireze Philippe, Special Counsel at the International Court of Arbitration of the International Chamber of Commerce has been named as a recipient of the International Institute for Conflict Prevention and Resolution (CPR) 2018 Awards for Outstanding Contributions to Diversity in ADR. Ms Philippe and international arbitrator Lucy Greenwood were selected for the Awards by a three-member panel comprising Co-Chairs of CPR's Diversity Task Force.

Ms Philippe is a founding co-president of ArbitralWomen, an international non-governmental organisation with the primary objective of advancing the interests of women and promoting female practitioners in international dispute resolution. She is also a member of the Steering Committee of the Equal Representation in Arbitration Pledge and a member of the Board of Advisors of Arbitrator Intelligence. The Award acknowledges Ms Philippe's dedicated efforts to bring diversity to the foreground that date back over two decades to an era when debate and awareness around such issues was not commonplace.



Those nominating Ms Philippe noted her decades of work researching and publishing data about the lack of diversity in arbitrator appointments in international arbitration contributing to greater transparency and understanding around the issues.

Expressing gratitude to colleagues who had nominated her, Ms Philippe who joined ICC in 1984, said: "While I have invested time, energy and efforts in the last 25 years to promote women in dispute resolution and equality for equally qualified female practitioners, I never thought I would be officially recognized for this work. I feel honoured by this Award."

The awards formally presented at CPR's Annual Meeting, taking place March 8-10, 2018, in Atlanta.

Founded in 1979, the International Institute for Conflict Prevention & Resolution (CPR) is a New York based independent non-profit organization providing both administered and non-administered arbitration services. Created 10 years ago, the CPR diversity award is the only award to recognize the work of practitioners who have undertaken initiatives towards change and towards achieving equality for all dispute resolution practitioners.

5 ways tax policy can help achieve the UN Global Goals

Determining how to best mobilise public funds is essential for sustainable development—particularly for developing countries. A holistic approach to tax policy, centred on economic growth, is key.

The UN Sustainable Development Goals (SDGs)—or 'Global Goals'—serve as an ambitious and essential set of universal goals and targets, recognising that it is the greatest global challenge and is an indispensable requirement of sustainable development. However, translating the vision of the SDGs into action remains a major challenge. Tax is intrinsically linked to development, providing the

revenue that states need to mobilise resources and reinforce national infrastructure.

ICC has released a position paper on tax and the UN SDGs to mark the First Global Conference of the Platform for Collaboration on Tax, which kicks off on 14 February in New York until 16 February.

A key misconception, detailed in the ICC paper, is that development could be entirely funded by 'cracking down' on tax practices such as base erosion and profit shifting, which ICC is working with other partners to address. According to UN estimates, total revenue lost on account of base erosion and profit shifting amounts to around US$100 billion—a sizeable sum yet not nearly enough to fund implementation of the SDGs. Moreover, these revenues would likely not accrue to those countries most in need of development funds.

Rather, the most important source of revenue for funding the SDGs is economic growth, and here tax policy can play a pivotal role.

Here are five Global Goals where effective tax policies can facilitate economic growth and fuel progress towards sustainable development:

Goal 1: No poverty

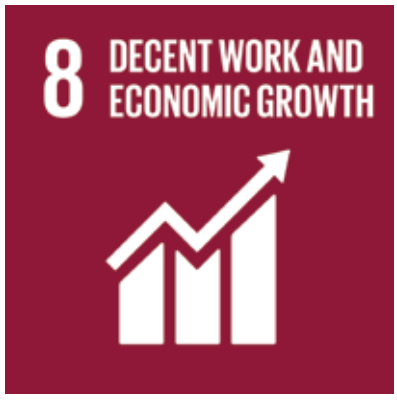


Effective tax policies should ensure that profits are taxed where economic value created and that corporate income tax is levied according to where economic activity takes place. Predictable tax rules are essential for cross-border trade, business investment, jobs and growth—all of which enable the mobilisation of resources through revenue collection.

In developing countries, the tax revenue accrued from private sector investment is especially valuable. The governments of African countries, for example, depend on foreign corporate payments for 14% of their budget funding. The UN Conference on Trade and Development estimated the total contribution of multinational foreign affiliates to government budgets in developing countries at US$730 billion annually.

This revenue collection contributes to national treasuries, which finances national development plans and in turn works towards reducing poverty.

Goal 8: Decent work and economic growth



Tax policies that promote investment and innovation, particularly in developing economies, go a long way towards attracting foreign direct investment (FDI). Research shows that FDI plays an often critical role in driving productivity and output growth in both developed and developing economies. As companies invest in capital goods and machinery, for example, productivity and output can rise, enabling both decent work and economic growth.

Goal 10: Reduced inequality



Tax policies are instrumental in reducing inequality both within and among countries. ICC believes that tax policies should be designed to support sustainable economic development, reduce inequality and promote inclusive growth. Moreover, tax policies should be flexible enough to adapt to socio-economic shifts and changes in the fiscal environment in which they operate.

Goal 16: Promote peace, justice and strong institutions



Increasing predictability and transparency are often the most effective ways for tax administrations to encourage revenue growth. Tax systems that are clear and reliable encourage investment which, as seen above, fuels productivity and growth. The experience of 'cooperative compliance' systems is proof of how effective a relationship of trust between business and governments can be.

Rather than adopt adversarial strategies, governments should agree on acceptable forms of tax competition and avoid labelling business as 'tax avoiders' when using legislated incentives. In return, businesses should adhere to rules and principles agreed upon by and between countries.

To achieve a balanced and efficient tax system that provides for the effective, accountable and transparent institutions that the SDGs call for, greater cooperation between governments and the business community is essential.

Goal 17: Partnership for the Global Goals



Just as the global challenges facing us from a rapidly growing population—from the strain on natural resources to employment needs—affect us all, all stakeholders in society must play a role in addressing them. Tax collection is an important tool in encouraging the economic growth that any solutions to these global challenges will necessitate. As a driver of economic growth and employment and an important source of investment, business has an integral role to play in strengthening domestic resource mobilization.

Collaborative and meaningful action by business is fundamental to achieving the SDGs and—as is the case with tax matters—this will only come through trusting partnerships between public and private actors.

E-commerce can make trade more inclusive, but greater coordination is needed

The rise of e-commerce holds huge potential for inclusive growth and development, but the absence of global rules and concerns of some national border administrations could curb the gains for those who need them most.

Over 1,500 stakeholders from across the globe met at the first ever cross-border e-commerce conference in Beijing, China from February 9-10, 2018. The goals of the conference were to discuss recent developments, challenges, and opportunities, as well as the enormous potential of digital trade.

Co-hosted by China Customs and the World Customs Organization (WCO), the Global Cross-Border E-commerce Conference featured remarks from key public and private sector voices, such as Yu Guangzhou, Chinese Minister of the General Administration of Customs; and Jack Ma, Founder and Executive Chairman of the Alibaba Group.

Changing the game

Worldwide e-commerce sales reached US$25.3 trillion in 2015 and many of these sales are international. According to a recent report from the United Nations Conference on Trade and Development, 7% of business-to-consumer e-commerce in 2015 crossed national borders, amounting to a total value of around US$189 billion.

Moreover, recent cross-border e-commerce growth in many markets has been nothing short of breathtaking. In China alone last year, e-commerce exports surged 41.6% while imports increased by 116.4%.



The emergence and rapid growth of cross-border e-commerce is all the more exciting because of its potential to make world trade more inclusive. Traditionally, trading over a distance has come with significant costs, limiting the ability of small- and medium-sized enterprises (SMEs) and companies in developing countries to benefit. The Internet, however, has changed the game. Data from eBay for instance shows that SMEs that use on-line platforms are more than five times more likely to export than those in the traditional economy.

A recent Google video competition taking place within the ICC-WTO Small Business Champions initiative challenged SMEs from around the world to show how the Internet had allowed them to trade. The resulting entries, which can be viewed on YouTube, speak volumes as how digital technologies help entrepreneurs connect with clients, promote their products and balance their books.

However, as participants at the Beijing conference made clear, a number of factors are currently limiting the positive potential of cross-border e-commerce.

Bangladesh Economy

Bangladesh eligible for UN 'developing country' status

The UN Committee for Development Policy (CPD) gave a letter announcing Bangladesh's eligibility for graduation to the Bangladesh Permanent Ambassador to the UN Masud Bin Momen on March 16 evening in New York. This begins the graduation process for Bangladesh, which could receive official Developing Country status by 2024.



According to the UN website, Bangladesh met the requirements in March, 2018. Bangladesh has been on the UN Least Developed Countries (LDC) list since 1975.

Graduation depends upon meeting eligibility criteria scores in Gross National Income (GNI) per capita, the Human Assets Index (HAI) and the Economic Vulnerability (EVI) Index and other country-specific information. The scores required for graduation from the LDC category are a per capita GNI of $1,230 or above, an HAI of 66 or above and an EVI of 32 or below, according to the standard set by Ecosoc, the UN's Economic and Social Council.

Bangladesh's current GNI per capita is $1,610, according to the Bangladesh Bureau of Statistics or BBS. However, according to the UN, Bangladesh's GNI per capita is $1,274. The UN said in a 2018 report Bangladesh's HAI is 73.2 and its EVI 25.2. "This has been made possible by strong development strategy of Bangladesh led by Prime Minister Sheikh Hasina," said Masud Bin Momen.

"We are moving forward towards peace, prosperity and development following our motto—nobody lags behind. Digital Bangladesh is not only a slogan for us but our people are getting the benefit out of it," he said. He said Bangladesh is trying to gain the status of Developed country by 2041 and thanks the UN and other development partners for assisting the process.

"The increase of GNI and development of social sectors including health and education has made it easier for the committee to recommend for Bangladesh's graduation," said CDP Secretariat Chief Roland Mollerus.

CPD Expert Group Chairman Jose Antonio Okampo praised Bangladesh for its' human resource, export sector along with health and education sector. High Representative for Least Developed, Landlocked, Small Island States Fekitamoeloa Katoa 'Utoikamanu said Bangladesh had created a strong foundation for development and poverty reduction.

Diplomats from other countries also congratulated Bangladesh and its' people praising the recent development. Bangladesh government officials, including Finance Minister AMA Muhith are hopeful that if Bangladesh remains on track, Bangladesh will have no problems graduating in 2024. Though Developing Country status would increase Bangladesh's bargaining power, the loss of LDC status also comes with a loss in several economic supports and benefits.

Economists say that the challenges can be met through proper planning and implementation of policy. In July 2015 Bangladesh advanced from a lower income country to a lower-middle income country based on the per capita income categories provided by the World Bank.

BD among 5 top growth achievers among 45 LDCs in 2017: UNCTAD

The United Nations Conference on Trade and Development (UNCTAD) has said only five countries, including Bangladesh of the 45 LDCs, achieved economic growth at 7 percent or higher in 2017. The four other countries are Djibouti (+7pc), Ethiopia (+8.5pc), Myanmar (+7.2pc), and Nepal (+7.5pc) while Bangladesh achieved +7.1pc growth in 2017. The analysis contends that too many LDCs remain dependent on primary commodity exports.

All other LDCs recorded current account deficits of varying sizes, ranging from less than one percentage point of GDP – Bangladesh and Nepal – to more than 25 percent in the cases of Bhutan, Guinea, Liberia, Mozambique, and Tuvalu. Resources sent by individuals to LDCs as a group (remittances) totalled $36.9 billion in 2017, down by 2.6 percent compared to the peak of $37.9 billion in 2016.

In absolute terms, the largest recipients of remittances among LDCs included Bangladesh ($13.6 billion in 2016), Nepal ($6.6 billion), Yemen ($3.4 billion), Haiti ($2.4 billion), Senegal ($2 billion) and Uganda ($1 billion), according to UNCTAD.

Economic development in the world's most-disadvantaged countries – mostly in sub-Saharan Africa – is stalling against the background of a lukewarm global recovery, risking widening inequality, new analysis from UNCTAD has revealed. Data suggests that the 47 least developed countries (LDCs), a long-established category of nations requiring special attention from the international community, will fall short of goals set out in the 2030 Agenda for Sustainable Development unless urgent action is taken.

"The international community should strengthen its support to LDCs in line with the commitment to leave no one behind," Paul Akiwumi, Director of Unctad's Division for Africa, Least Developed Countries and Special Programmes, said. "With the global economic recovery remaining tepid, development partners face constraints in extending support to LDCs to help them meet the Sustainable Development Goals."

GDP growth rates will likely continue to fall short not only of their 2002–2008 average, but also of their 2010–2014 levels, Akiwumi said. The analysis highlights that LDC growth averaged just 5 percent in 2017 and will reach 5.4 percent in 2018 – below the target of 7 percent growth envisaged by target 1 of Sustainable Development Goal 8 on promoting sustained, inclusive and sustainable economic growth.

While international prices for most primary commodity categories have trended upwards since late 2016, this modest recovery barely made a dent to the significant drop experienced since 2011, particularly in the cases of crude petroleum and minerals, ores and metals. In 2017, the LDCs as a group were projected to register a current account deficit of $50 billion, the second-highest deficit posted so far, at least in nominal terms.

This stands in contrast to figures for other developing countries (not LDCs), all developing countries taken together and developed countries, all of which, as groups, registered current account surpluses. Projections for 2018 suggest that the current account deficits of the LDCs are expected to grow further, making worse possible balance-of-payments weaknesses.

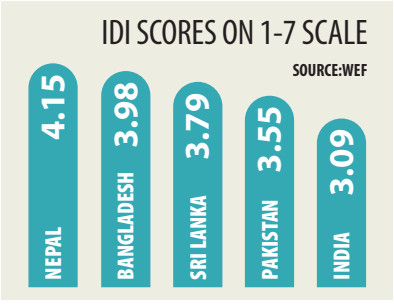


Only a handful of LDCs, according to estimates by the International Monetary Fund, recorded current account surpluses in 2017, including two recipients of relatively large amounts of aid – Afghanistan and South Sudan – as well as Eritrea and Guinea Bissau. Special foreign aid commitments for LDCs amounted to $43.2 billion, representing only an estimated 27 percent of net aid to all developing countries. This suggests a 0.5 percent increase in aid in real terms year-on-year.

This trend supports fears of a levelling-off of aid to LDCs in the wake of the global recession. The analysis was presented to Unctad member States at a meeting of its governing body in Geneva, Switzerland, on 5 February. The LDCs will not achieve the Sustainable Development Goals unless they speed up wholesale restructuring of their economies, said the UNCTAD.

Bangladesh ranked 34th in World Economic Forum index : ahead of India and Pakistan

Bangladesh has been ranked 34th among 79 developing economies, ahead of neighbouring India (62) and Pakistan (47), in the inclusive development index, according to a



WEF report. World Economic Forum's 'Inclusive Growth and Development Report 2018', released on January 19, said that the index takes into account the "living standards, environmental sustainability and protection of future generations from further indebtedness". In South Asia, only Nepal ranks ahead of Bangladesh at 22.

Norway remains the world's most inclusive advanced economy, while Lithuania again tops the list of emerging economies, the World Economic Forum (WEF) said while releasing the yearly index before the start of its annual meeting in India. It urged the leaders to urgently move to a new model of inclusive growth and development, saying reliance on GDP as a measure of economic achievement is fuelling short-termism and inequality.

China, the world's second biggest economy after the US, is ranked 26th in the World Economic Forum's 'Inclusive Growth and Development Report 2018'. Among advanced economies, Norway is followed by Ireland, Luxembourg, Switzerland and Denmark in the top five. And the top-five most inclusive emerging economies are Lithuania, Hungary, Azerbaijan, Latvia and Poland.

Bangabandhu Chair inaugurated at AIT

A Bangabandhu Chair on Sustainable Energy at the Asian Institute of Technology (AIT) was formally inaugurated on 15 March 2018 following the signing of a Memorandum of Understanding (MoU) between the Asian Institute of Technology (AIT) and the Ministry of Foreign Affairs, Government of Bangladesh.



Signing of Citation on the Bangabandhu Chair Professor at AIT by the Guest of Honor H.E. Mr. Abul Hassan Mahmood Ali, Minister of Foreign Affairs, Government of Bangladesh.

Dr. Subin Pinkayan, Chairperson of AIT Board of Trustees, described the occasion as a testimony to the bond between Bangladesh and AIT. "At a time when Asian countries are transitioning and the demand for energy is soaring, we need to implement measures that take in account both sustainable development and environmental preservation," Dr. Subin remarked.

H.E. Nasrul Hamid, State Minister for Power, Energy and Mineral Resources of Bangladesh, stated that

he was "humbled that the endowment (of the Bangabandhu Chair) is dedicated to advanced doctoral level research on "Sustainable Smart Energy Modelling for Bangladesh."

The Minister added that the Bangladesh government is actively pursuing the target of a 15 per cent renewable energy mix.

H.E. Abul Hassan Mahmood Ali, Foreign Minister of Bangladesh described the Chair, which is named after the Father of Bangladesh Sheikh Mujibur Rahman, as a "symbol of the dreams and aspirations of Bangabandhu for a technology-drive 'Golden Bengal.'" He described the inauguration of the Chair as a "historic moment in Bangladesh's special relations with Thailand."

Ambassador of Bangladesh to Thailand, H.E. Saida Muna Tasneem introduced the welcome message delivered by Executive Director of UN Environment, Erik Solheim. She mentioned three exceptional facts about the Bangabandhu Chair at AIT. "This is the first doctoral endowment Chair by any country at AIT, and the first PhD level Chair named after the Father of the Nation of Bangladesh," she said. Thirdly, it researches sustainable energy modeling for Bangladesh under a Chair Professor who was a member of the IPCC-2007 Nobel Peace Prize winning panel, she added.

Presenting an energy efficiency case study from India, Prof. Joyashree Roy outlined the scenario of transformation of industrial process in the country.

Delivering the vote of thanks, AIT President Prof. Worsak Kanok-Nukulchai expressed his appreciation to the Government of Bangladesh for endowing the Chair at AIT. Pointing out that this is the first Chair Professor established by a partner government at AIT, he termed it as a testimony of the strong bond between AIT and the Government of Bangladesh.

While Prof. Joyashree Roy of Jadavpur University (India) has been selected as Chair Professor; Mr. Mahmud Hasan, Assistant Manager in Sylhet Gas Fields in Bangladesh, has been selected as the doctoral student who will work under the Bangabandhu Chair Professor.

The lecture was followed by the signing of citation of Bangabandhu Chair Professor by the Guest of Honor, Mr. Abul Hassan Mahmood Ali, and the signing of Memorandum of Understanding (MoU) by Mr. Md. Mahbub-uz-Zaman, Secretary, (Asian and Pacific), Ministry of Foreign Affairs, Government of Bangladesh, and AIT President Prof. Worsak Kanok-Nukulchai. A sapling of Bangladesh Dinajpur Litchi was also planted by the visiting Foreign Minister at AIT.

In a related event organized in the evening at the Ministry of Foreign Affairs, the Foreign Ministers of Thailand, H.E. Mr. Don Pramudwinai, and Bangladesh H.E. Mr. Abul Mahmood Ali jointly inaugurated the Bangabandhu Chair and unveiled a commemorative plaque at the Ministry of Foreign Affairs.

Bangladesh steps into 4G era

Bangladesh has entered an era of digital connectivity as three mobile phone operators rolled out the 4G mobile phone services in the country



on 19 February. They launched the 4G services in Dhaka, Chittagong, Khulna and Sylhet cities soon after getting the licences from Bangladesh Telecommunication Regulatory Commission (BTRC).

BTRC Chairman Shahjahan Mahmood officially handed over the licences to the chief executive officers of four mobile phone operators – Grameenphone, Robi, Banglalink and Teletalk — at a function organised by the BTRC and Association of Mobile Telecom Operators of Bangladesh (AMTOB) at Dhaka Club.

The operators also received the tech neutrality and radio communication apparatus licences at the function. A message from ICT Adviser to the Prime Minister Sajeeb Ahmed Wazed Joy was read out by BTRC Director General (Spectrum) Brig Gen Nasim Parvez. The mobile phone companies will launch the high-speed internet services in other major cities and towns gradually.

Terming the launching of the 4G services a milestone for the country, Posts, Telecommunications and Information Technology Minister Mustafa Jabbar said the government's services will now reach people's doorsteps through mobile phones more easily. Urging the mobile phone operators to improve their services so that people can be benefited with the 4G services, he directed the BTRC to look into whether charging Tk110 for the 4G SIM replacement is logical.

The BTRC chairman described the launching of 4G services a groundbreaking step, saying the internet speed will get a big boost. Earlier on February 13, BTRC held the 4G spectrum auction for allocating new frequencies to mobile operators. The government earned Tk5,268.51 crore in revenue.

Banglalink took 10.6 MHz spectrum from different two bands – 2100 and 1800, with a price of Tk2,558 crore while Grameenphone took 5MHz from 1800 band with a price of Tk1,284 crore. Robi did not buy any spectrum as it and Airtel have merged into one operator while Teletalk has already enough spectrum to launch the 4G services.

The government also earned another Tk850.4 crore as tech neutrality fees from three operators: GP, Banglalink and Robi, and VAT of total Tk5,289.08 crore. Teletalk, Citycell, Banglalink, Grameenphone and Robi participated in the auction. Citycell was not allowed as it had lost the operator licence.

IMF Calls for more banking sector vigilance

The International Monetary Fund on March 9 called for strengthening internal controls, compliance and risk management to avoid financial scams in the banking sector. Judicial reforms should be implemented to accelerate loan recovery by reducing non-performing loans, said Daisaku Kihara, who led an IMF team in Dhaka for a 12-day visit.

The team met with the Minister of Finance, the Governor of Bangladesh Bank, the Finance Secretary, the President of the National Revenue Council as well as representatives of the banking and commercial sectors, trade unions, groups think tanks and development partners. Mobilizing long-term capital for growth will depend on policies to make the financial sector more efficient, he said at a press briefing held at the central bank's headquarters in Dhaka.

"This will require better regulation and supervision of the banking sector, especially for public commercial banks." Asked about the recent financial scams discovered by both private banks and state-owned banks, the IMF asked banks to oversee corporate governance to avoid scams. Ongoing efforts to increase revenue collection are needed to provide the fiscal space much needed to stimulate public investment and social spending.

"Public investment in infrastructure is particularly important to improve the business environment, attract foreign direct investment and diversify exports," Kihara said. The IMF official said that the focus should be on broadening the tax base, implementing the deferred VAT reform and revising direct taxes.

"Further improvements in tax administration will increase revenue, reduce compliance costs and improve



transparency." Bangladesh's tax-to-GDP ratio is lower than that of many countries, but the gap will decrease if the new VAT law is implemented. Kihara said Bangladesh faces several challenges in supporting the impressive economic performance of recent years. Macroeconomic performance is expected to remain robust over the coming year and inflation remains broadly stable, said the IMF team leader, adding that foreign exchange reserves remain adequate.

Efforts to harness the country's growth potential while ensuring economic and financial stability will require fiscal space for investments in infrastructure and social safety nets, making the financial sector more efficient, improving the business climate and strengthening governance. Monetary policy should be vigilant so that inflation does not accelerate beyond the target after a recent recovery in food inflation, Kihara said.

"Macroprudential policies should aim to keep the growth of private credit in line with the authorities' objective.Fiscal policy should maintain the stability of the public debt ratio while strengthening the management of public investments. "He also spoke of the Rohingya refugee crisis. "The crisis could add pressure on spending and continued financial support from donors would be essential."

Bangladesh has made remarkable progress in achieving inclusive growth, which has led to a substantial decline in poverty, but challenges remain, according to the IMF. The importance of financial inclusion in society is commendable and the authorities should continue to strengthen the legal and regulatory framework of the banking sector and implement the next financial inclusion strategy.

The increase in education spending and the improvement of rural infrastructure should continue to strengthen the current low rates of female activity by improving employment prospects, reducing time spent on domestic chores and increasing safety.

The IMF is ready to support the government's reform efforts through policy advice and capacity building, including on monetary and fiscal policies, financial sector supervision and regulation, and macroeconomic statistics, according to Kihara.

Bangladesh must grow at 10 percent annually for 20 years : ADB Chief

Bangladesh must experience economic growth of at least 10% for the next two decades if it wants to become a developed country by 2041, said Asian Development Bank President Takehiko Nakao. "This is not impossible, but not so easy," he said at a press conference held at ADB Resident Mission in Dhaka on 28 February.

Based on Bangladesh's current GDP growth rate of 7%, per capita income would reach $ 6,000 after 20 years, which is half the threshold of an advanced economy. "Unless Bangladesh makes serious efforts like what China did in the 1990s and 2000s, and it has grown 10 percent, it will not be accessible," Nakao said.

China has grown by 10% or more for about two decades and its per capita income now stands at $ 8,000.

Higher economic growth depends on infrastructure investment, good investment climate, foreign direct investment, consistent policies of successive governments and use geographical advantages in India, China and Southeast Asia.

Nakao, who is also Japan's former deputy finance minister for international affairs, said FDI had played a very important role in China's rapid economic development. The data show that FDI has accounted for 2 to 3% of China's GDP for many years. "But that's only 0.6% in Bangladesh," said Nakao, who heads the ADB for the second term.

The ADB president also spoke about Bangladesh's income, which accounts for about 10 percent of GDP. He said that he knew very well



that the implementation of the new VAT Act had been delayed twice because of the resistance of the business community. "The income is not to hurt people, it is to support the poor," he said, adding that he supported the government's decision to a new Value Added Tax Act to increase revenue-based revenues.

Although VAT is like a tax on consumption, it is a very broad tax. "I support the government's initiative to increase revenues through VAT," he said. On the much talked about Rohingya refugees, he praised Bangladesh for its full support of the displaced community. "The government is so serious about the standard of living of these refugees and is trying to put them on an island.The ADB is ready to support the country if there is any demand to solve this problem. " The ADB has not yet received a concrete proposal from Bangladesh to finance the resettlement of refugees.

Asked whether the multilateral lender would finance Padma's second bridge and other megaprojects, he said: "If we receive such a request, we can consider it." The Manila-based lender has already increased its lending in Bangladesh and last year it disbursed $ 2.1 billion. "We are ready to increase lending if there is demand," he said, while citing the bank's recent tripling of equity to $ 50 billion as evidence of its ability to higher loan.

The ADB has set a target of providing $ 8 billion in aid to Bangladesh for the 2016-2020 period, up 60% from the previous 5 years. In response to another question about Bangladesh's withdrawal from the least developed countries and its impact on ADB loan conditions, he said: "Bangladesh is already a lower-middle-income country, but the ADB continues to grant concessional loans. "

On growing inequality, he said that it was a problem for all and that the respective countries had to pay attention at an early stage before it became a big problem. "Equality is the main basis for sustainable growth".

The President of the ADB emphasized the need for policy coherence and sustainable growth. "I hope that this country will pursue stable policies in terms of macroeconomics and investment in infrastructure, regardless of the ruling leaders and the ruling party of the country" he added.

ADB approved $360m loan to Bangladesh Railway

The Asian Development Bank (ADB) has approved a $360m loan to Bangladesh Railway, which will be used to purchase new rolling stock and strengthen the country's railway network. The loan will finance the procurement of 40 broad gauge locomotives, 125 luggage vans and 1,000 wagons for freight trains.

ADB noted that the new rolling stock will introduce auxiliary power units (APU) to Bangladesh Railway in a bid to reduce diesel consumption when the locomotives are standing idle. The amount is also expected to be used to refurbish maintenance facilities and establish training programmes for drivers, as well as run the network's enterprise-wide IT system.

"The ADB Railway Rolling Stock Operations Improvement Project will boost the operational performance of Bangladesh Railway by introducing new technology, equipment and processes." These initiatives require a total combined investment of $453.37m, including $93.37m that is set to be provided by the government. All the outlined projects are slated to be completed around the end of June 2022.



The market share of railways as an alternative method of transport has recently dropped in Bangladesh due to inadequate investment in infrastructure and rolling stock. The majority of the rolling stock in the country is noted to be 30 years old and the maintenance facilities have not been sufficiently overhauled over time.

ADB senior transport specialist Tsuneyuki Sakai said: "Railways in Bangladesh potentially offer a cheaper, safer, and more fuel-efficient means of transport of goods and passengers than roads, but have been held back by lack of investment and aging and unreliable rolling stock. "The ADB Railway Rolling Stock Operations Improvement Project will boost the operational performance of Bangladesh Railway by introducing new technology, equipment and processes that will be cleaner and more efficient, cutting carbon dioxide emissions."

The government has also placed additional emphasis on railway development as part of its seventh five-year plan for 2016-2020, which aims to improve the railway market share to 15% in freight transport and 10% in passenger movements by 2020. ADB has provided four loans to Bangladesh for railway development since 2006, amounting to a total sum of $2.81bn.

WB projects 6.4pc growth for current fiscal

World Bank has estimated that Bangladesh economy will grow by 6.40 per cent in the current fiscal year (FY18). The multilateral lending agency came up with the growth projection in its Global Economic Prospects released on January 10. It also projected that annual growth rate of Bangladesh economy would increase to 6.70 per cent in the next fiscal year.

The bank, however, made it clear that it counted the period of July 2017 to June 2018 as the calendar year 2017. "(Economic) activity in Bangladesh will grow at an average of 6.7 per cent a year over FY2018-2020, benefiting from strong domestic demand and strengthening exports," according to the report.

The World Bank

"Low interest rates and improved infrastructure are expected to lift investment (in Bangladesh)," it added. "Remittances are expected to rebound as the growth firms in Gulf Cooperation Council (GCC) countries and support private consumption."

According to the WB, the main risks to the outlook for Bangladesh are fiscal slippages and setbacks to reforms to resolve corporate and financial sector balance sheet deterioration. It observed that slippages relating to upcoming elections and weak tax revenues could derail fiscal consolidation efforts.

Corporate debt overhangs and high levels of nonperforming loans have been long-standing concerns for Bangladesh and India in the South Asian region. The WB also mentioned that a protracted slowdown in remittance inflows would weigh on domestic consumption in Bangladesh and Sri Lanka.

WB to provide $300 m for improvement of cash transfer programs

The World Bank on February 1 approved a $300 million financing to improve the transparency and efficiency of major cash transfer programs in Bangladesh. This will benefit about 5 million of the country's poorest and most vulnerable people. The Cash Transfer Modernization Project will help the Department of Social Services under the Ministry of Social Welfare modernize some of the country's largest cash transfer programs targeted at the poor elderly persons, widows and people with disabilities.

The project aims to shift the operating processes of these programs from a manual, paper-based system to an automated, integrated, and electronically managed system. This will ensure greater effectiveness in the overall cash transfer service delivery process. "Bangladesh has cut by half the number of people living in extreme poverty. This is a remarkable achievement. Yet many people remain poor and vulnerable," said Qimiao Fan, World Bank Country Director for Bangladesh, Bhutan, and Nepal.

"The World Bank is helping the government modernize its safety net programs by improving pro-poor targeting, streamlining administrative systems, and addressing program fragmentations. This will help reach people in need and use public resources more effectively." The project will help upgrade the Department's management information systems.

To identify potential recipients of cash transfers, it will integrate the Department's management information system with the Bangladesh Bureau of Statistics' National Household Database. For more secure and accessible payments to beneficiaries, the system will be linked to payment service providers. Using existing digital systems, it will further develop an integrated social protection service delivery system in the country. The project will also help build human resource capacity and improve citizen engagement.

"Since 2016, the Department of Social Services has been digitizing program records and piloting digital payments to program beneficiaries. The project will scale up these efforts," said Yoonyoung Cho, Task Team Leader, World Bank. "These actions are in line with the institutional enhancements outlined in the National Social Security Strategy, 2015. This will help place the Ministry of Social Welfare at the forefront of social protection service delivery, with priority to the poorest and most vulnerable members of society."

With this project, the World Bank's total commitment in the social protection sector stands at over $1.3 billion. The credit is from the International Development Association (IDA), the World Bank's concessional lending arm. The credit is interest-free and repayable in 38 years, including a 6-year grace period, and carry a service charge of 0.75 percent.

Summit Power International and Mitsubishi signed $3B LNG-to-power project deal

Singapore-based infrastructure developer Summit Power International (SPI) announced on March 13 plans to build a $3 billion LNG-to-power plant with Mitsubishi, in Bangladesh. The firms signed a memorandum of understanding (MoU) to develop the project at Matarbari, Moheskhali, in the Bay of Bengal, helping Bangladesh to meet its growing energy demand.

Under the MoU, subsidiary Summit Corp, group company Summit Holdings and the Japanese firms agreed to develop an integrated liquefied natural gas (LNG) onshore receiving terminal with regasification capacity of up to 1,500 million cubic feet per day (mmcfd) at Matarbari, Moheskhali, in the Bay of Bengal.

The integrated liquefied natural gas (LNG) onshore terminal will have regasification capacity of up to 1.5 billion cubic feet per day (Bcf/d).

The project also includes two, 1,200-megawatt (MW) gas-fired power plants, transmission lines and equipment to import LNG. "This MoU will help SPI support Bangladesh's fast-growing energy, power and technology needs," said SPI chairman Muhammed Khan. "It will be a strategic fit for SPI to leverage Mitsubishi's LNG, and LNG-to-Power expertise, as well as understanding the power needs of Moheskhali and Bangladesh."

Khan added the two groups are well-positioned to uniquely benefit from opportunities arising from the Bangladesh government's move to raise LNG imports to meet the country's domestic natural gas shortfall and expand the country's power generation capacity. Bangladesh will require about 7 million tonnes of LNG by 2022 and similar volumes of coal by 2024, Khan had said then. Diamond Gas International is a wholly-owned LNG sales subsidiary that Mitsubishi Corp established in Singapore.

The Asian nation is estimated to require about 7 million tonnes of LNG by 2022. The firms didn't disclose a timeframe for project development.

Summit Power is the largest independent power producer in Bangladesh, representing about 21 percent of the country's private power market last year, the company said. Summit Power is set in April to become the first Bangladeshi firm to list in the Singapore Exchange Ltd (SGX), as it seeks to raise funds to invest in assets across Asia.

Chinese companies to construct additional three coal-based power plants

Chinese companies are going to construct three more coal-based power plants in Bangladesh with a total capacity of 3,960 megawatts. Two of the plants will be set up by Bangladesh-China joint venture companies while another by a consortium of China and Hong Kong-based firms. The power plants, with a capacity of 1,320MW each, will be built in Maheshkhali of Cox's Bazar, Kalapara of Patuakhali and Mirsarai of Chittagong.



Maheshkhali Power Plant

The cabinet on February 26 approved the draft of a joint venture agreement between Bangladesh Power Development Board (BPDB) and China Huadian Hong Kong Co Ltd to form a joint venture company (50:50 share) for setting up a 1,320-MW thermal power plant in Maheshkhali. It also gave the go-ahead to the related Memorandum of Association and Article of Association of the joint venture company.

Following the cabinet's approval, a joint venture company would be formed and a feasibility study for the project would be conducted which might take three to four months. The financing issues have to be settled before starting the construction work, according to the State Minister for Power, Energy & Mineral Resources.

Patuakhali Power Plant

The Ashuganj Power Station Company Ltd, an agency of BPDB, entered into a joint venture agreement with China Energy Engineering Corporation Co Ltd (Energy China) in July 2017 to build the power plant. According to planning ministry documents, formation of the joint venture company is underway.

The 1,320MW (2X660MW) super thermal power plant will be built in Kalapara of Patuakhali, which will be the coal-based "power hub" of the country.

The Power Division is scheduled to put a Tk 819.51 crore project proposal to the meeting of the Executive Committee of the National Economic Council (Ecnec) today for acquisition, development and conservation of land for the power plant, said planning ministry sources. The project is expected to be completed within December next year, according to ministry documents.

Nasrul said the proposed power plant projects in Maheshkhali and Patuakhali would be implemented the way a joint venture company was implementing 1,320MW power plant in Kalapara near Payra Sea Port in Patuakhali.

The China National Machinery Import and Export Corporation (CMC) along with North-West Power Generation Company Ltd (NWPGCL) of Bangladesh is constructing the power plant in Kalapara. Construction work of the power plant began in April 2016. Thirty-one percent of the work has been completed till December last year. The authorities are hopeful that a 660MW unit of the plant will be commissioned by April next year and another unit of the same capacity by October.

A total of $1.6 billion will be invested in the plant, with 20 percent equity and 80 percent loan financing. The Chinese Exim Bank will finance the project. China and Bangladesh will share 50-50 equity in the project.

Mirsarai Power Plant

The 1,320-MW thermal power plant will be built in Chittagong's Mirsarai upazila by a consortium of three companies who will operate as independent power producers. The three companies are Hangzhou Jinjiang Group Co Ltd and Hangzhou Zhengcai Holding Group Co Ltd of China and Jindun Energy Equipment (Hong Kong) Ltd.

A draft agreement, which will be signed between the Power Division and the consortium, will be placed before the meeting of the Cabinet Committee on Purchase on 28 February for approval, said Power Division sources. The power plant project would be implemented by private sector operators and the government would buy electricity from the consortium.

Source :The Daily Star

2 new private power plants at Mirsharai and Baghabari

The government may allow two new private power plants having a combined generation capacity of 1,520 megawatts and extend the contract with a 34.50MW unit for three years. The new units are coal-fired plant at Mirsharai in Chittagong having the capacity to generate 1320MW of power, and high-speed diesel-fired plant at Baghabari in Sirajganj with 200MW generation capacity.

According to sources, state-run Bangladesh Power Development Board has plans to purchase electricity at Tk 6.5199 per unit from the Mirsharai plant for a period of 25 years. The Board may require spending Tk 150,000 crore over the period for the electricity from the plant to be implemented by the Consortium of Hangzhou Jinjiang Group Co Ltd, Hangzhou-Zhengcai Holding Group Company Ltd and Jindun Energy Equipment (Hong Kong) Ltd.

Under another plan, the PDB may purchase electricity at Tk 19.9639 a unit for a five-year period from the Baghabari plant. It may have to spend Tk 13,920 crore over the



period to purchase power from the plant. Paramount BTrac Energy Consortium will implement the project at PDB site at Baghabari under Special Power and Energy Enhancement Act.

The sponsors earlier asked for 25.6700 US cents for per unit electricity and BPDB agreed to pay 25.3800 cents or Tk 19.9639. The Venture Energy Resources-sponsored plant in Bhola is in operation since July 12, 2009. The contract tenure of the plant expired on July 11, 2016 but BPDB has continued to purchase power from it considering the demand for electricity in the district.

The Board purchases per unit of electricity from the plant at 4.0131 US cents or Tk 3.2105 and may pay the sponsors Tk 232.92 crore over the extended three-year period. According to the Power Division, the demand for electricity increases 10-14 percent per year. The generation capacity has so far increased to 16,046MW and the government wants to raise the capacity to 24,000MW within 2021.

The government has plans to ensure electricity for all by 2018-19.

AIIB approved $60m for 220MW plant in Bhola

The Asian Infrastructure Investment Bank (AIIB) has approved a loan of $60 million to install a 220 MW combined cycle power plant in the country's largest island-district Bhola. The total project cost is $271 million. Islamic Development Bank and local Infrastructure Development Company Limited will be financing rest of the project cost.



The Bhola Independent Power Producer (IPP) greenfield power plant will be developed by Shapoorji Pallonji Infrastructure Capital company through NutanBidyut (Bangladesh), which is a special-purpose vehicle incorporated in Bangladesh for the sole purpose of developing the project.

"We're investing in this project because it will be one of the most efficient power plants delivering low-cost power in Bangladesh," said AIIB Director General, Dong ik Lee. "This investment will also help mobilize private capital and provide critical long-term financing

that is not readily available in Bangladesh for vital infrastructure projects."

According to the sources from AIIB, the construction of the Bhola IPP began in the last quarter of the last year. The combined cycle power plant is expected to be operational from December 2019. According to Dong ik Lee, it will be one of the most efficient power plants delivering low-cost electricity in Bangladesh.

According to AIIB sources, the $60 million loan for Bhola IPP will take AIIB's total loan portfolio in Bangladesh to $285 million, which is 6.6 percent of the total AIIB investment portfolio.

Deal signed with Desh Energy to buy electricity

The government on January 4 signed a power purchase agreement (PPA) with Desh Energy to buy electricity from 200 MW Chandpur Power Plant to be set up within the next five months. As per the contract, Desh Energy will start commercial operation of the plant from May 9 this year.



State-owned Power Development Board (PDB) will purchase electricity from the furnace oil-fired plant at 10.65 US Cents (equivalent to Tk 8.3772) per kilowatt hour (each unit) for the next 15 years.

Desh Energy is a private power company owned by late Dhaka North City Corporation Mayor Annisul Huq. The company has been doing business in the power sector for the last 6-7 years and it has two more running power plants.

Annisul's son Navidul Huq who is now the managing director of the company signed the contract on behalf of Desh Energy. The Chandpur 200 MW project has been one of the 10 power projects undertaken by the government as fast-track schemes to add some 1,800 MW electricity to the national grid before the next general election likely to be held at the end of the current year.

The government issued Letters of Intent (LoI) to the sponsors of the projects in August last to bring them into operation within the next 6-9 months on an urgent basis. Now it is signing the formal PPP with the companies.

State Minister for Power and Energy Nasrul Hamid who was the chief guest at the contract signing ceremony at Bidyut Bhaban in the city said the government had to undertake the fast-track projects to cope up with growing demand for electricity. "The electricity demand is growing at 3000 MW per year which was earlier predicted to be 1000 MW," he told the function.

Describing the project as his father's dream, Navidul Huq said his company is committed to implement it as per the schedule. "Despite my father's death, we continue our efforts to implement the project as per the given timeframe," he said. Power Secretary Dr Ahmad Kaikaus and PDB Chairman Khaled Mahmood also spoke on the occasion.

Electricity trade win-win for India and Bangladesh: Report

The import of electricity from India is an economic option for Bangladesh as it is cheaper than all other options for the country facing limited choices, according to a new report. The report titled "Economic Benefits of the Electricity Trade Between Bangladesh and India" indicates that India and Bangladesh have identified energy and transportation infrastructure as potential areas for development. improvement of economic cooperation, thereby improving political relations.



"This study confirms the fact that trading electricity is a win-win option for both countries," the report says. The report was published at a workshop organized by the Bangladesh Enterprise Institute at a city Hotel in Dhaka on 27 February.

The report was prepared by a Delhi-based research group, IRADe (Integrated Research and Action for Development) in the framework of the South Asia Regional Energy

Integration Initiative project (SARI / EI) supported by USAID.

The study used three scenarios to quantify the potential of the electricity trade and the macroeconomic benefits for both countries. They can also invest in savings certificates and other government securities worth 5 million lakh. Banks can disburse Tk 2 lakh in SME loans to an e-KYC account holder. The e-KYC will eventually eliminate the need for paper-based document management.

The service will be fully automated and e-KYC data will be provided in real time without any manual intervention. The digitally signed e-KYC data will be machine-readable, meaning that the service provider can store them directly as a customer record in their database for service and verification purposes, and so on.

New sources of funds needed for power projects: study

Bangladesh needs to explore various sources of financing beyond the existing ones as the country would require $35 billion worth of investment in the power sector by 2041, according to a new study report. The current global financial market provides an opportunity to consider many options for financing, which can be explored in the context of Bangladesh, according to the report "Transforming the Power Sector in Bangladesh".

International accounting firm PricewaterhouseCoopers and the Bangladesh Independent Power Producers Association jointly prepared the report, which was launched at a programme at the capital's Pan Pacific Sonargaon hotel on March 18. Speaking at the programme, State Minister for Energy Nasrul Hamid said the government plans to draft a guideline to involve the private sector in the distribution and transmission of power.

"Though the private sector participation in transmission and distribution could bring investment and better service, a sudden switch from the public sector to the private sector is not an easy task." Most power generation now comes from the private sector. "But in the distribution and transition, we are venturing how to go private."

Hamid also said the government would provide the subsidy to the sector for another five to seven years. "If we produce electricity at lower cost, the subsidy will decrease," he added. The government plans to increase the installed power generation capacity to 24,000 megawatts by 2021, about 8,000km of new transmission lines and 120,000km of distribution lines.

Power sector development scenario in 2041

	Cost (US Cent/kWh)				
	Composition	Economy	Environment	Energy Security	Total
Scenario 1	Gas 15%, Coal 55%	9.06	9.64	6.29	24.99
Scenario 2	Gas 25%, Coal 45%	9.45	9	4.82	23.27
Scenario 3	Gas 35%, Coal 35%	10.03	8.23	4.81	23.07
Scenario 4	Gas 45%, Coal 25%	10.84	7.48	5.18	23.5
Scenario 5	Gas 55%, Coal 25%	11.89	6.57	5.81	24.27

(Source: Power Sector Master Plan 2016)

There is a need to develop a more efficient, transparent, deregulated and competitive power market for the supply of reliable and cheap power, according to the report. The report suggested a number of options that Bangladesh could use to attract funds from external sources. The issue of local currency denominated bonds in overseas markets can be a debt financing option as well as various green funds.

The report also said the listing of Bangladesh's profitable public power utilities in overseas markets can also be looked at. "Strategic divestment of the government's stake in the public power utilities can be explored as an option to raise equity." The report called for the formation of specialised financial institutions to cater to the power sector's specific needs.

Given the investment requirement in the power sector, private participation will be crucial, according to the report. The report said the workforce's skills upgrade and capacity building are keys to sustaining the growth of the power sector in Bangladesh. This is in addition to new generation sources, a changing generation mix and increased operational efficiency.

There is a need for robust government policies, increased private sector participation, alternate sources of funding, incentivising adoption of clean energy sources and greater use of new age technologies, it said. M Masrur Reaz, senior economist and programme manager of the International Finance Corporation; Abdul Wadud, managing director of Summit Power; and Md Shabbir Ahmed, first secretary for tax policy at the National Board of Revenue, also spoke.

Tk 1,683cr project to transform rail connectivity with India

The government is converting about 67 kilometers of double gauge railway for 1,683 crores of Tk to ensure rail transit to India, Nepal and Bhutan. increase trade between countries. The project, which India would finance 81% of the cost, was given the green light on February 27 at the meeting of the Executive Committee of the National Economic Council.



Bangladesh and India have focused on railroad communication between countries, according to the proposal of the Ministry of Planning. The Indian side has a large-gauge railway line, while the Bangladeshi one is the gauge, said Minister of the Plan AHM Mustafa Kamal to reporters after the meeting. If Bangladesh's rails are converted into wide-track trains can move between the two countries, he added.

By converting the Parbatipur railway to Kaunia to Rangpur in wide gauge, Bangladesh can establish rail links with India, Nepal and Bhutan by the Rohanpur-Singabad railway and the Radhikapur-railway link. Birol. The project will be financed by the Indian Credit Line (LOC) so that trade between the two countries also facilitates India's wish to transit through Bangladesh for the transshipment of goods, said a senior official, Ministry of Finance.

Ecnec also approved a Tk 632 ridge project for the necessary upgrade of the insurance regulator in order to develop the Bangladesh insurance sector. "The insurance sector could not keep pace with economic growth," Kamal said. The project will allow the insurance industry to contribute more to the economy as its supervisory power increases. "Insurance companies are more interested in taking the bonus, but not so interested in responding to requests," he said. At present, there are 78 insurance companies.

From the cost of the project, Tk 91 crore would go to the construction of IT infrastructure, Tk 79 crore for automation, and about Tk 9 crore for the establishment of the learning center remote and implementation of IDRA's interactive portal. The second component of the project is the modernization of the public enterprise Sadharan Bima and the company Jiban Bima. From the total cost of the project, the World Bank will provide 5,000 crores of Tk.

Since its creation in 2011, IDRA has neither the human and financial resources nor the independence necessary to carry out its activities effectively to achieve the objectives, according to the Bank's document World. The main objective of the project is to equip IDRA to build and put into practice a modern and professional regulatory and supervisory system, he added.

Ecnec approved another Tk 819.51 crore project for the acquisition, development and conservation of land for the establishment of the 1.320 megawatt coal-fired power plant at Kalapara in Patuakhali. The Ashuganj Power Station Company, an agency of Bangladesh's Energy Development Board, entered into a joint venture agreement with China Energy Engineering Corporation last July for the construction of the power plant.

The creation of the joint venture is underway, according to documents from the Ministry of Planning. The 1,320 MW (2 x 660 MW) thermal superpower will be built in Kalapara, which will be the country's coal-based energy hub. The project is expected to be completed next December, according to the documents. Another 1320 MW coal plant is under construction in Kalapara, near Payra seaport, Patuakhali.

The China National Company of Import and Export of Machineryand the North-West Power Generaion Company of Bangladesh build the Kalapara Power Station. Construction work on the power plant began in April 2016 and 31% of the work in December of last year was completed. The authorities hope that a 660 MW plant will be commissioned in April of next year and another of the same capacity in October.

A total of $ 1.6 billion will be invested in the factory, of which 20% will be equity and 80% of loans. Chinese Bank Exim will finance the project, with China and Bangladesh sharing 50-50 shares in the project.

Korea extends $500m fund for infrastructure development

The South Korean government will provide about $500 million in concessional loans to Bangladesh in the next three years to help implement a number of important infrastructure development projects. The loan will come from Economic Development Cooperation Fund (EDCF) of Korean government administered by Korea Eximbank.

The two governments signed a framework arrangement with regard to the loan at a function at Economic Relations Division (ERD) in the capital on 29 January. The framework deal was signed by ERD Secretary Kazi Shofiqul Azam and Chief Representative of EDCF Dhaka and also the Korean Ambassador to Dhaka Ahn Seong Doo. Under the arrangement, Bangladesh will be able to receive EDCF loans up to $500 million for the period 2017-2020.

The fund will be utilised to finance the country's two important projects like construction of 2nd railway cum road bridge over the Karnaphuli River and second phase of establishment of 160 upazila ICT training and resource centres for Education (UITRCE) project, according to ERD. Several other projects have also been identified for potential EDCF finance.

This framework arrangement replaces the previous arrangement which was signed on November 2015. The previous arrangement facilitated EDCF loans of up to $350 million between 2015 and 2017. Recently, the governments also signed an arrangement to facilitate the establishment of a representative office of Korea Eximbank, ERD officials said. "It is a significant scaling up of Korea's commitment to Bangladesh.



The financing will make Bangladesh the second largest recipient of EDCF loans," Ahn Seong Doo said. He said Korea started as a poor country like Bangladesh after its independence in 1948, but it is now known as a donor country. He applauded Bangladesh's socio-economic development and assured that Korea will remain beside Bangladesh to face challenges of attaining SDGs goals.

Referring to the Finance Minister AMA Muhith, ERD secretary said Bangladesh should follow the example of Korea that made a remarkable progress even after starting from an economy similar to Bangladesh. "South Korea is a very good partner of Bangladesh in terms of south-south cooperation," he said.

Kazi Shofiqul Azam stressed on accelerated implementation of projects with foreign money to fetch more funds and shorten the large aid pipeline. "7 percent growth is a good achievement, but it is not enough. We've to raise the investment level from the GDP's 30 percent to 34 percent to achieve a 10 percent growth," he said.

Established in 1987, EDCF assists developing countries by financing infrastructure development for economic growth. Through EDCF loans Korea Eximbank has supported infrastructure development in Bangladesh Since 1993. EDCF loans have been provided to more than 20 projects in various economic sectors such as water supply, power, transport and ICT.

Total commitment to Bangladesh has now risen to over $1 billion, making Bangladesh the second largest EDCF recipient country. EDCF loans to Bangladesh generally carry an interest rate between 0.01 percent and 0.05 percent, with a 40 year repayment period, including a grace period of 15 years.

Through instruments such as concessional EDCF loans, Korean government aims to support developing countries like Bangladesh by promoting the use of Korean expertise and technologies.

Bangladesh leads green apparel industry

Bangladesh is now in the leading position among the top performing environment-friendly readymade garment (RMG) industry across the world, said a US certification company recently. "The country has now 67 LEED (Leadership in Energy and Environmental Design) green factories certified by the US Green Building Council (USGBC), while more than 280 factories are registered for LEED certification"



Green Business Certification Inc. (GBCI) managing director P Gopalkrisna said.

About 35-40 Indonesian apparel factories received the LEED certification. Around 30 Indian RMG factories and 10-12 Sri Lankan garment factories also received the LEED certification from USGBC. He made the observation at a function at Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Bhaban in the city.

BGMEA, US Green Building Council (USGBC) and GBCI jointly organized the program titled: "LEED Green Factory Award" in recognition and celebration of Bangladesh RMG sector's success in green industrialization.

A total of 13 best green building factories of Bangladesh were honoured with "LEED Green Factory Award" as recognition of their efforts in sustainability by achieving LEED Platinum certification.

Government to set up 'Textile Village' in Tangail

Bangladesh government is going to set up a 'Textile Village' on 28 acres of land in Tangail Cotton Mills under Bangladesh Textile Mills Corporation (BTMC) through a private-public partnership (PPP) initiative.

Recently Ramisa group has proposed to develop the village at Mirzapur in Tangail with estimated cost of about Tk 1,200 crore. The cabinet committee on economic affairs recently approved Ramisa's proposal as an unsolicited bidder.

According to the ministry of textile and jute, PPP authority scrutinized Ramisa's proposal and it has been sent from the cabinet committee on that basis. The prime minister issued a directive for installing modern machinery at the mills that were closed down. The existing land is valued at Tk 219 crore. Those who get the job of setting up the composite mill will have to make an annual payment to the BTMC for the latter being the landowner. Ramisa group said on their proposal, the village would create employment for about 10,000 people while about $14 million could be annually earned through exporting knit and woven garments. Of the estimate Tk 1200 crore cost, Ramisa also plans to bring in foreign investors and take bank loans.



Top Vietnamese co to invest $100m in leather, footwear sector

Leathergoods And Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB) signed a Memorandum of Understanding & Cooperation Agreement with Vietnam Leather, Footwear and Handbag Association (LEFASO) on March 5 at LFMEAB conference room. The agreement was exchanged between LFMEAB and LEFASO at Pan Pacific Sonargaon, Dhaka in the presence of Mr. Tran Dai Quang, President of Vietnam and Mr. Tofail Ahmed, Commerce Minister of Bangladesh, among others, said a statement.

Under the agreement, TBS Group - member of LEFASO and one of the top 5 footwear manufacturing and export companies in Vietnam -agreed to invest $100 million in Bangladesh leather and footwear sector, which is likely to create 10,000 new jobs. The MoU aims to strengthen collaboration and develop mutually beneficial relations between LFMEAB and LEFASO. Both parties will facilitate joint activities, assistance in building the cluster, sharing information and knowledge. Both parties agreed to work towards common goals, including closer cooperation between the footwear industries in both countries.

During the signing ceremony, LFMEAB President and Managing Director of Picard Bangladesh Limited Mr. Md. Saiful Islam welcomed LEFASO delegation and commented that the Vietnam footwear industry has been growing significantly in export markets and consistently maintained its position as the second largest footwear exporter globally.

LFMEAB President Mr. Md. Saiful Islam and the Vice Chairman of LEFASO Mr. Diep Thanh Kiet, signed MOU for and on behalf of LFMEAB and LEFASO respectively.

Shasha Denims to acquire 40pc stake of EOS Textiles

Shasha Denims Limited (SDL) will acquire 40 per cent stake of EOS Textiles Mills Limited, said an official disclosure on February 25. The shares are valued at approximately Tk 480 million. The Shasha Denims in the disclosure said out of Tk 480 million, Tk 300 million will come from IPO fund, as per approval by shareholders in the 20th annual general meeting (AGM).

The company said remaining Tk 180 million will come from company's cash flow to acquire 40 per cent shares of EOS Textiles Mills, a 100 per cent export-oriented textile company established on 8th June, 1998 by Italian Investors. Shasha Denims, a sister concern of Shasha Group, one of the leading denim producers in Bangladesh, raised Tk 1.75 billion through initial public offering (IPO) in 2014 by floating 50 million ordinary shares.

The company has also informed a memorandum of understanding (MoU) signing ceremony was held between Shasha Denims Ltd and EOS Textile Ltd at Westin Hotel at Gulshan in Dhaka on 24 February. The EOS Textile Mills Limited is located at Plot # 1-6 & 17-22 DEPZ (Exten), Ganak Bari at Savar. The Shasha Denims has reported consolidated earnings per share (EPS) of Tk 1.27 for October-December, 2017 as against Tk 1.44 for October-December, 2016.

In six months for July-December, 2017, consolidated EPS was Tk 2.41 as against Tk 2.48 for July-December, 2016. In 2017, the Shasha Denims disbursed 25 per cent cash and 6.0 per cent stock dividend. The company's paid-up capital is Tk 1.19 billion and authorised capital is Tk 2.25 billion, while the total number of securities is 119.55 million.

The sponsor-directors own 46.52 per cent stake in the company, while institutional investors hold 14.23 per cent, foreign 4.28 per cent and general public 34.97 per cent as on January 31, 2018, the DSE data shows.

Meghna sets up eight new plants for $300m

Local conglomerate Meghna Group of Industries has invested $300 million (about Tk 2,500 crore) to set up eight new factories at its newly-built two economic zones at Meghnaghat in Narayanganj. The new factories, which will take the group's total industrial units to 40, will create 3,500 jobs. “People's buying capacity has been increasing and we want to strengthen our market share,” said Mostafa Kamal, chairman of the group, while explaining the rationale behind the big investment.



The new units, which will be inaugurated on March 31, are for: beverage, edible oil refinery, tissue, pulp and paper, flour, chemicals, cement fibre, steel fabricate mills and a 40 mega-watt power plant. Presently, Meghna has operations in fast-moving consumer goods, cement, commodities, chemicals, seed crushing, fish and poultry feed, power generation, salt, bottled water, banking and some other industrial products.

Last year, the group's turnover crossed the $2.5 billion-mark. With the new industrial units Meghna not only wants to fortify its position in the local market but also the export markets. One of the new units is an extension of the plant to produce chemicals such as hydrogen peroxide, caustic soda and chlorine, which Meghna was the first to manufacture locally. The expanded unit will allow Meghna to export the chemicals too.

“We are exporting some chemical products on a limited scale and we want to increase our exports, but we need government support for that,” said Kamal, who set up his first factory -- a vegetable oil mill at Meghnaghat -- in 1989. As a non-traditional item, chemicals deserve export subsidy. “Once we are on our feet we won't need the subsidy,” he said, adding that the subsidy will help Bangladesh to cut down on its overwhelming export reliance on garment. Kamal also elaborated on the financing of the new industries.

He said he has borrowed from foreign sources for setting up the eight new industries, but a central bank's capping on interest rate for foreign borrowing often acts as a barrier. “Bangladesh Bank has capped the interest rate at 5 percent for foreign borrowing, but the rate is on a rising trend now. The rate should be fixed on the basis on the London inter-bank offered rate that fluctuates depending on the

demand." LIBOR or London inter-bank offered rate shot up to more than 2.22 percent on March 1 from 1.45 percent on September last year.

Meghna has set up at least one factory every year since 2001. In the last several years, when businesses have shied away from taking up new ventures, Meghna has contin ued to put in money for establishing new lines of businesses.

Today, Meghna employs 25,000 people. Its consumer goods brands -- Fresh, No 1 and Pure -- have gone on to become household names, and as per Meghna itself, one household out of every two in Bangladesh uses its products.

Source : The Daily Star

UNDP and Unilever signed MoU to work together on SDGs

United Nations Development Programme (UNDP) Bangladesh and Unilever Bangladesh have signed a Memorandum of Understanding (MoU) for joint collaborations toward achieving the Sustainable Development Goals (SDGs). The MoU was signed by Sudipto Mukerjee, the Country Director of UNDP, Bangladesh and Kedar Lele, CEO & Managing Director of Unilever Bangladesh in presence of Zahidul -Islam Malita, National Finance Director of Unilever Bangladesh, Shaila Khan, Assistant Country Director, UNDP Bangladesh and other senior officials.

Through this partnership, Unilever and UNDP pledge to serve Sustainable Development Goals together and create a greater impact for Bangladesh. The in-country partnership will create scale and leverage the unique capabilities of different stakeholders to tackle global challenges. The activities will be focused on convening relevant stakeholders to support private sector engagement, channelizing capital towards creating impact through innovative models of engagement and generating data from collaboration for policy advocacy.

Through this partnership Unilever Bangladesh and UNDP will also co-create a platform to invite ideas on how to ensure safe drinking water for the people of Bangladesh and create awareness among the disadvantaged people through its purpose led brand PureIt. At the same time, Unilever will support various projects of UNDP to create employment opportunity for women and also enable small entrepreneurs in the disadvantaged community by providing means of livelihood.

"Through 2030 Agenda for Sustainable Development, the world is going to embrace a transformative journey, in which Private sector is one of the main partners. This MoU will inspire other private companies to join us in achieving all the targets by 2030" said UNDP Country Director, Sudipto Mukherjee.

"Unilever's commitment to Sustainable Development Goals is well recognized across the world. Through Unilever Sustainable Living Plan and with the nature, scale and reach of our business we contribute to Global Goals. We are delighted to bring that partnership to Bangladesh by committing ourselves to work together with UNDP's agenda to create a positive impact for the local communities" said Unilever Bangladesh's CEO and Managing Director, Kedar Lele.

UN and Bangladesh seek $950m fund for Rohingya refugees

UN agencies and Bangladesh government have assessed the need for $950 million fund to run the relief operations in Rohingya camps of Cox's Bazar for another 10 months. The move comes amid concerns that repatriation of refugees might take more time, while monsoon season will soon arrive in Bangladesh putting nearly 100,000 Rohingya refugees at risk of floods and landslide, according to computer modeling of the UNHCR.

The Rohingya camps are concentrated in southern part of the country that records the highest rainfall. The rains usually begin in April and fall heaviest in July, according to the Bangladesh Meteorological Department. The biggest makeshift refugee

camps of Kutupalong and Balukhali could have up to one-third of their land flooded during monsoon season, leaving more than 85,000 refugees homeless, according to the UNHCR. Another 23,000 refugees live on slopes at risk of landslide.

However, Rohingya refugees living in high-risk areas are being relocated to safer zones. An additional 500 acres of land have been allocated for the resettlement of 100,000 refugees who are at a great risk of mudslide in the upcoming monsoon season. "We have already built quite a number of new sheds in the newly allocated area. Around 24,000 refugees from 400 families have been shifted to the new location who were extremely vulnerable to mudslide. Gradually, we will shift the rest of the 76,000 refugees as well. We expect to complete the process in the next two months," said Kalam.

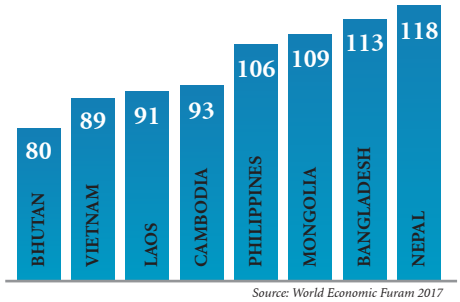
The UNHCR finds lack of available land as a big constraint in refugee resettlement and is therefore now focusing on improving circumstances inside the settlements, like raising bridges, reinforcing steps with sandbags, improving drainage system and strengthening the retaining walls. However, the UNHCR feels more land is required to relocate the refugees. "This land (500 acres), due to its topography, is only likely to be able to accommodate around 50,000 people. We estimate many more would need relocation," says Caroline.

Bangladesh has second-worst roads in Asia

Roads in Bangladesh are among the worst in Asia, according to the Global Competitiveness Index 2017-2018 released by the World Economic Forum. Data LEADS/ ANN recently prepared an info graph based on the index. According to the graph, prepared in the scales of extensiveness and condition of road infrastructure, Singapore has the best road infrastructure alongside Japan and Taiwan. Of the countries considered, Bangladesh ranked at 113 among the Asian countries, only followed by Nepal that ranked worst because of the lack of resources and hilly terrain--a major barrier to development. Road infrastructure is the marker of a country's development and is significant for safety and satisfaction of the citizens. According to the opinion survey by World Economic Forum, very few Asian countries have the best road infrastructure.

Singapore is ranked at the top in Asia and second globally in terms of road infrastructure in the country. It is followed by Japan and Taiwan which have equally well maintained roads ranked 5 and 11 respectively. South Korea and Malaysia ranked 14 and 20 respectively also figure in the countries with best roads in Asia.

China is ranked 39 in the world. It has good roads owing to the rising economy and growing development. China has the longest highway in the world stretching 85,000 kilo metres. Brunei and Sri Lanka rank better than other south Asian countries. The condition of Indian roads in getting better with the country ranked 51, ahead of Thailand and Pakistan at 60 and 77 respectively.



Source: World Economic Furam 2017

Bhutan ranked 80 needs to develop the road infrastructure by leaps and bounds. It is followed by Vietnam and Laos that have also not invested much in developing road infrastructure to make travelling easy around the country.

Cambodia ranked 93 has sporadic road development in both rural and urban areas. Philippines' roads are less developed compared to other East Asian countries.

EIU democracy index : Bangladesh slips 8 notches to 92

Bangladesh's score on the state of democracy has dropped in 2017 compared to the one in 2016 resulting in eight notches down, UNB reports quoting the Economist Intelligence Unit's (EIU) Democracy Index-2017. Bangladesh has ranked 92nd with a score of 5.43 out of 10 in Democracy Index 2017 while it ranked 84th with a score of 5.73 in 2016. Meanwhile, Bangladesh has ranked 49th with a score of 7 in press freedom as its media is described as 'partly free'.

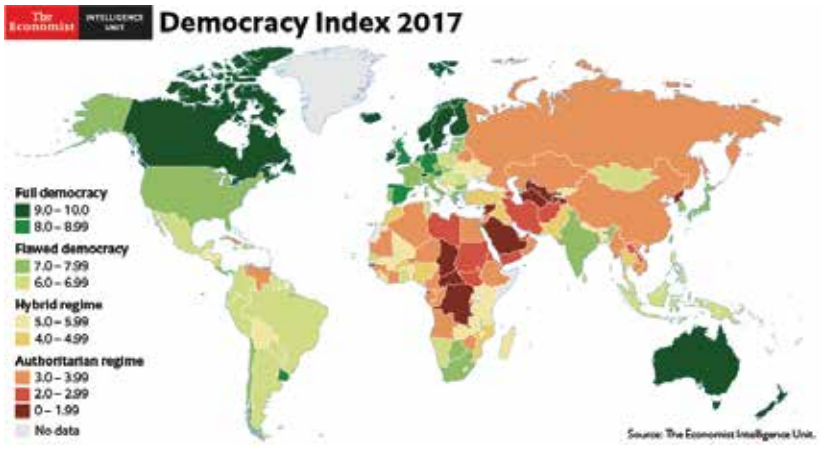
The EIU's Democracy Index provides a snapshot of the state of democracy worldwide for 165 independent states and two territories. This covers almost the entire population of the world and the vast majority of the world's states

(microstates are excluded). Asia's average regional score in media freedom ranking is 5.5, and its average ranking is 79.4.

Governments and powerful political and business interests in many Asian countries use defamation laws and related criminal provisions to punish criticism in the media, clamping down on critical commentary on social media. The rising pressure on social media platforms is troubling, given the shortage of independent reporting from the mainstream press in these countries.

The Chinese authorities have imposed some of the region's harshest penalties for negative online reporting as censors have become increasingly sensitive to criticism of the regime and the Communist Party of China (CCP) leadership, putting pressure on foreign news agencies and journalists as well as domestic critics.

In some ways, however, it is a far worse place in which to operate for journalists, bloggers and civil-rights activists, said the EIU. China, North Korea and Laos are black holes for independent news and information. All three are authoritarian, communist regimes in which journalists have to follow the party line if they want to continue working.

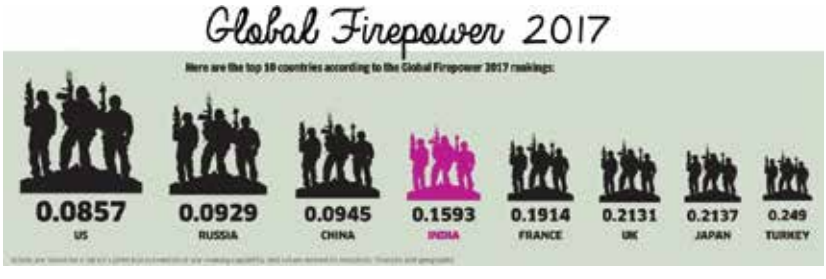


In China and Vietnam, dissenters are locked up in large numbers and on a far bigger scale than anywhere else (Turkey's recent clampdown on the media is comparable in its highly repressive treatment of journalists, who are accused of seeking to undermine or overthrow the president and the government).

The region (Asia and Australia) is also a very dangerous place for journalists, who face physical and death threats on a regular basis in countries such as Bangladesh, Pakistan and the Philippines, according to the EIU.

BD ranks 57th most-powerful military in the world

Bangladesh's military is placed 57th on a global index that has ranked 133 countries on the basis of their global military prowess. According to the Global Fire Power Index 2017, the US ranked first, followed by Russia, China, and India while Pakistan ranked the 13th while Myanmar 31th on the list of 133 countries. France, Germany, the UK, Japan and Israel are among top 15 countries.



The report also gives details which can provide a comparison among the militaries of Bangladesh, China, Pakistan, and India. However, the report did not take into consideration the strategic forces of any country such as nuclear firepower. The report cites that Bangladesh's defence budget is $1.59bn as against China's $161.7bn, India's $51bn, Myanmar's $2.4bn and Pakistan's $7bn.

According to the index, Bangladesh has an active military comprising of 160,000 personnel while India has 13,62,500 while China 37,12,500 and of 166 aircraft. Of them, 45 are fighter aircraft, 45 attack aircraft and others. Neighbouring India has 2102 aircraft, China 2955, Myanmar 249, and Pakistan has a total of 951 aircraft.

According to the report, Bangladesh Army has a total of 534 combat tanks, 942 armoured fighting vehicles, 18 self-propelled artillery guns, no-towed artillery guns and 32 rocket projectors. The report added that China owns a total of 6,457 combat tanks, India 4426, 592, while Pakistan has a total of 2924 tanks, which is way more than what Bangladesh owns.

The report also says Bangladesh has a total of 89 Naval assets. The country owns six frigates, four corvettes, 28 patrol craft, five mine warfare vessels but has no aircraft carriers, destroyers and submarines — elements that contribute to its maritime strength.

Regional News

Sovereign investors to cut U.S. exposure, eye trade war: Survey



The number of sovereign investors planning to underweight U.S. assets in the next 12 months has jumped to 43 percent, a survey showed, with almost a third citing trade wars and increased protectionism as the biggest tail risk. The shift in sentiment in the poll, conducted by the U.S.-based Sovereign Wealth Fund Institute in February, reflects a turbulent month in global stock markets and moves by U.S. President Donald Trump to slap tariffs on a variety of imports.

The survey, which covered 25 pension funds, sovereign wealth funds and other public asset owners with an estimated $1.21 trillion in assets, showed those planning to underweight U.S. exposure in the next 12 months had leapt from 25 percent in the December survey. Meanwhile, the percentage of investors planning to overweight the U.S. slumped to 8.7 percent from 20.8 percent. Around a third also said they planned to underweight passively-managed global equities, up from just 14.3 percent in December.

The reduction in risk appetite follows a rollercoaster ride for global equities in February after U.S. wage growth numbers sparked fears the Federal Reserve was behind the curve and would need to raise interest rates more quickly than expected. Both the S&P 500 and the Dow Jones suffered their biggest percentage drops since August 2011 in early February, and ended the month down around 4 percent.

The survey, sent to media late on March 6, also revealed a notable shift in investor thinking on the biggest tail risk, with trade wars and increased protectionism leapfrogging a stock market bubble into pole position. Seven respondents chose trade wars in the February poll, up from just three in the previous quarter.

Trump has repeatedly rattled the saber on trade over the past month, introducing measures against imported washing machines and solar panels. In early March he turned up the heat, threatening hefty tariffs on steel and aluminum imports. The moves triggered another equity market sell off as investors fretted about retaliation from exporting countries.

Not surprisingly given the spike in volatility in February, there was an increase in the number of asset owners saying they planned to overweight cash in the next 12 months, to almost 50 percent, up from 41.7 percent in the previous quarter.

Just under a third of respondents continued to cite long U.S. technology equities as the most crowded trade, with some 30.4 percent saying they planned to underweight information technology stocks in the next 12 months. This was up from just 9.5 percent last quarter. Tech stocks rallied almost 37 percent in 2017, but finished February flat.

Volatility in listed equities also seemed to encourage investors to look closely at increasing their exposure to private markets. Some 52.6 percent said they were planning to overweight private infrastructure over the next year, up from 30.4 percent in December. Half of respondents also said they planned to overweight private equity, up from 29.2 percent last quarter.

A recent report from State Street Global Advisors put sovereign wealth funds' private market holdings at over $1.6 trillion. However, some funds have struggled to get exposure to infrastructure assets, with demand consistently outstripping supply.

Trump angers China, South Korea with new trade tariffs

President Donald Trump has approved steep tariffs on imports of solar panels and washing machines to protect US producers, triggering an outcry in China and South Korea and even protests at home. Seoul said on January 23 it planned to take the issue to the World Trade Organization while Beijing expressed "strong dissatisfaction".

"Together with other WTO members, China will resolutely defend its legitimate interests," its commerce ministry warned, without indicating any specific counteraction. At home

in the US, the move was decried by the solar industry, which said the tariffs would create a "crisis" and cost thousands of US jobs and billions in investment without helping domestic suppliers meet rising demand.

US Trade Representative Robert Lighthizer said the tariffs were imposed after an "exhaustive" review by USTR and the independent US International Trade Commission, which determined that US producers were "seriously injured by imports." The administration imposed tariffs of up to 50 percent on imports of large washing machines over three years, and up to 30 percent on solar panels over four years.

South Korea, which has signed a free trade deal with the US and is a crucial ally in Washington's confrontation with North Korea, said it would file a petition at the WTO. Its Trade Minister Kim Hyun-Chong said the tariffs were "excessive" and may constitute a "violation of WTO provisions."



Samsung, South Korea's biggest firm, said the tariffs were "a tax on every consumer who wants to buy a washing machine." "Millions of Americans love their LG washers," said another South Korean company, LG Electronics, taking umbrage at the decision. "Consumers should be the ones to decide what washers they want."

Australia, US, India and Japan for 'alternative' to China's Belt and Road

In a bid to counter Beijing's growing influence, Australia, the US, India and Japan are said to be talking about establishing a joint regional infrastructure scheme as an alternative to China's multibillion-dollar Belt and Road Initiative. An unnamed senior US official was quoted in the Australian Financial Review on February 19 as saying the plan involving the four allies was "nascent" and "won't be ripe enough to be announced" during Australian Prime Minister Turnbull's visit to the United States later this week.



However, the official said the project will be on the agenda for Turnbull's talks with US President Donald Trump and was being seriously discussed. The source said the preferred terminology was to call the plan an "alternative" to China's Belt and Road Initiative, rather than a "rival". "No one is saying China should not build infrastructure," the official was quoted as saying. "China might build a port which, on its own is not economically viable. We could make it economically viable by building a road or rail line linking that port."

Representatives for Turnbull, Foreign Minister Julie Bishop and Trade Minister Steven Ciobo did not immediately respond to requests for comment.

Japan, meanwhile, plans to use its official development help (ODA) to promote a broader "Free and Open Indo-Pacific Strategy" including "high-quality infrastructure", according to a summary draft of its 2017 white paper on ODA. The Indo-Pacific strategy has been endorsed by Washington and is also seen as a counter to the Belt and Road Initiative.

Tao Wenzhao, an international relations expert at the Chinese Academy of Social Sciences, said it's unclear whether the countries have enough money to invest in regional infrastructure, or even whether Washington is willing to, since

Trump appears more eager in seeking returns from the region.

"We cannot say that the four nations will fail, but how far their initiative will go remains to be seen," Tao said. "China will not oppose any nations from launching infrastructure projects in the region. We have not said only China can do it and other nations cannot. The Belt and Road Initiative is open."

Shi Yinhong, an international relations professor at Renmin University of Beijing, agreed that the four nations are limited in strength. "It is questionable if they are able to come up with a joint project that can compete with China's Belt and Road Initiative in terms of global influence," he said. However, he warned that the nations will continue to exert pressure on China on issues such as South China Sea disputes.

First mentioned during a speech by Chinese President Xi Jinping to university students in Kazakhstan in 2013, China's Belt and Road plan is a vehicle for the Asian country to take a greater role on the international stage by funding and building global transport and trade links in more than 60 countries.

WTO chief urged states to stop first dominoes of trade war

The head of the World Trade Organization told member states on March 5 they must prevent "the fall of the first dominoes" in a trade war and warned of a real risk of triggering an escalation of global trade barriers and a deep recession. World trade policy is in turmoil because of U.S. President Donald Trump's announcement last week that he planned to put controversial tariffs on steel and aluminum, prompting threats of tit-for-tat actions and concerns for the trade system itself.

"We must make every effort to avoid the fall of the first dominoes. There is still time," WTO Director General Roberto Azevedo told the heads of WTO delegations at a closed-door meeting in Geneva. "In light of recent announcements on trade policy measures, it is clear that we now see a much higher and real risk of triggering an escalation of trade barriers across the globe," Azevedo said, according to a copy of his statement released by the WTO.

Azevedo is normally very conservative in remarks about WTO members' trade policies, but he also plays a role as a guardian of the global trading rules, a bulwark against protectionism. On March 3 he broke his silence on Trump's tariff plan, expressing concern and saying a trade war would be in nobody's interest. In his statement at March 5 meeting, he did not name any one country but sounded a more urgent warning.

"Once we start down this path it will be very difficult to reverse direction. An eye for an eye will leave us all blind and the world in a deep recession," Azevedo said. Trade officials said that many diplomats at the meeting voiced concern about protectionism, and 11, including the 28-state European Union, expressed very strong concerns about Trump's announcement on March 1 specifically.

As well as the EU, Mexico, Japan, Australia, China, South Korea, Brazil, Norway, Canada, India and Venezuela all warned of the knock-on effect of Trump's action and urged the United States to think again. Trade officials said the U.S. representative at the meeting, originally called to discuss a recent ministerial conference in Argentina, spoke only about the original agenda without mentioning the furor over the U.S. tariff plan.

Global economic upturn boosts euro zone investors in January: survey

Investors in the euro zone felt more upbeat in January as they shrugged off the lack of a new government in Germany and the global economy picked up, a survey showed on January 8, but research group Sentix warned there was a risk of overheating.



Sentix's index for the euro zone, based on a survey of 929 investors, rose to 32.9 in January from 31.1 in December. That beat the Reuters consensus forecast for a reading of 31.5 and came after a hefty fall at the end of last year. A subindex tracking the current situation hit its highest level since August 2007.

"The economy in all regions of the world is looking stable and positive and is showing moderate improvements," the Frankfurt-based research firm said, adding that this applied to

regions including the euro zone, eastern Europe and Latin America. "The upturn is therefore broad and synchronous. The likelihood of possible overheating is rising," Sentix added.

It said businesses did not seem to be bothered by the absence of a new coalition in Germany, Europe's largest economy, which has been managed by a caretaker government since a September election. Chancellor Angela Merkel's attempts to form a three-way coalition last year failed but she began talks with the Social Democrats (SPD) and said she was optimistic they could agree to form a coalition government.

The parties, which are likely to clash on immigration, tax, healthcare and Europe, expect to announce on whether they will open full-blown coalition talks. An index tracking Germany increased to 40.1 in January from 39.1 the previous month.

Rather than focusing on the lack of a new government, investors are beginning to assess the impact of U.S. President Donald Trump's tax reforms, which is enhancing companies' profits and is likely to boost demand for capital goods, Sentix said. U.S. President Donald Trump signed a tax reform into law in December which slashes the U.S. corporate tax rate to 21 percent for 35 percent. Sentix said that was pushing up U.S. economic expectations.

Digital transformation to help gain over $ 1tr by 2021

The digital transformation will help the Asia-Pacific region add about $ 1.16 trillion to its gross domestic product (GDP) by 2021, according to a study. It will also help to increase the growth rate by 0.8 percent annually, according to research-Unlocking the Economic Impact of Digital Transformation in Asia-Pacific-produced by Microsoft in partnership with IDC Asia / Pacific.

In 2017, about 6% of the region's GDP came from digital products and services created directly through digital technologies, such as mobility, the cloud, the Internet of Things (IoT) and the Internet artificial intelligence (AI). It is expected that this figure will reach about 60% by 2021, Microsoft said in a statement released on February 27.

The survey was conducted among 1,560 decision-makers in medium-sized and large businesses in 15 economies in the region. Respondents stated that digital transformation led to higher profit margins, increased productivity, stronger advocacy, greater cost savings, and increased revenue from new products and services.

The research results indicate that business leaders are already seeing improvements of 15 to 17% and are expected to know more than 50% by 2020, the biggest leap being expected in the defense customer interests. "Digital transformation has a positive and measurable impact on the Asia-Pacific economy, and it is generally considered that every organization must be digital," said Ralph Haupter, president of Microsoft Asia.

"The pace of digital transformation is accelerating, and IDC expects that by 2021, at least 60% of Asia / Pacific's GDP will be digitized, with growth in all sectors. Study shows leaders see doubling of followers' benefits, with improvements in productivity, cost reductions and customer advocacy To stay competitive, organizations



While 84% of organizations are in full digital transformation, only 7% can be classified as leaders with complete or progressive digital transformation strategies, with at least a third of their revenue from digital products and services. The study indicates that leaders are experiencing double the benefits of followers and that these improvements will be more pronounced by 2020.

Almost half of the leaders (48%) have implemented a comprehensive digital transformation strategy.

need to establish new metrics, realign organizational structures and reorganize their technology platform.

The study identified key differences between leaders and others in Asia Pacific, which contribute to the improvements being tracked. Another difference was that business agility and the culture of innovation were key objectives and that digital transformation was always measured in terms of success. What distinguishes leaders from others is their ability to overcome the wave of digital transformation from the perspective of organizational culture.

Nissan to pump $9.5b into China business, eyes top 3 spot

Nissan Motor Co plans to invest 60 billion yuan (Dh34.89 billion; $9.5 billion) in China over the next five



years with its joint-venture partner as it seeks to become a top three automaker in the world's biggest market. Long stuck as a second-tier player in China, Nissan and Dongfeng Group said on Monday they plan to boost their volume to 2.6 million vehicles a year by 2022, up from 1.5 million vehicles last year.

Nissan plans to achieve the objective, dubbed its "Triple One" strategy, by focusing on electric cars and Venucia, a no-frills local brand Nissan operates in China — two market segments expected to see a surge in demand. It also aims to boost sales of light commercial vans and trucks. China's auto market has been dominated by General Motors Co and Volkswagen AG for nearly two decades, with each of them selling 4 million vehicles last year. Nissan, along with Toyota Motor Corp, Ford Motor Co, and Honda Motor Co, lag far behind, each selling 1 million-plus vehicles a year.

"We aim to break away from this second-tier group and become a top-3 China automaker," Nissan's China chief Jun Seki said in an interview with Reuters. "We need to go full-throttle aggressive," Seki said. "If we didn't do that, we would fall behind and fail to grab market share otherwise we could take." Nissan and Dongfeng plan to increase the Nissan brand's annual sales by 500,000 vehicles to 1.6 million vehicles a year by 2022. It also plans to boost Infiniti's annual sales by 100,000 vehicles to about 150,000 vehicles a year over the same time frame. Still, more critical a strategy is Nissan's electrification plan.

Seki said the joint venture will launch as many as 20 electrified vehicle models across all brands in an effort to sell roughly 700,000 such cars a year by 2022 excluding electric light commercial vehicles, using a combination of all-electric battery vehicles and so-called "e-Power" hybrids.

Automakers are scrambling to launch an array of electric and plug-in hybrid vehicles over the coming years, in part to comply with China's production quotas for such cars. Nissan's joint venture with Dongfeng sold about 22,000 electric vehicles last year, but they were mostly light commercial e-vans.

In order to generate large enough EV volume, Nissan plans to come up with lower-cost electric cars by locally sourcing electric motors and other key EV components from suppliers in China. In 2019, Nissan for example plans to launch three such lower-cost EVs under the Venucia name. "We expect EV and e-power hybrid business to become profitable," Seki said, without elaborating.

Venucia, which Nissan established jointly with Dongfeng, is another key focus. The brand began selling cars in 2012, competing with China's low-cost, no-frills indigenous brands such as those run by Geely and Great Wall Motor. Seki said shoring up Venucia is a must because indigenous Chinese brands will likely collectively sell as many cars as global brands sell in China. Last year indigenous Chinese brands sold a total of 10.3 million vehicles, compared with global brands' 13.9 million vehicles.

Venucia, which uses retired Nissan technologies such as platforms and transmissions, last year sold 143,000 vehicles, up 22.7 per cent from 2016. Seki said Nissan wants to boost Venucia's annual volume by more than 400,000 vehicles to be able to sell as many as 600,000 vehicles a year by 2022.

The effort is likely to face tough competition, however, from established local players such as Baojun, which GM operates jointly with its local China partners. "No global automakers have a brand that competes with low-cost local brands except for us and GM," Seki said. In addition to Baojun, GM operates the Wuling brand in a joint venture with Chinese partner SAIC Motor Corp and Guangxi Automobile Group. "Venucia is our clear advantage and we are going to milk it to grow rapidly," Seki said.

JPMorgan and Goldman Sachs highest payer to bankers in Britain

JPMorgan (JPM.N) and Goldman Sachs (GS.N) paid their top bankers in Britain an average of $1.5 million each in 2016, compared with $1 million for local rivals HSBC (HSBA.L) and Barclays (BARC.L), data released by the banks last year shows. Data compiled by Reuters from 13 banks' filings, some of which were released only late February, shows they paid an average of $1.06 million to such staff in 2016, down from $2 million for the year ended Dec. 31, 2013 when new European Union rules aimed at curbing banker bonuses took effect.

The Wall Street banks' higher pay packages show how they have

bounced back more quickly from the financial crisis than their peers in Britain, some of which have faced hefty post-crisis costs that have limited banker pay. The data also shows that EU rules to rein in banker bonuses, blamed for driving excessive risk-taking in the run up to the 2008 crisis, are having an impact.





JPMorgan paid 672 staff in senior or risk-taking positions a total of $1.02 billion in 2016 for an average of $1.52 million each, while 724 Goldman bankers took home an average of $1.48 million each, according to Reuters' calculations from the filings. U.S. banks were also able to capitalize more effectively than European rivals on spikes in volatility in financial markets in 2016 from Britain's June Brexit vote.

Europe's top investment banks' trading in fixed income products fell by 6 percent in the second quarter of 2016, while their five biggest U.S. rivals reported a 21 percent increase to $13.1 billion in revenue from the same business. The disclosures are among the most comprehensive released on bankers' pay in Britain, which remains a controversial subject ten years on from the financial crisis.

A report by the Chartered Institute of Personnel and Development released on January 4 showed that a median worker salary in Britain is about $38,493. In contrast, the average pay of a senior banker in 2016 was $1.06 million. The report highlighted that the average boss of one of Britain's top companies will by January 4 have already earned the same as the typical worker will make in the entire year.

The banks' pay disclosures make no mention of gender pay gaps, but banks in Britain may have to begin reporting such data after the government last April announced employers would have to disclose the difference between what they pay men and women by April 2018. The average pay levels for bankers in the filings were boosted by a handful of top earners, with 10 Goldman bankers earning the highest band of more than 9 million euros in 2016 while 14 JPMorgan executives took home that lender's top bracket of over 5 million euros each.

The pay disclosures focus on banks' senior executives and 'material risk takers', and show how an EU rule that came into force in 2014 capping variable or bonus pay at 200 percent of fixed pay has cut fat bonuses. While Goldman Sachs paid senior staff more than five times more in variable pay than fixed in 2013, before the rule took effect, that ratio fell in 2016 to 0.6 times.

IMF chief calls on Indonesia to boost growth rate to absorb workers

International Monetary Fund Managing Director Christine Lagarde



on February 26 called on Indonesia to boost its potential growth rate and channel revenues to more development spending to help create jobs for its growing labor force. Christine Lagarde, Managing Director of the International Monetary Fund and Indonesian President Joko Widodo chat during a visit to the Tanah Abang market in Jakarta, Indonesia February 26, 2018.

After meeting with President Joko Widodo at the start of a week-long trip to Indonesia, Lagarde praised the country's economic management and stronger policies. "Indonesia's economy continues to prove resilient with a sound economic performance and favorable outlook," she said in a statement issued after the meeting.

But in recent years, Indonesia has struggled to get its growth rate to exceed 5 percent, well below the pace of China and India, amid tepid consumer demand and foreign direct investment. GDP growth failed to meet the government's 5.2 percent budget target last year and the IMF is forecasting that Indonesia, Southeast Asia's largest economy, will grow by 5.3 percent in 2018.

Lagarde said she and Widodo discussed the importance of achieving higher potential growth to help create jobs, adding "This requires mobilizing revenues to finance development spending and support reforms in the product, labor and financial markets." In its recent annual review of Indonesia's policies, the Fund said the government should focus on financing infrastructure with domestic revenue in order to avoid a build-up of external debt. Lagarde, whose visit comes two decades after a painful IMF bail-out imposed harsh austerity on Indonesia, praised the country's greatly expanded health care system during a hospital visit. Widodo also took her shopping at a crowded Jakarta textiles market, along with Indonesian Finance Minister Sri Mulyani Indrawati.

The IMF chief on February 27 will participate in an economic conference , featuring central bankers and other officials from ASEAN countries, focused on new growth models and adjusting to rapidly changing technologies. She also plans to visit the city of Yogyakarta in Java and the island of Bali, where the IMF will hold its annual meetings in October.

India regains status as fastest growing major economy

India regained its status as the world's fastest growing major economy in the October-December quarter, surpassing China for the first time in a year as government spending, manufacturing and services all picked up. Asia's third-largest economy grew 7.2 percent in the December quarter, its fastest in five quarters, Ministry of Statistics data showed on February 28. That beat China's 6.8 percent and a forecast of 6.9 percent by analysts polled by Reuters.



In a data set that some economists said had put an early interest rate hike on the agenda, India also edged up its 2017/18 GDP growth forecast to 6.6 percent from 6.5 percent. India's manufacturers and service industries have been struggling to overcome disruptions from the bumpy launch of a national sales tax in July.

In the December quarter, annual growth in the manufacturing sector however climbed to 8.1 percent from 6.9 percent in the previous quarter, while financial and other services grew at 7.2 percent from 5.6 percent. "Settling down of Goods and Services Tax (GST) reforms will boost growth in the next fiscal year," said Anita Gandhi, a director at Arihant Capital Markets.

Some economists now anticipate the Reserve Bank of India (RBI), which is trying to balance concern over inflation with support for growth, could raise interest rates after its next policy meeting on April 5. The central bank has kept its key rate unchanged since a 25 basis points cut in August.

Retail inflation eased marginally to 5.1 percent in January from a 17-month high of 5.2 percent in December. Urjit Patel, RBI governor said the economic recovery was at a nascent stage and called for a cautious approach.

Wednesday's data is likely to be welcomed by Prime Minister Narendra Modi. Last week, he told industrialists that his government was determined to put the economy back on a higher growth trajectory, but it is still far from firing on all cylinders. Modi faces criticism over mounting bad loans at state banks and a $1.77-billion fraud at state lender Punjab National Bank, the biggest in the country's banking history.

Meanwhile, he is trying to accelerate growth through higher state spending, including 2.1 trillion rupees ($32.4 billion) for the

recapitalisation of state banks, which are beset with mounting bad loans of nearly $148 billion. He has stepped up spending on infrastructure and welfare projects to boost growth ahead of national elections in 2019.

This has widened the fiscal deficit for the year ending in March, to 3.5 percent of GDP from the 3.2 percent projected earlier. Creating jobs for near one million youth entering the market every month has been a key challenge, and he raised import tax on near 50 items to support domestic manufacturers.

In November, Moody's raised India's investment grade rating one notch, the agency's first upgrade in nearly 14 years, but cautioned against macroeconomic risks. India grew at more than 9 percent a year from 2005 through 2008. Higher oil prices and increased pressure on market borrowings from government have already increased bond yields and this is likely to hit private investment and growth further.

Analysts said bad loans in banks and inflationary risks arising from high food and crude prices pose risks to growth.

China boosts investment in Sri Lankan mega-project

China will invest $1 billion in the construction of three 60-storey buildings at a mega-project near Sri Lanka's main port, Colombo said on January 2, as Beijing aims to boost its influence in the Indian Ocean. The deal follows an earlier Chinese investment of $1.4 billion to carry out reclamation work for the wider Colombo International Financial City development, strategically located next to Sri Lanka's harbour, the only deep sea container port in the region.

The countries hope the project, initiated by former Sri Lankan president Mahinda Rajapakse, will create a financial centre in the Indian Ocean comparable with those in Singapore and Europe, drawing billions in foreign investment and thousands of jobs.

Sri Lankan officials said 60 percent of the 269 hectare (672 acre) reclamation, due to finish next year complete with yacht marina, had already been completed. No completion date was given for the buildings, the first for the development.

"China Harbour (company) will put in $1 billion to build three buildings," Sri Lanka's Urban Development Minister Champika Ranawaka told reporters in the capital. "These three 60-storey buildings will be able to attract more foreign companies into Sri Lanka." The controversial project was formally launched after a visit to Colombo by Chinese President Xi Jinping in 2014 but work was suspended by the new administration, which came to power in January the following year.



It resumed after the state-owned China Communications Construction Company (CCCC) entered into a fresh agreement with the new government in August 2016, despite geopolitical concerns from regional super power India.

Colombo is a key hub for Indian import-export cargo. Beijing has been accused of seeking to develop facilities around the Indian Ocean in a "string of pearls" strategy to counter the rise of its rival and secure its own economic interests. After protests by New Delhi, Colombo removed freehold rights granted to the Chinese company and offered the land on a 99-year lease instead.

The CCCC has said it expects the project to create 83,000 new jobs and help Sri Lanka attract another $13 billion in direct foreign investment to develop infrastructure. China, the largest single lender to Sri Lanka, secured contracts to build roads, railways and ports under Rajapakse, who is facing investigations over allegations of corruption during his decade in power.

India to inject nearly $14b into state banks by March

India's government will inject nearly $14b into all state banks except for one by March, Reuters reports. With the funding, the banks must then implement reforms to boost lending and solve the worsening bad debt problem. India announced in October 2017 that it would inject $33.1b (2.11t rupees) into state banks in 2 years. The first $14b (881b rupees) will be in March whilst the rest will be over the next fiscal year.



According to Reuters, the funds will be injected into 20 banks majority-owned by the government. Together, these lenders hold most of the country's record $150b in soured loans. The report said that lenders with high stressed-asset ratios, such as IDBI Bank, will get a bigger portion of the money.

Myanmar to double electricity capacity by 2021 to meet power shortages

Myanmar is planning to double its electric power capacity by 2021 by building natural gas-fired power plants, two senior officials told Reuters on January 31, in an ambitious move to tackle chronic power shortages in the energy-starved country. With only one-third of the country's 60 million people connected to the electrical grid and cities experiencing blackouts, Myanmar needs to boost its power supply to attract much-needed foreign investment.



The plan is the most impressive attempt yet to tackle the energy problem since the government led by Aung San Suu Kyi swept to power in March 2016. However, experts cautioned that it remains to be seen how the government would strike power purchase agreements with the investors. Four gas-fired power plants would be built by 2021 at a total cost of $5.16 billion in several parts of Myanmar, said two officials from Myanmar's Ministry of Electricity and Energy.

They said the plants will raise generation capacity by 3,100 megawatts (MW) and would double the current capacity of around 3,000 MW. "We will need another 3,000 megawatts by 2021. That's why we speed up the process in order to quickly meet the demand," said Soe Myint, deputy permanent secretary at the energy ministry.

Myanmar's government has signed agreements to "start preliminary engineering work," such as environmental assessments, with six companies. The companies include TOTAL, Siemens AG, Zhefu Holding, TTCL Public Company Ltd , Sinohydro Corporation and Myanmar-based Supreme Trading.

The four plants will be in areas including the western state of Rakhine and Myanmar's largest city of Yangon, with the government purchasing electricity from the six firms. Myanmar has gas reserves, but exports most of its existing offshore production. Several floating gas storage and regasification units would be deployed to store the LNG for the projects.

Wa Than Oo, an analyst from Myanmar Energy Monitor, said the projects are "ambitious in scope" but there are uncertainties. Myanmar aims to increase its power generation more than fourfold by 2030 to meet demand.

Amazon's first cashier-less grocery store is finally open

After nearly a full year of delays, Amazon Go is finally opening to the public in Seattle, Washington on January 22. The online mega-retailer's first-ever grocery store is fully automated, meaning it doesn't employcashiers, negating checkout stations, registers and long line wait times. Instead, customers swipe their Amazon app to enter the store and the company's "Just Walk Out" technology takes care of the rest. Algorithms and sensors keep track of what people take off and put back on the shelves, creating a virtual shopping cart for each person. When shoppers have everything they need, they simply leave the store and their cart-full of items is billed to their Amazon account.



"The coolness of the technology will und- oubtedly get people to check it out," National Association of Convenience Stores spokesperson Jeff Lenard told the Los Angeles Times. "But the quality is what will get them to come back."

For the past year, only employees were allowed to test out the website's new technology — which Amazon does not plan on implementing at Whole Foods locations. If shoppers notice an error on their charges or are unhappy with a purchase, they can simply tap the "refund" button on their receipt within the Amazon-Go app — no returns necessary. This method is based on the honor system, with people looking to take advantage thought to be in the minority, Amazon said.

The 1,800-square-foot store is not completely employee-free. Although there are no cashiers, the store still hired "associates" to greet customers, prepare ready-to-eat food items, stock shelves and assist customers. But any potential expansion plans Amazon may have could eliminate a substantial number of jobs.

More than 3.5 million people were employed as cashiers as of May 2016, according to the Department of Labor — 900,000 of them in grocery stores. But as a company, Amazon is hiring thousands of new employees, increasing by 40% year to year, CNBC reported.

Beijing to shut down 1,000 manufacturing companies by 2020

Beijing will shut down 1,000 manufacturing companies and 300 markets and logistics centers by 2020, to further move its non-capital functions out of the city, according to a press conference from the ongoing local legislative session on January 27.

In 2018, Beijing will close 500 manufacturing companies and 176 markets and logistics centers, and relocate several universities and hospitals to suburban areas, Liu Bozheng, deputy director of the Beijing office overseeing the integration of the Beijing-Tianjin-Hebei region, said at the press conference.

Beijing plans to inject 12.2 billion yuan (1.9 billion U.S. dollars) into moving its non-capital functions, according to the capital's 2018 draft budget report distributed at the legislative session. In 2015, China released a three-year plan for the integrated development of Beijing, Tianjin and Hebei, a national strategy to balance the development of the three regions. Beijing has completed about 990 tasks to promote integrated development in the regions.



WTO News

Summary of General Council meeting of 7 March 2018
Report by the Chairman of the Trade Negotiations Committee (TNC) and Report by the Director-General

The Chairman referred to the Director-General's report at the 5 March Informal TNC and Heads of Delegation meeting. At that meeting, 45 delegations intervened.



Implementation of the Bali, Nairobi and Buenos Aires Outcomes– Statement by the Chairman

The Chairman reported on the work taking place in WTO regular bodies to fulfil the Bali, Nairobi and Buenos Aires Ministerial mandates.

Work Programme on Small Economies – Report by the Chairman of the Dedicated Session of the Committee on Trade and Development (CTD)

The CTD Chairman recalled the Buenos Aires Ministerial Decision on this matter and informed Members that the CTD Dedicated Discussion would continue to discuss how to take it forward. Guatemala (for the Group of Small, Vulnerable Economies) and the Republic of Moldova spoke.

Aid for Trade Work Programme – Statement by the Chairman on Trade and Development

The CTD Chairman reported that consultations on the latest work programme on Aid for Trade had been ongoing since early January. Although progress had been made, the CTD would need more time to deliberate on the matter. Following the CTD Chair's suggestion, the General Council would again take up the item at a future meeting. Chad (for the Group of Least-developed Countries) spoke.

Appointment of Officers to WTO Bodies

In line with the Guidelines for Appointment of Officers (WT/L/510), the General Council took note of the consensus on the slate of names for chairpersons to WTO bodies. The Council for Trade in Goods and Council for Trade in Services Chairs announced that they would conduct consultations to select Chairs for the bodies established under their respective Councils. Chile intervened.

Election of Chairperson

The Council elected by acclamation Ambassador Junichi Ihara (Japan) as Chair for 2018. Honduras (for the Informal Group of Developing Countries), Kenya and Rwanda (for the African Group) intervened.

Under Other Business, 18 delegations raised concerns regarding proposed national trade restrictive measures by one Member. Canada made a statement on a workshop on Trade and Gender Based Analysis. Montenegro and the European Union intervened. The Chairman also made an announcement regarding Members and Observers in arrears.

WTO chairpersons for 2018

The WTO General Council, on 7 March 2018, noted the consensus on a slate of names of chairpersons for WTO bodies.

Regular bodies

General Council	H.E. Mr Junichi IHARA (Japan)
Dispute Settlement Body	H.E. Ms Sunanta KANGVALKULKIJ (Thailand)
Trade Policy Review Body	H.E. Mr. Eloi LAOUROU (Benin)
Council for Trade in Goods	H.E. Mr. Stephen DE BOER (Canada)
Council for Trade in Services	H.E. Mr. Alfredo SUESCUM (Panama)
TRIPS Council	H.E. Dr. Walter WERNER (Germany)
Committee on Trade and Development	H.E. Mr. Diego AULESTIA (Ecuador)
Committee on Balance-of-Payments Restrictions	H.E. Mr. Claudio DE LA PUENTE (Peru)
Committee on Budget, Finance and Administration	H.E. Mr. Juan Esteban AGUIRRE MARTÍNEZ (Paraguay)
Committee on Trade and Environment	H.E. Mrs. Sondang ANGGRAINI (Indonesia)
Committee on Regional Trade Agreements	H.E. Mr. Julian BRAITHWAITE (United Kingdom)
Working Group on Trade, Debt and Finance	H.E. Mr. Mohammad HAQJO (Afghanistan)
Working Group on Trade and Transfer of Technology	H.E. Mrs. Sabine BÖHLKE MÖLLER (Namibia)

Negotiating Bodies

Services Council in Special Session	H.E. Mrs. Zhanar AITZHANOVA (Kazakhstan)
Negotiating Group on Rules	H.E. Mr Roberto ZAPATA BARRADAS (Mexico)

The outgoing General Council chair, Ambassador Xavier Carim of South Africa, informed members that consultations would continue on the selection of a new chair for the Committee on Agriculture in Special Session. The chairs of the other negotiating bodies remain the same.

Davos: DG Azevêdo calls on members to match words of support for the WTO with deeds

At an informal ministerial gathering on WTO issues hosted by the Swiss government on 26 January, Director-General Roberto Azevêdo reviewed the challenges and opportunities arising from the 11th WTO Ministerial Conference (MC11) held in Buenos Aires in December 2017, and called on WTO members to follow up on their pledges of political support for the multilateral trading system with actions, including a greater willingness to seek compromise. The meeting was held on the final day of the World Economic Forum Annual Meeting in Davos. It was attended by representatives from a wide range of WTO members, including representatives of the WTO Least-developed Countries Group, the WTO Africa Group, and the WTO Africa, Caribbean and Pacific Group.



In his comments at the meeting, the Director-General reflected on the outlook after MC11. He said:

"Despite the energy and activity we saw on various issues at MC11, clearly the overall outcome was disappointing. We need to face up to the problems before us. Everyone seems ready to pledge their support for the system. But while political support is essential, it is not sufficient. Words need to be matched by deeds. If we believe in multilateralism, we have to be ready to take the steps needed to make it work.

"After MC11 it can't just be business as usual. We need to find ways to avoid repeating unsuccessful approaches, and reaching the same unsatisfactory result. We need to reflect – but to do so in an active way. Development, and particularly the prospects of the LDCs, must remain at the heart of our work."

On a positive note, the Director-General also touched on new developments from the Buenos Aires meeting:

"I also want to acknowledge the positive progress made in Buenos Aires by groups of members on e-commerce, investment facilitation, micro, small and medium-sized enterprises, and women's economic empowerment. It's encouraging that proponents are clear that these initiatives will be as open, inclusive and transparent as possible."

Commenting on the broader trade debate, he continued:

"Trade has been high on the agenda in Davos this week. There are growing fears that tensions will continue to rise, with damaging consequences. These risks were what everyone was talking about in Davos last year as well. But they didn't actually materialize. Leaders showed some restraint and the trading system did its job once again.

"While the risks still remain very real, global trade is actually performing well. Growth in 2017 was stronger, and forecasts for 2018 are also quite encouraging. We need trade to keep playing its role in supporting economic growth and job creation in all our economies. Therefore I hope we will see similar restraint from governments this year – and I call on all WTO members to play their part in that effort."

During his time in Davos, the Director-General also took part in numerous World Economic Forum sessions on global trade, and held a series of meetings with leaders from business, labour and government.

Director-General welcomes new cohort of WTO young professionals

Director-General Roberto Azevêdo welcomed the 2018 cohort of WTO young professionals on 8 February.



The 15 participants of the Young Professionals Programme will spend a year in the WTO Secretariat to learn about the organization's work and contribute to its activities.

The WTO Young Professionals Programme was launched in 2016 with the aim of enhancing the knowledge and skills on WTO issues of young professionals from developing and least developed countries — with a special focus on WTO members that are not currently represented at the professional level in the WTO Secretariat.

"Trade can make a big difference in the lives of people and prospects around the world. A big part of that is to invest in professionals like you," DG Azevêdo told the Young Professionals. He said that the programme aims to enhance the knowledge of WTO issues among young professionals not only to help them build their own careers in trade, but also because they should seek to "disseminate the knowledge as far and wide as possible, as this is essential in empowering people to gain the benefits that trade and the trading system have to offer".

He noted that the first year of the initiative was so successful that the WTO expanded the intake of the young professionals to 15 vacancies, three times the size of the 2017 programme.

DG Azevedo briefed the Young Professionals on the latest ministerial conference in Buenos

Aires in December last year. He noted the young professionals joined the WTO "at an important moment of the organisation", as there is huge interest in the WTO's work at present and stakeholder engagement has been growing.

He encouraged the young professionals to stay tuned, get involved and make the most out of their time in Geneva.

The fifteen young professionals were selected from more than 1,500 candidates following a competitive selection process. This is the second time the WTO has implemented the Young Professionals Programme, after a successful inaugural programme in 2017.

Participants in the WTO Young Professionals Programme in 2018

Name	Nationality	Division
Mr Kossivi BALEMA	Togo	Agriculture and Commodities Division
Ms Helen CHANG	El Salvador	Market Access Division
Mr Worabhatra CHANTRAMITRA	Thailand	Rules Division
Ms Jeanelle CLARKE	Antigua and Barbuda	Information and External Relations Division
Ms Ani GABRIELYAN	Armenia	Trade and Environment Division
Mr Vakhtangi GIORGADZE	Georgia	Legal Affairs Division
Mr Jorge GUTIERREZ	Panama	Intellectual Property, Government Procurement and Competition Division
Ms Deah JAMES	St Vincent and the Grenadines	Development Division
Ms Carolle KEMPA NANGUE	Cameroon	Economic Research and Statistics Division
Ms Justine LAN	Indonesia	Trade in Services and Investment Division
Mr Doffou Marc Elisée MONSOH	Ivory Coast	Trade Policies Review Division
Ms Feruza NABIYEVA	Kazakhstan	Accessions Division
Ms Nydiane RAZAFINDRAHAINGO	Madagascar	Institute for Training and Technical Cooperation Division
Ms Antonella SALGUEIRO	Paraguay	Intellectual Property, Government Procurement and Competition Division
Ms Onon SUKHBAATAR	Mongolia	Agriculture and Commodities Division

WTO issues call for papers for 2018 Essay Award for Young Economists

The WTO has issued a call for young economists to submit papers for the 2018 WTO Essay Award. The award aims to promote high-quality research on trade policy and international trade co-operation and to reinforce the relationship between the WTO and the academic community. Essays must be submitted by 1 June 2018.

The annual WTO Essay Award provides a prize of CHF 5,000 to the author(s) of the winning essay. In the case of a co-authored paper, the



prize will be equally divided among the authors. The winning paper will be officially announced at the annual meeting of the European Trade Study Group, the largest conference specializing in international trade, which will take place in September 2018 in Warsaw, Poland. The winning author(s) will receive funding to attend the meeting.

An Academic Selection Panel will select the winning paper. The panel comprises:

Professor Avinash Dixit (Princeton University); Professor Robert Staiger (Dartmouth College); Professor

Alberto Trejos (INCAE Business School); Dr Robert Koopman (Director of the WTO's Economic Research and Statistics Division) is ex officio member of the panel; Dr Roberta Piermartini (Chief of the WTO's Trade Cost Analysis Section) coordinates the work of the selection panel.

Eligibility

The paper must address issues related to trade policy and international trade co-operation. The author(s) of the paper must possess or be engaged in the completion of a PhD and, if over 30 years of age, be no more than two years past a PhD defence. In the case of co-authored papers, this requirement shall apply to all authors. To be considered for the award, essays cannot exceed 15,000 words.

Past winners

2017 Meredith Startz (Princeton University); 2016 Matthieu Bellon (Columbia University); 2015 Christoph Boehm (University of Michigan), Aaron Flaaen (Federal Reserve Board of Governors in Washington D.C.) and Nitya Pandalai-Nayar (University of Michigan); 2014 Jonathan Dingel (Columbia University) and Claudia Steinwender (LSE); 2013 Felix Tintelnot (Princeton University) 2012 Treb Allen (Yale University); 2011 Rafael Dix-Carneiro (University of Maryland) and Kyle Handley (Stanford University); 2010 Dave Donaldson (MIT) and Olena Ivus (Queen's University); 2009 Ralph Ossa (University of Chicago). The runner-up was Mostafa Beshkar (University of New Hampshire).

Deadlines

Essays must be submitted by 1 June 2018. The WTO's Economic Research and Statistics Division will shortlist eligible papers by 18 June and the selection panel will take a final decision by 20 July. Only the author(s) of short-listed essays will be notified.

Publication

The winning essay will be published in the WTO Working Paper Series and it is the responsibility of the author(s) to endeavour to secure publication of the contribution in a journal.

Submissions

All submissions should be sent to essay.award@wto.org. Submissions should include as separate attachments in PDF format:

1. the essay; 2. the CV of the author(s), specifying (i) current affiliation(s), (ii) the academic institution awarding the PhD, (iii) the year (or the expected year) of the PhD, (iv) the date of birth of the author(s).

Launch of news portal to raise awareness of trade development in least-developed countries

A new portal has been launched by the Enhanced Integrated Framework (EIF) to provide a platform for the exchange of news, information and experiences on trade and development in least-developed countries (LDCs).

Officially launched by the EIF at the WTO's Committee on Trade and Development's Aid for Trade meeting on 19 February, the Trade for Development News platform serves as a forum for LDC governments and stakeholders to share their successes, challenges and strategies for enhancing LDC participation in global trade.

The 47 countries classified as LDCs - 36 of whom are WTO members - are home to 13 per cent of the global population, but account for only 1 per cent of global trade. WTO agreements include provisions aimed at increasing LDCs' trade opportunities and allowing LDCs flexibility in implementing WTO rules. The WTO Ministerial Conferences held in Bali in 2013 and in Nairobi in 2015 adopted several decisions in favour of LDCs to assist their better integration into the multilateral trading system.



The new EIF portal already features stories on trade and development news in WTO members such as Samoa, Vanuatu, Cambodia, Zambia, Senegal, the Gambia and Burkina Faso.

The Enhanced Integrated Framework (EIF) brings together partners and resources to support the least-developed countries (LDCs) in using trade for poverty reduction, inclusive growth and sustainable development. The EIF is a global partnership between LDCs, donors and international agencies, underpinned by a multi-donor trust fund, which provides financial and technical support to build trade capacity in 47 LDCs and four recently graduated countries. The EIF is the only global Aid for Trade programme exclusively designed for LDCs and therefore is uniquely placed to assist countries to develop sustainable trade strategies. Through a multilateral approach, the EIF ensures a coordinated, transparent and efficient delivery of Aid for Trade. The EIF is recognized under Goal 8a of the UN's Sustainable Development Goals.