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Investment : Lifeline of the economy

ICC BANGLADESH
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Editor's Note

Accelerated investment: a prerequisite for higher growth

Bangladesh is likely to be the biggest mover in the global gross domestic product (GDP) in 2030 as predicted by HSBC Global Report "the World in 2030". The country is going to become the 26th largest economy in the world from the current 42nd position followed by the Philippines, Pakistan, Vietnam and Malaysia, the report added.

The brand value of Bangladesh is also rising as the country has ranked 39th in a global brand value index 2018 reflecting its socioeconomic vivacity. Bangladesh has a brand value of U$257 billion, up 24 per cent from last year, according to the London-based Brand Finance 'Nation Brands 2018' report.

Bangladesh economy has kept up an impressive annual average growth rate of more than 6 percent over the last ten years and has been having increased GDP over the last couple of years. In FY18 Bangladesh's GDP growth rate was 7.86 percent. It is believed that the country could have easily achieved 8 percent plus growth by controlling the project implementation time, which would automatically minimize the project cost.

The public sector investment has increased over the last couple of years because of mega projects. But the private sector investment did not increase proportionately. For about a decade private investment to GDP ratio has been stuck at 21 to 23 percent. But according to country's growth ambitions the ratio has to be about 35 percent of GDP. A number of ASEAN countries have achieved higher GDP as their investment to GDP ratio has been in the range of 35-45 percent.

Experts claimed that in the absence of an appropriate investment environment caused by insufficient infrastructure, port congestion, and poor transportation facilities, desired investment is not flowing into the country. FDI is only moving forward because of the reinvestment of current investments.

It is estimated that Bangladesh needs investment of more than US$600 billion for its infrastructure, against which the country can manage around US$400 billion. In order to meet the shortfall, the country has to explore alternative sources of funding.

The private sector investment is a pre-condition for attracting FDI as the foreign investors would also like to see increased commitment of the private sector, improved infrastructure facilities as well as better facilities and pro-active government agencies.

The latest Ease of Doing Business Index of the World Bank has ranked Bangladesh at 176th out of 190 countries, lowest in the South Asia (Bhutan 81, Sri Lanka 100 and India 77). So, it is of utmost importance that all out efforts are made to improve the Index in order to attract FDI as well as private sector investment.

The Government has enacted a new law for much needed "One-Stop Service" by Bangladesh Investment Development Authority (BIDA). It is definitely a welcome move and early implementation of the One-Stop Service will hopefully attract higher FDI and private sector investments. Besides, to facilitate private and foreign direct investment, the government has offered a number of Special Economic Zones (SEZs). The government also aims to establish 100 economic zones by 2030 to ease the crisis of land for businesses & industries and already leased a total of 76 land units for economic zones—out of 100.

A number of US companies are seriously considering relocating their operations from China in view of the current trade war between China and the US. Bangladesh should be able to capitalize in this situation and offer all out facilities to attract the US companies to relocate their operation in Bangladesh.

In order to meet the criteria applied by the UN for graduation to developing country status, attain Sustainable Development Goals (SDGs) and achieve higher GDP, Bangladesh needs huge investment in different sectors like infrastructural development, especially in the power and energy sector, modern and effective air and sea ports, highways etc. as well as ensure timely and cost effective implementation of Mega Projects.

ICC Bangladesh News

No single guaranteed solution to eradicate fraud said ICCB President Mahbubur Rahman

It is crucial for financial institution to have a strong understanding of how criminals operate and how risk management is changing because fraud and data security threats are coming in so many different forms and channels. With the knowledge, along with a strategic plan, there is a better chance of mitigating risk and recognizing attacks before they do serious damage to the institutions, said ICC Bangladesh President Mahbubur Rahman at the closing ceremony of Workshop on Changing Faces of International Trade fraud : Current Risks, Prevention & Responses held in Dhaka on 10 July.



ICCB President Mahbubur Rahman (2nd from right), ICCB Executive Board Member Md. Fazlul Hoque (extreme right), Director and Chief of ICC- Commercial Crime Services P. Mukundan, (2nd from left) and ICCB Secretary General Ataur Rahman (extreme left) seen in the picture.

While ICC rules, national and international laws/regulations are guiding the international trade, the parties involved in the trade need to get more conversant and acquainted with those rules/laws/regulations as well as they should have ideas/ information about the fraudulent practices in international trade, Mr. Rahman added.

He further observed that there is no single guaranteed solution to eradicate fraud, everyone – consumers, merchants and financial institutions – plays a role in helping to both prevent and detect it. The role of the financial institution is the most crucial. As a result the banks has a responsibility to have a solid, proactive fraud management strategy that utilizes the most current fraud detention and prevention technologies. To maintain trust and confidence, banks must constantly educate employees, provide information and tools that help protect individual customers and merchants – and continually invest in the most modern, innovative technologies available to help keep funds and data secure, mentioned Mahbubur Rahman.

According to PwC's 2018 Global Economic Crime and Fraud Survey, only 49% of global organisations said they'd been a victim of fraud and economic crime. However, it is known that this number is expected to be much higher. So, what about the other 51%? The reality is, too few companies are fully aware of the fraud risks they face. That's why this year's Global Economic Crime and Fraud Survey, gathering valuable data from more than 7,200 respondents across 123 different territories, aims to pull fraud out from the shadows – and shed much-needed light on some of the most important strategic challenges confronting every organization.

GDP wise Bangladesh is the 33rd largest economy and the 2nd largest Garments producer of the world. Certainly the country has made its name as Emerging Tiger in South East Asia contributing in developing all related service industries which includes shipping, freight forwarding, custom clearance, commercial banking and legal service industries. Smooth commercial transaction and international trade requires strong legal support by conducting due diligence on VAT, Tax, custom related matters, determining terms and conditions of sales contract or proforma invoices, seeking compliance with local and international foreign exchange control regulation, international trade law, applicable INCO-Terms, UCP 600 etc. Therefore, the workshop is very much time-befitting mentioned Mahbubur Rahman.

Mr. Md. Fazlul Hoque, ICCB Executive Board Member; Mr. P. Mukundan, Director and Chief of ICC- Commercial Crime Services who conducted the workshop and ICCB Secretary General Ataur Rahman also spoke on the occasion.

A total of 193 participants from 37 commercial banks attended the workshop held in Dhaka on 10 July and 74 participants from 29 commercial banks attended at the same Workshop Chittagong on July 11.

ICC-UNHCR joint programme for Rohingya

International Chamber of Commerce(ICC) & United Nations High Commissioner for Refugees (UNHCR) have agreed to work jointly for undertaking some activities to support small businesses that are suffering loss of business due to influx of Rohingya. This was discussed by ICC Bangladesh President Mahbubur Rahman with ICC officials in Paris during his visit in June. As a follow up of Paris discussion a meeting was held at ICC Bangladesh on 15 July with Mr. Papa Kysma Sylla, UNHCR Deputy Representative in Bangladesh.

It was agreed during the meeting that a Mission from ICC, Paris will visit Cox's Bazar during October-November 2018 to analyze the status of Rohingya Population and finding out a way to support the local businessmen from the host community (Bangladesh) who were badly affected due to the Rohingya influx.

UNHCR has agreed to collaborate with ICC to support the said cause with an aim for the acceptance of refugees in local community/ host population of Bangladesh. In the world of humanitarian actors it's important to incorporate the economical actors to ensure the employments and all humanitarian activities are related to funding. Losing businessmen put both the refugees and community of host population in to a hostile situation due to the lack of basic services and livelihood opportunities. In collaboration with ICC, UNHCR shows its willingness to ensure that the status of the business for the host population is reinstated, observed the Deputy Resident Representative.

ICC Bangladesh President suggested to promote participation of local suppliers more in the services and goods procured by UN and other humanitarian actors, who are engaged to ensure the humanitarian support towards refugee population in Bangladesh.

UNHCR Deputy Resident Representative Papa Kysma Sylla has expressed his gratitude to ICC Bangladesh President Mahbubur Rahman for welcoming UNHCR to initiate such collaboration which will hopefully lead to the broader acceptance of the refugee population in Bangladesh as well as integrating the small businesses of the area in the total supply chain of UNHCR services.

ICC Bangladesh Secretary General Ataur Rahman thanked the UNHCR Team for visiting ICC Bangladesh. He hoped to work together and develop suitable programme for rehabilitating the local businesses and involving them in the UNHCR procurement for the services provided to the Rohingya population.

Farewell accorded to US Ambassador H. E. Ms. Marcia Stephens Bloom Bernicat

ICC Bangladesh arranged a farewell lunch for H. E. Ms. Marcia Stephens Bloom Bernicat, Ambassador of the USA to Bangladesh in Dhaka on 28 July. ICC Bangladesh President Mahbubur Rahman thanked the



ICC Bangladesh President Mahbubur Rahman (4th from left) & Vice President Latifur Rahman (4th from right) are seen with outgoing US Ambassador H. E. Ms. Marcia Stephens Bloom Bernicat (middle). Also seen in the picture among others are : Japan Ambassador H.E. Mr. Hiroyasu Izumi (2nd from left), France Ambassador H. E. Mrs. Marie Annick Bourdin (3rd from left), US Embassy Deputy Chief of Mission Mr. Joel Reifman (extreme right), CCCI President Mahbubul Alam (2nd from right), FBCCI Senior Vice President Sheikh Fazle Fahim (extreme left), ICCB Executive Board Members : Aftab ul Islam (2nd from left standing), Md. Fazlul Hoque (3rd from right standing) and ICCB Members: R. Maksud Khan (extreme left standing), Rizwan-Ur Rahman (5th from left standing), Uttara Group Chairman & Managing Director Matiur Rahman (3rd from left standing), BIAC CEO Muhammad A. (Rumee) Ali (2nd from right standing), First Security Islami Bank Limited Managing Director Syed Waseque Md. Ali (4th from left standing), Mutual Trust Bank Ltd. Managing Director & CEO Anis A. Khan, (4th from right standing), Ministry of Foreign Affairs Secretary-Bilateral Kamrul Ahsan (3rd from right) and ICCB General Manager Ajay Bihari Saha (extreme right standing).

Ambassador for joining at the Lunch. He said Ambassador Bernicat has made a substantial contributions in strengthening the relations between Bangladesh and USA.

Ambassador Bernicat said Bangladesh should take the opportunity to attract more foreign investors as they are finding few places where they can be confident about their investment, mentioning about US farms making 23 percent of FDI in Bangladesh.

Appreciating Bangladesh for fulfilling all the criteria for LDC graduation, the envoy said Bangladesh will get less benefit of many foreign preferences than it is enjoying now by graduating from the LDC club. Eliminating trade and investment barriers will help accelerate Bangladesh's economic growth, she mentioned. The envoy emphasised stronger rule of law and zero tolerance against corruption to create more healthy business atmosphere in Bangladesh attracting more foreign investment.

The US diplomat also said Bangladesh-USA economic relationship has significantly increased. In 2004, Bangladesh exported US$ 2.4 billion worth of goods and services to the USA while in 2018, the amount rose to US$ 6 billion, making the USA the largest single-country market for Bangladeshi readymade garments and the single largest investor in Bangladesh. US export to Bangladesh rose to 61 percent last year. She urged the private sector stakeholders to advocate for creating even freer, transparent and open market in Bangladesh.

She stressed the need for removing barriers to smooth trade and investment to ensure an attractive business environment and strengthen economic relations further with the US. She mentioned a number of areas, including high tariff, unnecessary or arbitrary regulations, certain tendering processes and customs procedures, where further steps are needed.

She said US President Donald Trump's trade policy agenda is focused on breaking down unfair trade barriers.

Mahbubur Rahman wished the Ambassador all the success to her new assignment. He thanked the Ambassadors, High Commissioners and business colleagues for joining at the Lunch despite their busy schedules.

Ambassador Bernicat thanked ICC Bangladesh President Mahbubur Rahman for giving her the opportunity of meeting all the friends with whom she has interacted during her tenure in Bangladesh.

The farewell lunch was attended by ICCB Vice President Latifur Rahman; H. E .Mr. Hiroyasu Izumi, Ambassador of Japan; H.E. Mrs. Marie Annick Bourdin, Ambassador of the Republic of France; Mr. Joel Reifman, Deputy Chief of Mission, Embassy of the USA; ICCB Board Members : Aftab ul Islam, Mahbubul Alam, Md. Fazlul Hoque; ICCB Members : R. Maksud Khan, Rizwan-Ur Rahman; Uttara Group, Chairman & Managing Director, Matiur Rahman; CEO, Bangladesh International Arbitration Centre, Muhammad A. (Rumee) Ali; Syed Waseque Md. Ali, Managing Director, First Security Islami Bank Limited; Anis A. Khan, Managing Director & CEO, Mutual Trust Bank Ltd; Kamrul Ahsan, Secretary-Bilateral, Ministry of Foreign Affairs & ICCB General Manager Ajay Bihari Saha among others.

Trade between Bangladesh-Thailand increased during last two year said outgoing Thai Ambassador

With joint efforts, the Thai-Bangladesh trade will reach $2 billion by 2021, a target set by the 4th Thai-Bangladesh joint trade committee meeting last year said Thai Ambassador H.E. Ms. Panpimon Suwannapongse while she was addressing at the farewell lunch hosted by ICC Bangladesh in Dhaka on 27 September. In 2017, the two-way trade stood at $1.31 billion up from around $1 billion in 2016, she added. She said her country would remain "strongly committed" to both economic and development partnership in the future when Bangladesh would graduate to be a developing country. The diplomat thanked ICC Bangladesh President Mahbubur Rahman for giving her opportunity meeting all the friends with whom she has interacted during her tenure in Bangladesh.

ICC Bangladesh President thanked the Ambassador for joining at the Lunch and wished the Ambassador all the success in her new assignment. He said Thailand is our trusted friend and a very important country (for Bangladesh) internationally. He mentioned that over the past few years, the two countries have enjoyed a robust bilateral trade and Bangladesh is enjoying duty-free benefit for exporting around 7,000 products to Thai market. Bangladesh also sought the same benefit for jute and apparel items as well, he added. He observed that though a lot of Bangladeshi travel to Thailand for business and tourism purposes but the visa regime is complex.

ICC Bangladesh President thanked the Ambassadors, High Commissioners and business colleagues for joining at the Lunch despite their busy schedules.



ICC Bangladesh President Mahbubur Rahman (6th from right) & Vice President Rokia Afzal Rahman (4th from left) are seen with outgoing Thai Ambassador H.E. Ms. Panpimon Suwannapongse (6th from left) at the farewell lunch organized by ICC Bangladesh on 27 September. Seen in the picture are (R-L sitting): ICCB Member Ghulam Rahman, Philippine Ambassador H.E. Mr. Vicente Vivencio T. Bandillo, Denmark Ambassador (designate) H.E. Ms. Winne Estrup Petersen, Brunei High Commissioner H.E. Mrs. Hajah Masurai Binti Haji Masri, France Ambassador H. E. Mrs. Marie Annick Bourdin, Malaysian High Commissioner H.E. Ms. Nur Ashikin Binti Mohd. Taib, ICCB Executive Board Member Aftab ul Islam, Bengal Shipping Chairman M.A. Awwal, Minister Counsellor of Thai Embassy Mr. Kraichok Arunpairojkul & standing among others DCCI President Abul Kasem Khan (2nd from left), former DCCI President M.A. Momen (5th from right), ICCB Member Rizwan ur Rahman (4th from right), Minister, Embassy of Japan Mr. Takeshi Ito (5th from left), BIAC CEO Muhammad A. (Rumee) Ali (3rd from left), ICCB Secretary General Ataur Rahman (3rd from right) & General Manager Ajay Bihari Saha (extreme left) .

Among others the farewell lunch was attended by ICCB Vice President Rokia Afzal Rahman, Malaysian High Commissioner H.E. Ms. Nur Ashikin Binti Mohd. Taib, France Ambassador H. E. Mrs. Marie Annick Bourdin, Brunei High Commissioner H.E. Mrs. Hajah Masurai Binti Haji Masri, Denmark Ambassador (designate) H.E. Ms. Winnie Estrup Petersen, Philippine Ambassador H.E. Mr. Vicente Vivencio T. Bandili, Minister Counsellor of Thai Embassy Mr. Kraichok Arunpairojkul, Minister, Embassy of Japan Mr. Takeshi Ito, ICCB Executive Board Member Aftab ul Islam, DCCI President Abul Kasem Khan, Bangladesh Employers Federation President Kamran T. Rahman, ICCB Members : Mahbub Jamil, Ghulam Rahman & Rizwan ur Rahman, former DCCI President M.A. Momen, Bengal Shipping Chairman M.A. Awwal, BIAC CEO Muhammad A. (Rumee) Ali, MCCI Secretary General Farooq Ahmed, ICCB Secretary General Ataur Rahman & General Manager Ajay Bihari Saha.

BIAC Chairman at China Arbitration Summit 2018 in Beijing

The China Arbitration Summit 2018, co-hosted by China International Economic and Trade Arbitration Commission (CIETAC), the Supreme People's Court of the People's Republic of China (SPC), the United Nations Commission on International Trade Law (UNCITRAL), China Council for the Promotion of International Trade (CCPIT) was held in Beijing on 15-16 September .



(L to R) Mahbubur Rahman, Chairman, BIAC; Deputy Chief Judge Ms. Gao Xiaoli, Supreme People's Court, China; Muhammad A. (Rumee) Ali, CEO, BIAC and Barrister Ajmalul Hossain, QC at the China Arbitration Summit 2018 held from 16-17 September in Beijing, China.

Mr. Mahbubur Rahman, Chairman of Bangladesh International Arbitration Centre (BIAC) and the sole Arbitrator appointed from Bangladesh by CIETAC attended the Summit along with Mr. Muhammad A. (Rumee) Ali, CEO of BIAC and Mr. Ajmalul Hossain, QC, Barrister-

at-law and Senior Advocate of the Supreme Court of Bangladesh.

The China Arbitration Summit 2018 was one of the most influential gatherings in the field of international commercial arbitration. Representatives of major international arbitral institutions, judges, arbitrators, lawyers, in-house counsels and other leading figures in the field of arbitration were present and discussed the trends and social concerns in domestic and international arbitration development.

Ms. Teresa Cheng, Secretary for Justice, Hong Kong, China was the Keynote Speaker of the Summit and Mr. Jingzhou Tao, Partner of Dechert LLP (Beijing Office), France moderated the event.

CIETAC is one of the major permanent arbitration institutions in the world. Formerly known as the Foreign Trade Arbitration Commission, CIETAC was set up in April 1956 under the China Council for the Promotion of International Trade (CCPIT). CIETAC independently and impartially resolves economic and trade disputes by means of arbitration.

Legislative amendment in the offing to institutionalize ADR said Law Minister at BIAC 7th anniversary

Bangladesh International Arbitration Centre (BIAC) recently celebrated its 7th founding anniversary. On this occasion, Chairman of BIAC Mahbubur Rahman moderated a seminar themed "Mainstreaming the Use of ADR Clause in Commercial Agreements: Challenges and Opportunities".

Speaking as Chief Guest at the event, Law Minister Anisul Huq said that BIAC in the last 7 years of its operation has done commendable job and its joining the process of settling commercial disputes beyond the court has created a ray of hope. The present Government is relentlessly working on incorporation of Alternative Dispute Resolution (ADR) in different existing laws in order to make dispute resolution system easier and less time consuming.

Fazle Kabir, Governor, Bangladesh Bank in his address as Special Guest urged all scheduled banks to take effective initiatives to include ADR in Loan Commercial Contracts.

Guest speaker of the seminar Justice Sudhansu Jyoti Mukhopadhaya, Chairperson of the National Company Law Appellate Tribunal, India in his speech mentioned the Insolvency and Bankruptcy Code introduced two years ago in India, which forces parties to go for Arbitration as pre-requisite to invoke liquidation clause. Bangladesh needs ADR friendly legislation reforms and engage institutions like BIAC so that international commercial arbitration cases from abroad can be held in Bangladesh instead of only being directed to Singapore.

Barrister Ajmalul Hossain, QC pointed out that mere inclusion of ADR clauses in contracts in not enough unless laws are amended to make enforcement easier.

Chairman of the Association of Bankers, Bangladesh Syed Mahbubur Rahman opined that mandatory provision of Arbitration and pre-litigation mediation must be included in our legislation.

The Country CEO of Standard Chartered, Bangladesh Mr. Naser Ezaz Bijoy opined that courts should take punitive measures against parties that refuse to resolve disputes amicably through ADR.



Anisul Huq, MP, Minister for Law, Justice & Parliamentary Affairs (Centre) was Chief Guest; Fazle Kabir, Governor, Bangladesh Bank (3rd from right) was Special Guest at BIAC's 7th Anniversary Seminar "Mainstreaming the Use of ADR Clause in Commercial Agreements: Challenges and Opportunities". The Seminar was presided over by BIAC Chairman, Mahbubur Rahman (3rd from left). Also seen in the picture: Justice Sudhansu Jyoti Mukhopadhaya, Chairperson of the National Company Law Appellate Tribunal, India (2nd from left), Abul Kasem Khan, President, Dhaka Chamber of Commerce & Industry (DCCI) (2nd from right), Wendy Jo Werner, Country Manager for Bangladesh, Bhutan and Nepal, International Finance Corporation- IFC (extreme left) and Muhammad A. (Rumee) Ali, CEO BIAC (extreme right).

Dr. M. Masrur Reaz of IFC-World Bank Group highlighted the relevance of BIAC for quality FDI to come in for long term financing in Bangladesh.

Barrister Sameer Sattar urged the Government for further amendment of existing laws in order to mainstream ADR in the country.

Anuroop Omkar, Advocate, Mediator and Director of Bridge Mediation and Consulting Pvt. Ltd., New Delhi stressed the need of collaboration, through arbitration-mediation, where both parties are equally benefitted.

Ms. Wendy Werner, the Country Manager for Bangladesh IFC-World Bank Group mentioned that Bangladesh has a fairly weak position in terms of Enforcing Contracts in the World Bank's Doing Business Index and needs to improve for increasing investment into the country.

BIAC's CEO, Muhammad A. (Rumee) Ali, in his address of welcome said that, BIAC, in last 7 years has been trying to attract banks, corporate and education institutions to adhere to ADR methods.

Mahbubur Rahman, Chairman, BIAC in his concluding remarks said that BIAC along with Bangladesh Bank and Association of Bankers Bangladesh is working on a draft guideline for the banking industry to resolve commercial and financial disputes using ADR and announced that the office is going to relocate at Paribag which will be closer to the Supreme Court.

Former Chief Justices and Justices, diplomats, senior lawyers, Government high officials, Managing Directors of banks, distinguished business leaders, representatives from foreign missions and international organisations were present on this auspicious occasion.

Alternative Dispute Resolution (ADR) to help reduce Non Performing Loan: Observed speakers in a Roundtable organized by BIAC and DCCI

Bangladesh International Arbitration Centre (BIAC) and Dhaka Chamber of Commerce & Industry (DCCI) jointly organized a Roundtable Discussion themed "ADR in Managing the Risk of Non Performing Bank Loans" at DCCI Auditorium, Dhaka on 21 July 2018. Mr. Mohammad Shahidul Haque, Senior Secretary, Legislative and Parliamentary Affairs Division of the Ministry of Law, Justice & Parliamentary Affairs attended as Chief Guest and Mr. Ahsan-uz Zaman, Managing Director & CEO of the Midland Bank Limited and Professor Imran Rahman, Special Advisor to the Board of Trustees ULAB were Special Guests. Mr. Mahbubur Rahman, Chairman, BIAC moderated the programme.

The Keynote paper was presented by Barrister Shafayat Ullah, EVP & Head of Legal, The City Bank Limited. He said large defaulters are rarely penalised, instead loans are being restructured. To overcome the problems he emphasized introduction of Alternative Dispute Resolution (ADR) as an alternative route that can be used in managing default loans. He informed that the 11% of the total loans are bad loans in Bangladesh at present. All organizations should incorporate Mediation-Arbitration Clause in the commercial contracts with the provision of both Mediation and Arbitration under an institutional framework with rules to administer these processes like BIAC, he opined. He also said the Artho Rin Adalat Ain 2003 should be amended and include the provision of arbitration within the ambit of the definition of 'Adalat'. He said ADR saves time, cost and it is confidential.

Mohammad Shahidul Haque, Senior Secretary, Legislative and Parliamentary Affairs Division of the Ministry of Law, Justice & Parliamentary Affairs, said that we need to concentrate on the implementation part of our legislation. BIAC'S joining the process of settling commercial disputes beyond the court has created a ray of hope. BIAC's activities in the last 7 years including handling NPL cases, arbitration, mediation, training, workshops have substantial contribution in the field of promoting ADR. He said equality and equal opportunity in the eye of law must be ensured. He said in the developed nations 2% NPL is allowable where in Bangladesh it is over 10% which is not accepted. He said if policy reforms is needed to reduce NPL, government is willing to do that. Financial Institutions Division, should come up with a few proposals of how to address the NPL issues. He said Bangladesh Bank, Office of the Chief Justice, Ministry of Law, Justice & Parliamentary Affairs, Bankers' Association and Ministry of Finance should work collectively to address the NPL issues.

Chairman of BIAC Mahbubur Rahman said that to convert non performing loans into performing loans, effective implementation of law is mandatory. For a healthy banking sector he urged for implementation of law and amendment of regulations if needed. He said that the aggravated situation with Non Performing Loans (NPL) in our country continues to be a matter of great concern. Our financial sector can be further strengthened if we can manage down the volume of NPL in the financial industry.

BIAC is working closely with the financial sector to address the issues of managing the risk of Non Performing Loans, he said. BIAC along with Bangladesh Bank and Association of Bankers Bangladesh Ltd. has been working out a draft

guideline for the banks which will expedite the process of ADR and make it more effective in the country, he said.

Abul Kasem Khan, President, DCCI said at the end of March 2018, NPL is banking industry stood taka 885 billion. NPL is at 10.78% of total outstanding which was 9.31% in December 2017. He said NPL in Malaysia is 1.6%, Philippines is 1.9%, Thailand and Indonesia is 2.9%, Cambodia is around 2.5%, Sri Lanka is 2.6% and Nepal 2%. He also recommended for improvement of corporate governance of banks and under proper due diligence process, adopt zero tolerance policy on loan recovery, bring loan defaulters and their collaborators under law and introduce alternative recovery options. To reduce the number of cases in banking industry and bring down the NPL to a tolerable level, ADR can be used as an effective alternative mechanism, he said.

Chief Executive Officer of BIAC Muhammad A. (Rumee) Ali said that NPL is linked with liquidity of banks. There must be a way out before going to the court for realization of the bad loans so there should be arbitration clause in the contract. He sought cooperation from the Legislative & Parliamentary Affairs Division for popularizing ADR and hoped that ADR would be more and more in practice for mitigating NPLs before going to the courts.

Nasreen Begum, Additional Secretary, Legislative and Parliamentary Affairs Division emphasized that the Artha Rin Adalat Ain 2003 needs to be amended and needs to include the provision of Arbitration within the ambit of the definition of Adalat.

Additional secretary of the Financial Institutions Division, Salma Nasreen ndc said that, sound economy depends on efficient banking system. NPL is a vital challenge for our economy. Licensed institution like BIAC can handle NPL cases more effectively, she opined.

Tanjina Ismail, President, Bangladesh Women Judges Association and Member, Labour Appellate Tribunal said that it will be crystal clear that for the overall development of the country's economy, banks and financial institutions can not be stalemated by over burden of NPL, ADR can be the solution. She also said, it is time for the banks to rethink and redefine their loan recovery systems.

Distinguished scholars, high Government officials, Judges, eminent bankers and lawyers participated in the discussion. Other Panelists of the session were Md. Abdul Wadud, DMD & Chief Risk Officer from the City Bank Limited, Mohammad Mamdud Rashid, Additional Managing Director of United Commercial Bank Ltd, Mustafizur Rahman Khan, Barrister-at-Law, Shireen Scheik Mainuddin, Principal Consultant, ASAAN, Saqeb Mahbub, Barrister-at-Law, Margub Kabir, Barrister-at-Law, Syed Yusuf Saadat, Research Associate, Centre for Policy Dialogue (CPD), Khandoker M. S. Kawsar, Barrister-at-Law, Nur Hossain Al Kaderi, Country Head, Special Asset Management Group, Standard Chartered Bank Bangladesh and Mir Iqbal Hossain, Head of Remedial Asset Management, IFIC Bank Limited.

Asif Ibrahim, former President of DCCI and members of the Board of Directors of the DCCI and Secretary General of DCCI AHM Rezaul Kabir were also present on the ocasion. Speakers urged for necessary policy reforms, reforms of Artho Rin Adalat Ain 2003, effective implementation of law, stern action against the loan defaulters, transparency and strong monitoring system.



(From left to right) Mahbubur Rahman (Chairman, BIAC), Mohammd Shahidul Haque (Senior Secretary, Legislative & Parliamentary Affairs Division), Abul Kasem Khan (President, DCCI), Muhammad A. (Rumee) Ali (CEO, BIAC) and Ahsan-uz Zaman (MD, Midland Bank Ltd.)

ICCB Executive Board Meeting held

The 73rd meeting of the ICC Bangladesh Executive Board was held on 10 September at ICC Bangladesh Secretariat. The Board confirmed the Minutes of the 72nd Meeting held on 9 May and reviewed the activities of the National Committee during June-September.

They also discussed on the possibility of setting up a state of the art Business School/Management Institute in Dhaka to meet the demand of the corporate houses of qualified executives and the status shifting of the National Secretariat to its office at Gulshan, among other issues.

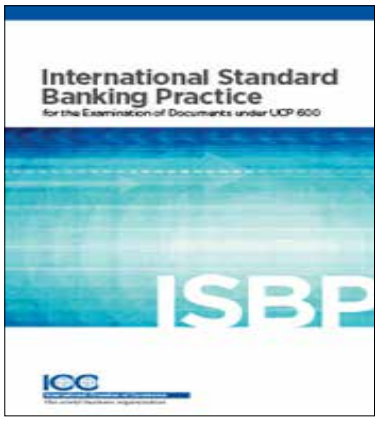
ICCB President Mahbubur Rahman briefed the Board about his participation at ICC World Council Meeting and Meeting of Permanent Heads of National Committees which were held in Paris during 20-21 June. ICC Bangladesh Secretary General Ataur Rahman also attended the Permanent Heads of Meeting.



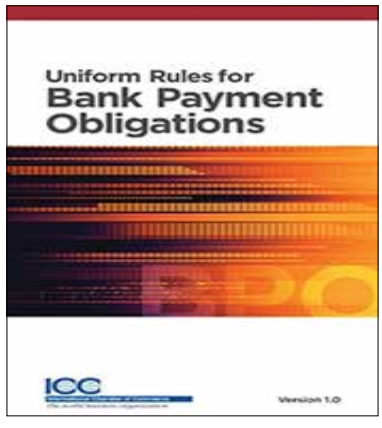
ICCB Executive Board meeting is in progress.

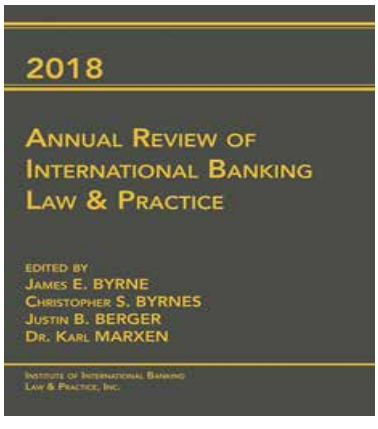
The Executive Board Meeting presided over by ICC Bangladesh President Mahbubur Rahman was attended by Vice Presidents Latifur Rahman & Rokia Afzal Rahman and the following six Board Members : A.S.M. Quasem, Aftab-ul-Islam, Anwar-ul-Alam Chowdhury (Parvez), Kutubuddin Ahmed, Md. Fazlul Hoque & Syed Mahbubur Rahman. DCCI President Abul Kashem Khan, CEO, Bangladesh International Arbitration Centre (BIAC) Muhammad A. (Rumee) Ali and former DCCI President R. Maksud Khan attended the meeting on invitation. ICC Bangladesh Secretary General Ataur Rahman and General Manager Ajay Bihari Saha assisted the Meeting.

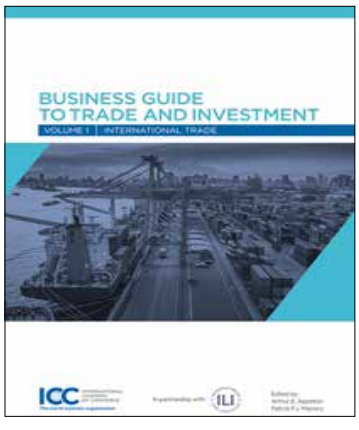
ICC Publications













Images from the Gallery



ICC Bangladesh President Mahbubur Rahman is presenting a book on Festival of Bangladesh to outgoing US Ambassador H. E. Ms. Marcia Stephens Bloom Bernicat at the farewell lunch organized by ICC Bangladesh in Dhaka on 28 July.



Outgoing Thai Ambassador H.E. Ms. Panpimon Suwannapongse is presenting one of her paintings to ICCB President Mahbubur Rahman at the farewell lunch organized by ICC Bangladesh in Dhaka on 27 September.



Mr. Abdul Hai Sarker, Chairman & CEO, Shohagpur Textile Mills Ltd. is handing over a cheque to ICC Bangladesh Secretary General Ataur Rahman as contribution for new Office Space of ICC Bangladesh.

Images from the Gallery



UNHCR Deputy Representative in Bangladesh Mr. Papa Kysma Sylla, (middle) is seen with ICC Bangladesh President Mahbubur Rahman (2nd from right) during his visit to ICCB on 15 July. Also seen in the picture are : ICCB Executive Board Member Fazlul Hoque (2nd from left), ICCB Secretary General Ataur Rahman (extreme left)and UNHCR Programme Associate Ms. Shahima Tanzim Tamim (extreme right).



Mr. Joel Reifman, US Embassy Deputy Chief of Mission (middle) is seen with ICC Bangladesh President Mahbubur Rahman (2nd from right) during his visit to ICC Bangladesh on 4 September. Also seen in the picture are : Bangladesh International Arbitration Centre CEO Muhammad A. (Rumee) Ali (extreme left), ICCB Secretary General Ataur Rahman (extreme right) & Political and Economic Counselor of US Embassy Ms. Mary Sloan (2nd from left).



Group picture of participants with CCCI President Mahbubul Alam at ICC Workshop on Changing Faces of International Trade fraud : Current Risks, Prevention & Responses held in Chattogram on 10 July.

ICC HQs News

ICC responds to draft US Tariff Act

Speaking on behalf of 45 million companies, employing over 1 billion workers, the International Chamber of Commerce has issued the following statement on July 4 in response to a recently leaked draft US Fair and Reciprocal Tariff Act that would permit unilateral tariff hikes and abandon core principles of World Trade Organization (WTO) rules.



ICC Secretary General John W.H. Denton AO said:

"G7 and G20 leaders have an overriding responsibility to help fix the shortcomings of the rules-based trading system – recognising that it has fueled seven decades of unprecedented job creation, poverty alleviation and technological progress for citizens of the US and beyond.

"Reform of the global trading system is undoubtedly needed, but abandoning WTO rules would create a major risk to inclusive growth across the U.S. and throughout the world. Energies would best be channeled into ramping up dialogue and engagement to find new, innovative ways to reform the WTO system to ensure that world trade works for everyone. Global growth in the 21st century is not a zero-sum game.

"As governments and business well know, when it comes to rethinking a service or an activity, listening to the end user is vital. Here, we are talking about the millions of businesses – large and small – that use the global trading system every day to exchange their goods and services, creating value for local economies and spreading prosperity more widely. Evidence shows that an open and stable global trading system is particularly vital to support the growth of micro and small enterprises – the engine of job creation in the U.S. economy.

"Building on our long history of developing solutions to enable trade, ICC is convening businesses and other thought leaders around a "second track" dialogue platform with key global institutions. This dialogue will develop ideas to enable the multilateral trading system to better deal with the challenges and disruptions of the 21st century.

"In physical combat the hardest hit are the frontline soldiers. In a trade war, the frontline soldiers are the workers and consumers who are the driving forces of economic growth. Without political will to resolve trade tensions through meaningful dialogue, they will be hurt with fewer jobs, high prices and ultimately less choice."

Reform not retaliation is needed to avoid damaging trade wars: ICC

Speaking on behalf the world's largest business organisation—representing over 45 million companies employing more than 1 billion workers—ICC Director of Global Policy Nikolaus Schultze talked trade wars with France 24's Annette Young.

In a live interview with television network France 24 on July 25, Mr Schultze argued that debates over trade need to move beyond tariff threats and towards reforming the international rules-based trading system for the 21st century.

Mr Schultze said:

"We need to move the debate out of the schoolyard. The multilateral rules-based system has served the world very well. We've had 70 years of job creation and poverty alleviation so it is in the interest of all parties that this is maintained.

"The foundations [of our rules-based trading system] date back to the time of the General Agreement on Tariffs and Trade (GATT) in 1948 and the world has changed since then. There are now issues that we couldn't foresee, with intellectual property,


Nikolaus Schultze

state-owned enterprises and the control of subsidies.

"These are all issues that need to be tackled. The debate goes beyond the current discussion on some measures. Between Europe and the US, we only have a weighted tariff of 3%. That's not very high." Despite the recent raft of 'tit –for-tat' tariffs implemented by the US and its trading partners, Mr Schultze said that countries have not yet "moved beyond the point of no return" towards an all-out trade war. Nevertheless, to avoid such an outcome, governments should take a twofold approach: (1) Support French President Emmanuel Macron's effort to reform the World Trade Organization; and (2) Listen to businesses, the users of the trading system, who are working with ICC to propose tangible solutions to the present impasse. "There won't be any winner in a trade war. That's very clear," said Mr Schultze. "It's in the interest of everyone to move along on reform."

Transformational partnerships showcased at SDG Business Forum

As part of the United Nations (UN) High-level Political Forum on Sustainable Development in New York on July 18, the SDG Business Forum gathered governments and business leaders to take stock on progress made so far on the SDGs.



Business leaders and government representatives gathered at the UN Headquarters on 17 July to highlight partnerships that can help speed up the implementation of the Sustainable Development Goals (SDGs). Just over 1000 days after the Goals were agreed upon, the SDG Business Forum opened with a call on all participants to think critically about the progress made so far, considering the long way ahead.

Under this year's theme 'Transformation towards sustainable and resilient societies', 47 countries reported on progress so far. But according to a new report by the United Nations Development Solutions, no country is on track to deliver on the 2030 Agenda. This concerning trend underscores the importance of partnering with all economic actors in society to ensure that implementation of the 17 Goals will be realised in time to achieve our common objectives within the next 12 years.

Business is already partnering to speed up progress for the SDGs, but more can be done to establish action-oriented collaborations with the United Nations and governments around the world.

Here are four takeaways on how we can improve partnerships in the year ahead:

1. We need to be transparent about both progress and failures

It was clear that both business, governments and the UN representatives at the Forum want to see more transparency in discussions around the SDGs.

Jean-Pierre Clamadieu, CEO, Solvay, said that "transparency is critical to raising benchmarks and keeping companies challenged," and called on companies to continue their transformation for the SDGs. "Things are changing — probably not at the speed we would like — but we are moving in the right direction."

"I'm a big believer in naming and faming companies that are doing good, and naming and shaming those who do not play a role," said Erik Solheim, Executive Director, UN Environment.

Rebecca Self, CEO Sustainable Finance, HSBC, highlighted the need for more alignment in the way we report on sustainability targets and investments with ESG policies. "I think we need to be more innovative about our reporting processes."

Tonye Cole of the Sahara Group, Nigeria, intervened from the audience to share an example of ways to develop Voluntary National Reviews (VNR), the mechanism by which governments report on SDG progress at the High-level Political Forum each year. By collaborating with local business organisations and the government, the group has now established a dialogue where Nigerian businesses feed information on activities that are later taken up in the country's official government communiqué on SDGs.

To provide governments with an idea of what business is doing in all countries around the world for the SDGs in focus this year, ICC launched a report at the SDG Business Forum on 'Business for Sustainable and Resilient Societies', which highlights case studies from businesses taking action, and policy recommendations on how governments can help more companies implement the SDGs into their strategies.

Business can chart a new course for trade, says ICC Secretary General

In a letter published in the Financial Times on 2nd week of September, ICC Secretary General John W.H. Denton AO called on business leaders to leverage their private sector experience towards world trade reform. Writing in a context of alarming global trade tensions, Mr Denton argues that business must move beyond merely voicing concern over rising protectionism. While "there is an imperative for business


John W.H. Denton AO

to stand behind the multilateral trading system", companies should "focus on helping governments chart a new course for trade policy making that deals meaningfully with the pressures now building in the global economy," Mr Denton writes.

"This means offering ideas and solutions—based on real-world experience—for how the global trading system can be reformed to deal with contentious issues, from the conduct of state-owned enterprises to protecting intellectual property. Critical thought from business is also needed on how trade agreements can better support workers and consumers in the US and across the globe."

ICC wants to make sure that the users of the rules-based multilateral trading system have a say in the WTO reform process. To that effect, ICC will be managing a soon-to-be-announced Dialogue Platform between multilateral organisations, businesses and think tanks.

ICC Court releases full statistical report for 2017

After announcing preliminary statistics earlier this year, the International Chamber of Commerce (ICC) has published a full report of its 2017 ICC Dispute Resolution figures on 31 July.

For the first time, the statistical report is available to the public free of charge—in addition to being featured in the latest edition of the ICC Dispute Resolution Bulletin, which is available via the ICC Digital Library and ICC Store. Led by co-editors Samaa A. Haridi of Hogan Lovells and Julien Fouret of Betto Seraglini, the Bulletin is a one-of-a-kind publication that offers an array of material—from reporting on recent decisions and law reforms relating to arbitration in various jurisdictions to in-depth studies on specialised topics to ICC arbitral awards excerpts and more.

The comprehensive report provides an overview of the record number of countries represented in ICC Arbitration cases, which confirm the ICC International Court of Arbitration's global reach and leading position for complex, high-value disputes, reflected also in the recent confirmation of ICC as the preferred arbitral institution globally.

Take a look at the report highlights.

State and State entities look to ICC

Up from 11% in 2016, the number of States and State entities that were parties to arbitral proceedings initiated in 2017 rose to over 15%. Additionally, ICC Arbitration was listed as a dispute resolution option available to parties on four cases. In its history, the ICC Court has administered a total of 39 cases based on these types of agreements.

Diverse representation across the board

In 2017, of all arbitrators nominated or appointed by parties, co-arbitrators



or the Court, 16.7% were women—that is a 1.9% increase compared to 2016. In terms of arbitrators nominated or appointed for 2017, 249 out of 1,488 were women, with representation seen from 85 countries. Whereas in 2016, only 209 of 1,411 arbitrators were female. What is more, the Court appointed a higher percentage of women (45%) versus the parties themselves (41%) and the co-arbitrators (13.7%).

Record highs in Africa

Sub-Saharan Africa saw sweeping growth in 2017 with 87 cases and 153 parties, representing a growth rate of 35.9% for cases and 40.4% for parties when compared to the previous year's numbers. Addedly, both North and Sub-Saharan Africa saw a hike in the number of arbitrators with nationalities also from those regions.

Central and West Asia countries climb the charts

In Central and West Asia in 2017, 219 parties were featured in ICC Arbitrations, showing a boost of over 26% from 2016. Ranking in the top 50 countries in terms of case numbers and the number of parties represented were Iran, Kazakhstan, Qatar, Saudi Arabia and the United Arab Emirates. Together, all five countries represented more than 15.5% of total parties.

Latin America continues upward trajectory

For 2017, Latin America saw an uptick of almost 8% in terms of the number of cases. More specifically,

Brazil jumped to 7th place in worldwide case rankings after a case management team was established in Sao Paulo last year. Currently, the team is managing 25 cases.

Oceania sees marked growth

Expanding in the number of cases filed and parties represented, Oceania's numbers rose by 25% and 3.4% in 2017. When compared to 2016, figures also showed an increase from the region in the number of arbitrators appointed or confirmed by the Court, moving from 49 to 56.

Shifts through Europe

Meanwhile, North and West Europe accounted for 784 parties—illustrating a 4.8% growth in comparison to 2016. Figures also revealed a marked increase in the number of British (219) and French arbitrators (141), accounting for a boost of more than 14% and 9% respectively. Next in the ranking of the number of arbitrators by nationality was Switzerland with 116, followed by the United States with 100 and Germany with 99.

Enhanced transparency

Falling from 50 in 2016 to 48 in 2017 where the number of challenges introduced. Just six challenges were accepted by the Court last year.

In accordance with the ICC Note to Parties and Arbitral Tribunals on the Conduct of the Arbitration under the ICC Rules of Arbitration, the ICC Court has communicated reasons for seven of its decisions, upon the request of one of the parties (four challenges, one request for consolidation, and two prima facie decisions pursuant to Article 6(4) of the Rules).

Update on the Expedited Procedure Provisions (EPP)

Since 1 March 2017, the date of entry in force of the 2017 ICC Rules of Arbitration, 84 requests to opt into the EPP have been submitted. To date, 25 cases, involving 58 parties from 33 countries, have been or are currently being administered under the EPP. All cases that have reached an award were concluded within the six-month time limit.

Use of the Emergency Arbitrator

Dropping slightly from 25 cases in 2016 to 21 in 2017 was the use of ICC's emergency arbitrator procedure, involving 58 parties who represented 31 countries. Already an added 14 cases have been recorded in 2018, bringing the total number of filed emergency arbitrator cases to 84.

New IMB report shows persistent piracy risk in Gulf of Guinea

The second quarterly report from the ICC International Maritime Bureau (IMB) shows that all 2018 crew kidnappings have so far occurred in the Gulf of Guinea in six separate incidents.

A total of 107 incidents were reported to the IMB Piracy Reporting Centre (PRC) in the first six months of 2018. In total, 69 vessels were boarded, with 23 attempted attacks, 11 vessels fired upon and four vessels hijacked. No vessels were reported as hijacked in the second quarter of 2018.

ICC IMB Piracy Report June 2018 Crew Violence

The number of crew members taken hostage increased from 63 to 102 compared to the same time period in 2017. The number of crew kidnappings decreased from 41 by the second quarter in 2017 to 25 so far in 2018.

However, all 25 crew kidnappings reported this year have occurred over six incidents in the Gulf of Guinea, highlighting the higher risks in this area.

Moreover, the true number of incidents in the Gulf of Guinea is believed to be "significantly higher" than what is reported to the IMB PRC, says the report.

Pottengal Mukundan, Director of IMB, said: "The 2018 figures aptly demonstrate the value of timely and transparent reporting. The reports help to focus on risk areas, and to accurately inform vessels of evolving dangers and allow authorities to deliver an effective response."



Outside the Gulf of Guinea, the number of 2018 incidents decreased in other piracy hotspots. There were no reported incidents recorded off the coast of Somalia in the second quarter of 2018. Masters are however again urged to continue to maintain high levels of vigilance when transiting the high-risk area and to follow the latest version of the best management practices.

The number of incidents in the Philippines dropped from 13 by the second quarter of 2017 to three in the same time period this year. Launched in 1991, the IMB PRC is a 24-hour manned centre that provides the maritime industry, governments and response agencies with timely and transparent data on armed robbery incidents received directly from the master or owner of vessels. All attacks reported this year can be viewed online on the 2018 IMB Live Piracy Map.

ICC Secretary General echoes global call for increased climate ambition

As the United Nations (UN) High-Level Political Forum took place in New York during 9-18 July, ICC Secretary General John W.H. Denton AO has issued the following message:



Secretary General John W.H. Denton AO called on governments to step up their national climate plans by 2020.

In the month of June, 23 countries agreed a Declaration for Ambition, stating a shared commitment to stepping up climate action plans by 2020. As the UN's High-Level Political Forum this year focuses on a climate-centric set of Sustainable Development Goals such as clean water, renewable energy, responsible consumption and life on land, ICC Secretary General John W.H. Denton AO has issued the following message:

"As the world's largest business organisation and the voice of the private sector in the United Nations (UN) climate process, ICC wholeheartedly welcomes and reaffirms the call to increase the ambition and accelerate the pace of global climate action.

"A failure to address climate change will hurt us all. As UN Secretary General Antonio Guterres has stated, countries must go beyond the bare minimum and take transformative action if we are to achieve the goals set out in the Paris Agreement.

"The global business community is also eager to increase the pace of climate action. We need a common framework for climate policies to give business the certainty needed to increase investment and ensure a level playing field internationally. ICC welcomes the Declaration for Ambition's call to all governments to ensure that the Paris Rulebook is adopted at COP24 and encourages governments to work with the private sector on a policy framework at both the international and national level to help us reach our climate goals.

"Climate change is a global challenge that requires a global solution. More than ever, we call on all countries to renew their commitment to ambitious multilateralism and international rules-based decision making. Only by working together can we secure a more sustainable future."

3 ways digitalisation is shaping the future of taxation

Digital transformations and technologies should be seen as an aid and not a hindrance to fair and efficient tax systems, argued participants at an international tax conference in Munich, Germany. Tax authorities around the world are publicly grappling with the challenge of adapting revenue collection models to a global economy that is continually reshaped through transformative digital technologies.

While digitalisation presents new challenges and opportunities, a global approach to taxing the #digitaleconomy is what all stakeholders are aiming for. In March, the European Commission released two legislative proposals for taxing of digital firms. A host of other countries, including India, Brazil, Colombia and Vietnam are also planning or proposed new taxes on the digital economy. A recent report from the Organisation for Economic Cooperation and Development (OECD) noted that more than 110 countries will work to build a consensus on digital tax by 2020 within the OECD/G20 Inclusive Framework on base erosion and profit-shifting (BEPS).

Private sector representatives joined with policy makers and academics to discuss how digitalisation is shaping the future of taxation at a conference organised by ICC, Business at OECD (BIAC) and BusinessEurope in Munich. Here are three main takeaways:

1. Digitalisation holds huge gains for tax administrations

While often perceived as a threat or challenge to the collection of tax revenue, participants agreed that digital technologies also have the potential to revolutionise compliance and enquiry work. The OECD, in their 2018 report, shows how digitalisation has already had a threefold positive impact on tax administration: enhancing the effectiveness of tax compliance, improving taxpayer services and reducing tax compliance burdens.

For instance, greater amounts of third-party data available to tax authorities allows more reporting to be automated, saving both sides time and money, and can also be used to tackle underreporting, evasion or fraud. Data recording software adopted by several tax administrations that notes sales data at the time of a transaction—and can be submitted directly to tax authorities—has already increased some countries' value-added tax (VAT) revenues by up to 20%.

"Digitalisation is obviously the buzzword of today," said Werner Brandt, President, ICC Germany. "The change to the digitalised working world is a certainty that offers both opportunities and challenges for the tax function. Beyond being an efficiency measure, digitalisation can reduce the administrative burden for both taxpayers and tax authorities. The aim must be to ensure that key data provided by companies is processed in a timely manner as a driver of tomorrow's tax function."

2. Digital business models are transformative, but also pervasive

The way we work has already digitalised to such an extent that it is misleading to 'ring-fence' the digital economy from the economy at large. 95% of businesses in OECD countries benefit from a high-speed Internet connection and the volume of data created across the globe is expected to double each year. The emergence of new business models made possible through digital technologies, though, is compelling tax authorities to adapt their tax administrative systems as well as their approach to taxation of digitalised businesses.

"There is a real need to adapt our systems to the digital area," said Maria Teresa Fábregas, Director of Indirect Taxation and Tax Administration at the European Commission. The Internet enables companies to scale across global markets without a significant physical presence—a feature that is notably helping small businesses to export to an unprecedented degree. Digitalisation is also often accompanied by the growing importance of intangible assets, such as intellectual property, and data.

Ms Fabregas noted that the European Commission's digital tax proposals stemmed from the view that current tax rules are not fit for the digital economy.

Monika Wünnemann, Head of Finance and Taxation at the Federation of German Industries (BDI), argued that because it is impossible to ring-fence the digital economy, "every sector would be affected by the new tax rules". The rules proposed would cause significant additional administrative burdens and pose a high risk of double taxation for companies.

"As digitalisation continues to be an important driver for global economic growth, policies related to taxation of the digitalized economy should seek to promote, and not hinder, economic growth and cross-border trade and investment," said Christian Kaeser, Global Head of Tax at Siemens and Chairman of the ICC Commission on Taxation, "Any measures should be developed on the basis of international tax rules, through a comprehensive, coherent and co-ordinated approach."

3. A global approach is needed to adopt tax rules to the digitalised world



The European Commission proposals include the introduction of an interim turnover-based tax (equalisation levy), where businesses would be taxed based on revenue as opposed to profits. The OECD report also discusses such interim measures and identifies the constraints they present, but specifically does not recommend them.

At the event, private sector participants were united in stating their concerns over the drawbacks of such short-term measures, such as the expected risk of double taxation and increased compliance and administrative costs, as well as the arbitrary thresholds for being subject to the proposed interim tax.

"We are only at the beginning of a digital revolution; the shape of tax systems will look very different in the coming years as the shape of the world economy changes dramatically." said Will Morris, Chairman, BIAC Committee on Taxation and Fiscal Affairs; Deputy Global Tax Policy Leader, PwC, "The fundamental principle of taxing profit will change in the future, but we do need to start thinking about it now".

Timothy Power, Deputy Director Corporate Tax, HM Treasury added: "It is helpful that there is a clear commitment as part of the OECD Inclusive Framework to look into the more challenging questions in this context."

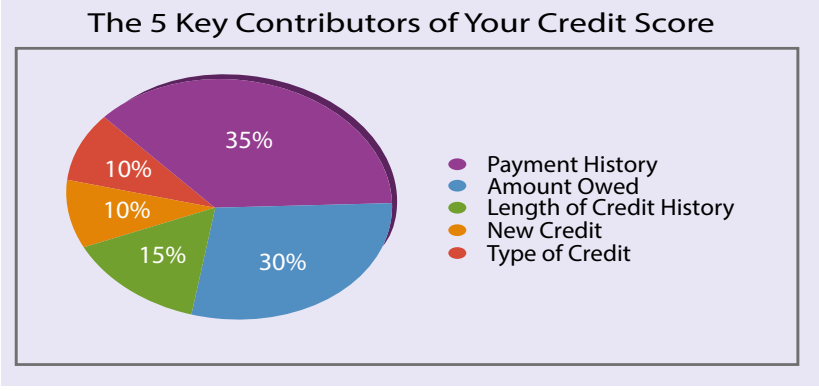
While digitalisation presents new challenges and opportunities, participants agreed that the principles of a fair tax system consistency, predictability, neutrality are just as relevant as ever for both public authorities and business and that a global approach to taxing a globalised digital economy is what all stakeholders are aiming for.

Georg Geberth, Director Global Tax Policy at Siemens and ICC Taxation Commission member responsible for co-ordinating the conference concluded: "An effective and consistent global tax system must be rooted in collaborative efforts to promote stability and certainty in global tax principles which are essential for business and cross-border trade and investment. The positive collaboration and wealth of expertise shared during the conference represents an important step in promoting a harmonised approach which is essential in strengthening global efforts to ensure that international tax rules remain relevant and applicable in an increasingly digitalised economy."

Bangladesh Economy

Global agencies see stable outlook for Bangladesh

Global rating agencies have seen a stable economic outlook for Bangladesh, mostly for the strong economic growth and improvement in external profile. Recent credit rating reports of US-based Moody's Investors Service, Standard & Poor's (S&P) and Fitch Ratings have found Bangladesh's economy to be in a stable position. The rating agencies, however, highlighted the possibilities of political uncertainty looming due to the upcoming general election.



The three agencies projected similar outlook for Bangladesh in last several years also. S&P in its report said Bangladesh's fractious domestic political conditions distract stable policymaking. The polarised political landscape generally hampers policy implementation and makes responses unpredictable at times, it said. The S&P report also said strikes and politically-related violence has not been overly disruptive to overall economic growth in the past.

Moody's assessed that Bangladesh's banking sector with negative indicator reflects that the country's banking sector did not perform well enough.

Regarding the credit rating assessment, economist Zaid Bakht observed that macroeconomic growth is helping Bangladesh maintain stability in its economy.

The country's state-owned banks account for 30 percent of banking system assets and exhibit significantly weaker asset quality, profitability, and capital adequacy than private commercial banks.

Gross non-performing loans of state-owned banks amounted to 29.3 percent of total loans in the third quarter of 2017, compared to 6 percent in private commercial banks. The NPL ratio in state-owned banks has been rising since 2015.

PM received 2 international awards for hosting Rohingyas
She calls upon global community to resolve Rohingya problem soon

Prime Minister Sheikh Hasina has received two international awards – the IPS International Achievement Award and the 2018 Special Distinction Award for Leadership – for her humanitarian and responsible policy in hosting the Rohingyas and for her farsighted leadership over the Rohingya issue respectively.

The Inter Press Service (IPS), one of the world's leading news agencies, and the Global Hope Coalition, a network of three not-for-profit foundations based in New York, Zurich and Hong Kong honoured her with the two awards on 27 September. Sheikh Hasina received the awards at two functions here.

Director General of International Organization for Migration Ambassador William Lacy Swing handed over to Sheikh Hasina the IPS International Achievement Award at a function held at the United Nations Headquarters.

Under-Secretary-General of the UN Office of the Coordination of Humanitarian Affairs Mark Lowcock, Canadian Minister for International Development Marie-Claude Bibeau spoke at the function. Director-General of IPS International Farhana Haque Rahman delivered the welcome address.



IPS International Achievement Award

At a separate function at Park Avenue in New York, Honorary President of Global Hope Coalition Irina Bokova conferred the 2018 Special Distinction Award for Leadership. The three other world leaders who also received the awards are President of Niger Mahamadou Issoufu, President of Tunisia Beji Caid Essebsi and Greek Prime Minister Alexis Tsipras.

Speaking at the IPS award-giving function, Prime Minister Sheikh Hasina dedicated this award to the people of Bangladesh who have opened their hearts and houses to shelter 1.1 million traumatised forcibly displaced Myanmar nationals. Hasina said she believes that it is the duty of all responsible nations to show humanity to the distressed and displaced people around the world.

She said it is important that a conducive environment is created in Myanmar for ensuring safety, dignity, livelihood options and re-integration process for the return of the Rohingyas to Myanmar. "The causes of the crisis is rooted in Myanmar. Hence, the solution is also to be found in Myanmar.....the international community has a clear obligation to collectively address the source of the problem in Myanmar and engage effectively with its government to prevent further exodus," she added.

"The voluntary return of Rohingyas can only be ensured with collective actions by the international community to ensure prevention of repetition of atrocity crimes against ethnic and religious minorities in Myanmar by establishing international, independent and impartial mechanism to put accountability into effect," Hasina said.



2018 Special Distinction Award

Speaking on another award-giving ceremony, the Prime Minister also dedicated this award to the people of Bangladesh, who supported and opened their houses and shared their food with the Rohingyas during the critical time. "I wish the world never had to witness the worst form of violence and atrocities that has been committed against the Rohingyas in Myanmar. It stunned me, as it did to the billions of other conscience minds throughout the world," she said.

Hasina said the mass exodus of those persecuted people soon turned out to be the fastest movement of displaced people in the recent history. The recent report of the United Nations Fact Finding Mission as mandated by the Human Rights Council has documented incidents of 'ethnic cleansing' and 'genocide'. "The prolonged presence of the Rohingyas in Bangladesh poses serious challenges to our economy, environment and security. The crucial focus of our emerging nation is being largely diverted for its resolve," she said. Bangladesh has signed two instruments with Myanmar for repatriation of the Rohingyas. However, the repatriation process is yet to begin, the Prime Minister said.

Govt-WB signed $50m grant agreement for Rohingyas' health needs

The government of Bangladesh on 20 september signed an agreement under which the World Bank would provide $50 million as grant to strengthen the government's health care, nutrition and family planning services for the Rohingyas in Cox's Bazar. The WB itself would provide $41.67 million as a grant through its IDA18 Regional Sub-window for Refugees and Host Communities while the remaining $8.33 million would be provided by the Canadian government as grant.

The grant would help provide essential health, nutrition, maternal, neonatal, infant, child, and adolescent health, nutrition and psychosocial services as well as reproductive health care to the Rohingyas, said a WB release.

Through the Women Friendly Centers within the camps, the financing will also support services for the victims of gender-based



violence. WB country director for Bangladesh, Nepal, and Bhutan, Qimiao Fan, said, 'This grant financing will help the Bangladesh government plan and manage health, nutrition and population services for the Rohingya people while the existing project will continue to provide healthcare to the local population.'

The agreement was signed by Kazi Shofiqul Azam and Qimiao Fan on behalf of the government and the World Bank, respectively, at the ERD.

ADB approves $100m in grant to Bangladesh for Rohingyas

The Asian Development Bank has approved grant assistance of $100 million—the first of a $200 million package to help Bangladesh develop basic infrastructure and services for Rohingya refugees. Since late August 2017, about 700,000 people have crossed the border from Rakhine State, Myanmar, into Cox's Bazar at the southeast tip of Bangladesh. "This has caused a huge strain on the local infrastructure, economy as well as a major humanitarian concern," ADB said.

The displaced persons are living in 32 camps spread over the district. Providing food, shelter, health, sanitation, water, and other essential services in the camps while fending off disease is a daily challenge. "If unaddressed, conditions are feared to worsen dramatically," ADB said in a statement on 6 July.

"Given the scale of the humanitarian needs, we are coordinating closely and promptly with the World Bank and other development partners to support the government in addressing the crisis in Cox's Bazar," said ADB President Takehiko Nakao. After Nakao received a request from Bangladesh Finance Minister Abul Maal Abdul Muhith for grant assistance when they met in early May, ADB developed and processed the project at an extraordinary speed under its emergency procedure, according to the statement.

The ADB $100 million grant project will support the displaced people sheltered in camps in Cox's Bazar focusing on water supply and sanitation, disaster risk management, energy and roads. The project will rehabilitate roads within the camps to connect essential food distribution and storage centers, hospitals, education facilities, and provide emergency access. It will also resurface the road from Cox's Bazar to Teknaf and other critical sections.

To address water needs, the project will provide mobile water carriers, community bathing facilities, and build a piped water supply system and waste management facilities, together with small water treatment plants. Solar powered and mini grid-connected street lighting will be provided and access to electricity augmented by substations, distribution lines, and transformers.

The project has been developed and will be implemented in coordination with United Nations agencies, the World Bank, and other donors that are giving humanitarian relief such as food, water, medical aid, and temporary shelter.

The first phase of the project is costing $120 million over about 2.5 years. The first ADB $100 million grant will come from the Asian Development Fund, while the government will provide $20 million.

The scope and timing of a second phase of ADB grant support of a further $100 million will build on the progress of the first phase.

Bangladesh on way to be a gadget-making hub

The availability of workforce at a competitive wage, growing domestic market demand and a favourable policy are some of the key factors that make Bangladesh an attractive hub for high-tech manufacturing, according to a survey. In its report, International Data Corporation (IDC) found success stories of local and international manufacturing companies, such as Walton and Samsung.

Global tech leader Samsung has started producing mobile phones in Bangladesh following in the footsteps of three local firms—Walton, Aamra Companies and Symphony—and a China-Bangladesh joint venture, Transsion Holdings, it said in the report. The Singapore-based firm also showed evidence of the support provided by the government in driving the growth of the high-tech industry in Bangladesh.

The government has reduced duties on import of raw materials for the tech industry, exempted 100 percent value added tax on rents along with providing cash incentives and 100 percent tax discounts, it said. "Population is the main strength of Bangladesh, home to around 80 million people under 25 years of age," according to the IDC report launched on September 6.

Gadgets and laptops worth around $1.5 billion are sold in the country every year; about 34 million mobile handsets worth $1.18 billion and laptops worth $300 million were sold last year, IDC found. The youths are giving a boost to the sector, where the gadget and laptop market is growing at around 12-20 percent every year, said Zarif Munir, partner and managing director of the Boston Consulting Group.

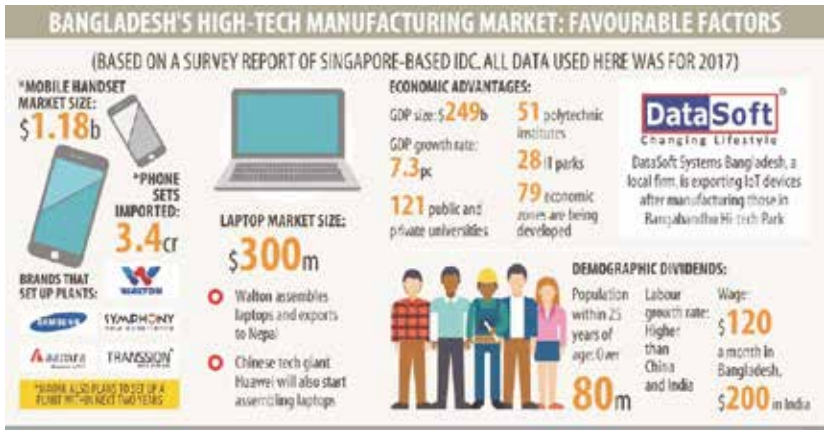
The officials of the group presented the findings of the report as one of the partners of the survey, at a programme held in the ICT Division in Dhaka. The IDC is a premier global provider of market intelligence,

advisory services and events for the information technology, telecom and consumer technology markets.

Local companies are not lagging behind foreign peers. Walton has already completed production and shipment of laptops to Nepal, a major stride for a Bangladeshi company, the IDC report said. Huawei Technologies, the largest telecom equipment maker based in China, has been investing to provide high-quality ICT infrastructure and network enhancement services in Bangladesh, the report reads. Another Chinese giant, Xiaomi, also plans to set up a plant in Bangladesh in the next two years, the IDC said.

"We have a huge local market and scopes are there to export tech products to the neighbouring countries like Nepal, Bhutan, Myanmar and even India's seven-sister states," Mustafa Jabbar, telecom and ICT minister, said at the report launching ceremony. He said the government is developing 28 high-tech parks, all of which would be ready for use in the next two years.

"Some of the parks have already started manufacturing and exporting different ICT products." Smartphone penetration in Bangladesh stands at about 30 percent now and will hit 80 percent in the next few years, he said. The government is giving tax holiday and cash incentive to assemblers with high quality infrastructure support and now seeking global leaders' investments, said Zuena Aziz, secretary to the ICT Division.



"Some developed nations, including China, are shutting down gadget plants due to the rising cost of production," said Rezwanul Haque, CEO of Transsion Bangladesh and the former general secretary of Bangladesh Mobile Phone Importers Association.

The government has developed 79 economic zones spanning over 30,000 hectares and foreign companies will get all-out support if they want to invest in Bangladesh, said Kazi M Aminul Islam, executive chairman of Bangladesh Investment Development Authority.

Quality of economic growth improves
Bangladesh moves up six notches in Sanem index

Improvement of Economic growth in Bangladesh

Ranking of South Asian countries

Country	Ranking in 2000	Ranking in 2015
Sri Lanka	49	55 Down
The Maldives	83	89 Down
India	122	105 Up
Bangladesh	112	106 Up
Pakistan	99	108 Down
Bhutan	121	120 Up
Nepal	123	131 Down
Afghanistan	134	155 Down

The quality of Bangladesh's economic growth has improved between 2000 and 2015, according to an index developed by the South Asian Network on Economic Modeling (Sanem). The country ranked 106th among 156 nations in 2015 in the Index of Quality of Economic Growth (IQEG), up by six notches from 112 in 2000.

Bangladesh scored 42.7 on a scale of 0 to 100, according to the research organisation. The score indicated that the nation has not that much been able to translate its increasing economic growth over the last two decades into improvements in people's livelihoods. "Bangladesh is successful in achieving a high growth rate but still has a long way to go to transform the growth numbers into quality," said Sanem Executive Director Selim Raihan. "When it comes to the question of huge improvement in the livelihoods of the people, we are still lagging behind," he said.

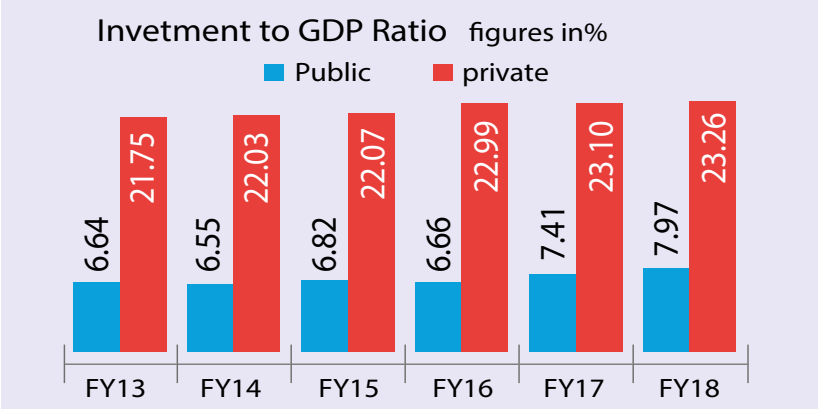
In context to South Asia however, Bangladesh's ranking remains unchanged. Sri Lanka is the best performer with a score of 56.46 followed by the Maldives, India, Bangladesh and Pakistan. Afghanistan is the region's worst performer and is ranked 155th. Globally, Sweden has been the top performer scoring 93.01 while Guinea-Bissa u the worst with 21.13.

Sanem took up the initiative to develop the index as the focus of discussions on economic growth has shifted from quantity to quality. "This shift has happened with the growing understanding that a mere increase in economic growth rate is not sufficient to achieve much larger social development goals," said Raihan. Sanem said it measured the IQEG for 156 countries for 16 years between 2000 and 2015.

Source: The Daily Star

Investment hits record high : Private investment still slow

Overall investment crossed 31 percent of GDP for the first time in Bangladesh's history last fiscal year due to a spike in public spending on mega infrastructure projects now being implemented. In fiscal 2017-18, overall investment to gross domestic product ratio stood at 31.23 percent, which was 30.51 percent the previous year, according to data from the Bangladesh Bureau of Statistics.



For about a decade the ratio has been hovering between 27 and 30 percent. But to hit the country's growth ambitions, it can ill afford to hover around the 31 percent-mark. The ratio has to be about 35 percent of GDP, according to economists. The BBS data showed the slow pace of growth in investment is mainly due to public investment: in fiscal 2017-18, public investment to GDP was 7.97 percent.

On the other hand, private investment was 23.26 percent of GDP, up from 23.10 percent in fiscal 2016-17. For the last one decade, private investment to GDP ratio has been stuck at 21 to 23 percent.

In November 2016, the excess liquidity in the banking sector was Tk 277,956 crore. In May 2018, it was Tk 79,650 crore, according to data from the Bangladesh Bank. This suggests, the idle money in the banking sector has shrunk almost 3.5 times in the past one and a half years. Furthermore, private sector credit growth increased by more than 1 percentage point last fiscal year to 16.94 percent. And yet, on paper, private investment did not increase at that rate.

Observers though said there are various reasons behind private investment not picking up, such as inadequate gas and electricity connections and poor road communication. The investment rate has recently increased modestly, driven primarily by the rise in public investment, said Zahid Hussain, lead economist at the World Bank's Dhaka office. Private investment rose 0.3 percentage points of GDP in the last two years and public investment 1.3 percentage points.

Bangladesh signed deal with General Electric Company for $7.4b

Bangladesh signed a deal with US based General Electric (GE) company on 11 July to build a 3600MW LN Gbased power plant at Moheskhali in Cox's Bazar. Besides, Summit Group signed a deal with GE and Mitsubishi to install a 2400MW power plant at Matarbari in Cox's Bazar. The memorandums of understanding were inked at separate ceremonies in Dhaka to install the two mega power projects in public and private sectors with investment of $7.4 billion.

Summit, Mitsubishi and GE announced a $3 billion investment the largest private foreign direct investment (FDI) in Bangladesh. Summit will be the majority owner of the project while Mitsubishi and GE will own the remaining. Summit will install 2400MW LNG-based power project at Matarbari in Cox's Bazar. Besides, Bangladesh Power Development Board (BPDB) will install a LNG-fired power plant with a combined capacity of 3600MW.



Prime Minister's power and energy adviser Dr Tawfiq-e-Elahi Chowdhury, state minister for power and energy Nasrul Hamid, power secretary Ahmad Kaikaus, GE president and CEO Russell Stokes, US Ambassador Marcia S Bloom Bernicat, BPDB chairman Khaled Mahmood, Summit Group chairman Muhammed Aziz Khan and senior officials were present at the signing ceremonies.

Tawfiq-e-Elahi said Bangladesh will need efficient and affordable electricity. So, the US company will set up industries that will be run by co-generation in Moheskhai and Matarbari. It will help to use 80-90 percent heat of the power plant, he pointed out. He requested GE to set up a manufacturing workshop here.

The adviser also proposed GE for initiating US Co EXXIM Mobile to invest depleting gas fields for exploring natural gas here. Nasrul Hamid said the signing is one of the largest investments in private sector in the last 45 years of

Bangladesh's history. He called upon the US company to invest in power generation and transmission here.

Aziz Khan said: "In support of the Government's Vision 2021 and 2030, Summit is partnering with GE and Mitsubishi to bring in the largest private FDI to Bangladesh, best technology at world's lowest tariff to meet increasing demand of people and businesses for energy and power." Russell Stokes said, "GE Power is navigating customers through an energy transformation with a complete portfolio of fuel choices and innovative technology."

The 2400MW project is designed to be completed at a global best tariff by 2023 beginning from 2019. With implementation of this project in 2023, Summit will be doubling its generation capacity. Besides, the BPDB is the leading partner with 51 percent equity while the GE will be 30 percent and rest of 19 percent for a strategic investor for implementing the Moheskhali power plant.

Japan Tobacco buying Bangladesh Akij's tobacco business for $1.5 billion

Japan Tobacco Inc (2914.T) is buying the tobacco business of Bangladesh's Akij Group for around $1.5 billion (£1.16 billion), its second major purchase in five months as the world's third-biggest cigarette maker seeks new growth markets to offset shrinking sales at home.

The 124.3 billion taka ($1.5 billion) deal, the biggest ever involving a Bangladeshi company, according to Thomson Reuters data, comes after Japan Tobacco agreed in March to buy Russia's Donskoy Tabak for about 90 billion roubles (£1.09 billion). "With this investment, we continue to accelerate our expansion in emerging markets that matter, a key component of Japan Tobacco Group's growth strategy," Japan Tobacco said in a statement on 6 August.

Akij is Bangladesh's second-biggest tobacco company and holds about 20 percent of the cigarette market in the country, which is the world's eighth largest cigarette market, according to the statement. It has brands such as Navy and Sheikh and its tobacco business is profitable, Japan Tobacco said. The deal would add about 17 billion units to the Japanese company's sales volume, it added.

The acquisition of the business, United Dhaka Tobacco Co, is expected to be completed in the third quarter of this year, pending regulatory clearance, Japan Tobacco said. Japan Tobacco and its peers - Philip Morris International (PM.N), British American Tobacco (BATS.L) and Imperial Brands (IMB.L) - are grappling with slowing sales as more people give up smoking. Consolidation has been expected, especially after BAT's takeover last year of Reynolds American.

Japan's Nippon Steel Join Hands with McDonald Steel to set up a Joint Venture in Bangladesh

NIPPON STEEL & SUMITOMO METAL CORPORATION

Japan`s Nippon Steel and Sumitomo Metal and Bangladesh`s McDonald Steel Building Products Ltd have come together to set up a steel plant in Bangladesh's Mirsarai Economic Zone in Chattogram as import substitute plant. The two companies have agreed to invest USD 59.19 million, to establish the plant and Bangladesh Economic Zones Authority (BEZA) has signed an agreement with the joint venture to lease out 100 acres of land in the economic zone for the plant.

As per the plan, factories, administrative building, warehouse, service area, water and waste management plant and other establishments will be set up in 60 acres of land while the remaining land will be used for dormitory, health facility, training centre and greenery.

With the planned investment, the joint venture company will set up a large-scale steel mill at Mirsarai Economic Zone and procure 50% of required raw materials from the local market. The development work of the plant is expected to start in December 2018 and is expected to be completed in two years and will create employment for about 2,500 people.

The venture plans to sell USD 13.67 million-worth steel products in the local market every year whereas about 20% of the total output will be exported to South Asian countries. Mohammad Sarwar Kamal, MD of McDonald Steel, said "We will manufacture basic steel products like galvanised steel, steel sheets, and pre-fabricated steel."

Acting Japan External Trade Organisation country representative Koga Taiki said that 269 Japanese

companies had already made investments in Bangladesh and the volume of investment will also rise in future, he said. McDonald Steel produces pre-fabricated structural steel. It imports quality products from Japan, Luxembourg, China and India. Nippon Steel is Japan's integrated steelmaker and produces various types of steel products used for industrial machinery and equipment and exports them worldwide.

Source : The Daily Star

Singapore venture co-led group buys Shohoz stake for $15m

Online ride hailing and ticketing platform Shohoz on September 26 declared that it had raised $15 million from a group of investors, led by Singapore-based Golden Gate Ventures, for expanding its business. Shohoz is the second company, after Pathao, which has attracted South East Asian investment in the Bangladesh ride hailing market.

The ride sharing startup officially declared the development on September 26 at an event held in Sonargaon Hotel in Dhaka. Officials of Shohoz said that fresh capital would be used for customer acquisition and retention of the ride sharing business and expand other on-demand car services.

Apart from Golden Gate Ventures, 500 startups, Linear VC, and Asian angel investors including Koh Boon Hwee are the other investors of Shohoz in this round. Golden Gate Ventures got minor stake of Shohoz through this investment, said Golden Gate Ventures founding partner Jeffre Paine.

They, however, will sit in board of the company, he said. Paine said they had interest to invest more in Bangladesh, especially tech related startups and would look into the new ventures to devote. 'Our market is ready to flourish ride-sharing and related business and within a short time we will move outside Dhaka and target to expand our service across the country,' said Shohoz founder and managing director Maliha Quadir.

'For expansion this additional money will be helpful to us for new acquire,' she said. 'In 2014, we came up with tickets, added ride-sharing this year and are now executing on a grander 'super-app' strategy. To help Shohoz finance this growth, Shohoz has brought on board a great lineup of experienced international and regional investors,' she said.

For ride-sharing Shohoz's focus is on bike segment but they also introduced car sharing last week and working on to introduce insurance within a short time, said Maliha. The venture is also working to introduce on-demand car service though bike sharing will be their propriety, he said. 'Motor bikes will help to reduce traffic congestion in Dhaka and make the citizens life more first and smooth. We will find the same thing in Vietnam and Cambodia and some other country of this region,' the Shohoz founder said.

Paine said that Bangladesh had all the indicators to poise for tremendous growth as digitisation was increasing on consumer services and rising consumers purchasing power which also pushed them to invest there. Shohoz's competitor in the market Pathao recently raised $10 million from a group led by Indonesia's Go-Jek.

Bangabandhu Hi-Tech City to create 25,000 jobs

About 25,000 new job opportunities were expected to be created with an investment of US$ 14 million in the country's first hi-tech park, Bangabandhu Hi-Tech City, in Gazipur as plots had already been allotted to nine companies to set up their industries in the park. The companies received the plots after the signing of an agreement on 25 September at a function at Bangabandhu International Conference Centre in the city, said a press release issued by Bangladesh HiTech Park Authority.

Post, telecommunication and information technology minister Mustafa Jabbar spoke at the function as the chief guest while state minister for ICT division Zunaid Ahmed Palak attended as the special guest. Bangladesh Hi-Tech Park Authority



managing director Hosne Ara Begum and other officials concerned attended the function with ICT division secretary Zuena Aziz in the chair.

Addressing the function, Mustafa Jabbar said that various programmes had already been taken to attract entrepreneurs to invest in the country's hi-tech parks being constructed under the Bangladesh Hi-Tech Park Authority. As part of the programmes, a seminar was held in Sylhet on September 2, he said, adding that programmes had also been taken to arrange seminars and road-shows in London in the last week of September.

Under the agreement, 20.5 acres of land were allocated to the nine companies. Of those, Robi Axiata Limited got 1.5 acres of land while Fair Electronics Limited got three acres, a software development company comprised of BJIT Bangladesh and Japanese investment institution two acres, KDS Group three acres, Intercloud Limited three acres, Genex Infosys Limited two acres, Nazdaq Technologies Limited two acres, JR Enterprise two acres and Business Automation Limited two acres. The government aims to earn $5 billion from ICT exports and generate 20 lakh jobs in the sector by 2021.

Bangladeshi RMG factories among safest in the world

The garment and apparel factories in Bangladesh are among the safest in the world, United States Ambassador in Dhaka Marcia Bernicat said on 25 September, warning, however, against any complacency.

"Since 2013, with the help of Accord and Alliance, you have dramatically transformed your garment and apparel factories, making them among the safest in world," she told a farewell lunch in her honour organised by the Bangladesh Garments Manufacturers and Exporters Association (BGMEA).

"I was here for much of this time and witnessed this transformation first-hand. I realise that this was a difficult and expensive process, but it will continue to pay off for years to come if you don't become complacent," said the ambassador.

"Now the challenge is completing remediation of the factories under the National Action Plan and maintaining all the progress you have made in the Alliance and Accord factories. I encourage you to draw on the expertise and experience that Alliance and Accord have to offer and to accept transitional arrangements – like the SMO (Safety Monitoring Organisation) – to keep your hard-earned progress on track until the RCC (Remediation Coordination Centre) is ready to assume full responsibility," she said.

The outgoing envoy appreciated the role of BGMEA in managing the engine of Bangladesh's economy, helping to lift hundreds of thousands of workers out of poverty, and



making Bangladesh a key player in global trade. She said, "I am thankful for the constructive discussions we have had during my tenure and the opportunity to take stock of the achievements and challenges we all face in our attempt to work together to ensure and enhance the prestige of the words, "Made in Bangladesh".

However, Bernicat said that the next big hurdle for BGMEA is the issue of worker rights the progress of which has lagged in recent years.

"As I've emphasised many times, adhering to international labour standards is not just the right thing to do – it is the smart thing to do. I encourage you to make necessary and relevant legislative changes as soon as possible," she said, adding, "There is no upside to dragging this out. Bringing your laws up to international standards – and implementing them – will improve Bangladesh's international competitiveness and help it increase its market share in the worldwide garment industry."

"Continuing to delay action – especially as consumers pay increasingly more attention to these labour issues in their buying decisions – threatens to undermine the country's good reputation and increases the risk that international buyers will begin to look elsewhere," said the Ambassador. "Bangladesh has come so far in the 47 years since liberation and has so much potential to achieve even more," Ambassador added.

BGMEA President M Siddiqur Rahman thanked the departing US ambassador for her constructive role in strengthening the Bangladesh-US relations and extending support for the development of Bangladesh RMG industry.

Bangladesh continue to remain 2nd largest global RMG exporter

Bangladesh remains the second largest apparel exporter in the world, after China, according to the World Trade Organization (WTO) data. The data said that Bangladesh held on to its status in the world in FY 2017-18, accounting for 6.5 percent share of the market.

Bangladesh's share of the global apparel market

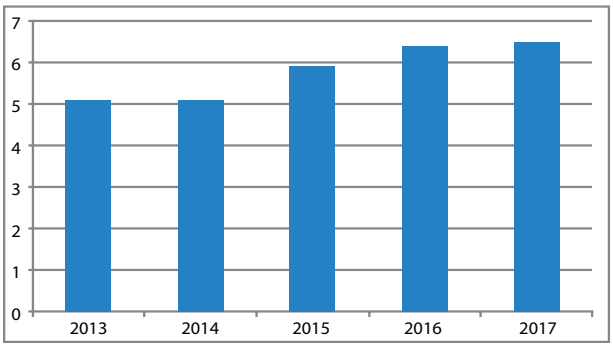


Figure 1: Bangladesh's share of the global apparel market (in percent, Source: WTO)

In 2016, Bangladesh's share of the global apparel market was 6.4 percent. In 2017, Bangladesh exported garment items worth $29 billion. China remained the largest apparel supplier globally; the value of exported clothing items from China last year was $158 billion.

Vietnam exported $27 billion worth of garment products in 2017 with its 5.9 percent market share, the WTO data said. India, with its garment exports of $18 billion in 2017, ranked fourth. Turkey came fifth with a 3.3 percent market share. The WTO data also showed that in 2017 the top 10 exporting nations' share was 87.8 percent and the value was $457 billion.

Siddiqur Rahman, President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said, "We have a bright future in apparel business but we need to do a lot more homework. As much as 40 percent of Bangladesh's garment exports comprise value-added items, which fetch more money for exporters," he added.

He explained about one factor that consolidated Bangladesh's position in global apparel trade is its bulk order for value-added items in recent times. "The buyers are coming here with the bulk of work orders as the country's image has now brightened after the near-completion of factory remediation as per the recommendations by the Accord and Alliance," he continued.

Almost all top clothing retailers like H&M, Walmart, JC Penney, Inditex, Zara, Gap, M&S, Uniqlo, C&A, Tesco, Hugo Boss and Adidas have been souring billions worth of garment items from Bangladesh every year. Rising garment shipments to new and emerging Asian markets such as India, China, and Japan have also contributed to the higher earnings.

Finally, Rahman urged for improvements in roads and highways, airport and seaport in Chittagong for faster movement of goods and reducing the cost of doing business.Bangladesh remains 2nd largest RMG exporter accounting 6.5 percent market share.

Country wise global textile industry market share

Country	Global Market share in%	Export earnings in $billion
China	34.4	158
Bangladesh	6.5	29
Vietnam	5.9	27
India	4.1	18
Turkey	3.3	15
Indonesia	1.8	8
Cambodia	1.6	7

Figure 2: Country-wise global market share. Where Bangladesh remains second. Source: WTO

BEPZA export hits all-time high in FY 2017-18



Eight export processing zones of BEPZA have exported at 19.66 per cent growth rate, hitting all-time record high in the fiscal year (FY) 2017-18. A total of 476 operational enterprises of the Bangladesh Export Processing Zones Authority (BEPZA) exported goods worth US$ 7.20 billion in the recently ended fiscal year FY18. At the same time, the country's total national export reached $36.66 billion, said a statement.

Previously, the highest export-earning from the enterprises was $6.67 billion in FY 2015-16, and the highest contribution of BEPZA to the national export was 19.59 per cent in FY 2014-15. According to the annual performance agreement (APA), a yearly target based agreement signed with Prime Minister's Office, the country's export target was fixed at $6.20 billion for the last fiscal.

However, the eight enterprises of the export processing zones exported goods worth $7.20 billion in the previous fiscal. Among them,

Chittagong EPZ earned $2.44 billion, Dhaka EPZ $2.20 billion, Karnaphuli EPZ $0.97 billion, Adamjee EPZ $0.76 billion, Comilla EPZ $0.40 billion, Mongla EPZ $53.13 million, Ishwardi EPZ $131.42 million and Uttara EPZ $224.91 million.

The cumulative export earnings from the eight EPZs stand at $66.57 billion till June 2018, and the cumulative investment stands at $4.68 billion in the same period. The BEPZA also exceeded investment and employment target in the FY18 set by the APA.

The operational and under construction enterprises of the EPZs have attracted $339.54 million investment against the target of $325 million. The BEPZA created job opportunities for 21,726 Bangladeshi nationals in the FY18 while their target was to create 19,500 job opportunities. Currently, approximately 5,02,013 people are working in the eight EPZs of the country as of June 2018.

Ctittagong port 70th busiest Harbor globally

Chittagong Port is the 70th busiest container port in the world. It moves one notch up in this year's ranking of the globally-acclaimed Lloyd's List. Handling 25,66,597 TEUs (twenty-foot equivalent units) of containers in 2017, which is 9.36 per cent up from 23,46,909 TEUs in 2016, was the reason behind its improvement in ranking.



Chittagong Port handles 98 percent of the total containerised goods transport in the country. The increase in the country's foreign trade in recent years contributed to the higher growth in container handling through the port, said port users. They underscored the importance of infrastructure development and logistics supply of the port to cope up with the increasing container transport. Chinese port Shanghai retained the top post. It has been maintaining the pole position since 2010.

The Port of Singapore and Chinese ports Shenzhen and Ningbo-Zhoushan held on their respective second, third and fourth position. A total of 21 Chinese ports, eight US ports and seven Spanish ports made it to the ranking. India's Jawaharlal Nehru Port secured 28th position, up from 33rd spot previously. Mundra was ranked 35th compared to 45th in the last year's ranking while Chennai dropped to 99th from last year's 93rd position. Chittagong Port is ahead of Pakistan's Port of Karachi, which was ranked 83rd.

Mahbubul Alam, president of the Chittagong Chamber of Commerce and Industry, said the port has moved up one spot but it could have been much better if the required equipment like quay gantry cranes could be installed much earlier and the port's infrastructure development could be fast-tracked.

"The country's export and import is on the rise, so there is no alternative to enhancing Chittagong Port's capacity and efficiency." He said due to a lack of enough jetties and yards the port very often experiences container and vessel congestion causing sufferings to the businesses.

Alam called for speedy implementation of the projects such as Patenga Container Terminal, Laldia Multipurpose Terminal and the Bay Terminal. Md Zafar Alam, member for administration and planning at the Chittagong Port Authority, said three new quay gantry cranes that arrived third week of August became operational last week of August. As a result, container handling would be expedited, he said.

PM offers Singapore 500-acre land in special economic zone

The Singaporean delegation came to Bangladesh after the prime minister invited them during her recent visit to Singapore. Prime Minister Sheikh Hasina has offered Singapore 500 acres of land in a special economic zone (SEZ) to initially set up their businesses, especially agro- and food-processing industries.

"Initially, we will give you a 500-acre land in a special economic zone," the prime minister said when a delegation of businessmen from Singapore, led by Singapore Business Federation Chairman Teo Siong Seng, called on her at her parliament office on 10 July. PM's Press Secretary



Ihsanul Karim briefed reporters after the meeting.

He said the prime minister put emphasis on setting up agro-based and food-processing industries along with poultry and dairy farms. About the Singaporean businessmen's demand for 2,500 acres of land, she said the government would gradually increase the area of land. The prime minister further said the Singaporean businessmen would be benefited after setting up their industries here as Bangladesh is a bridge between the East and West Asia.

The Singaporean delegation came to Bangladesh after the prime minister invited them during her recent visit to Singapore and asked them to explore the potential for their future business in this country. The delegates said they had talks with officials of Bangladesh Export Processing Zones Authority (BEPZA) and Bangladesh Economic Zones Authority (BEZA). "We received good responses from them," said Teo.

Bangladesh, Nepal agree to boost trade and investment cooperation

Bangladesh and Nepal have agreed to enhance bilateral trade and investment and work together to develop the power sector. The consensus came at a meeting between Prime Minister Sheikh Hasina and her Nepalese counterpart KP Sharma Oli on the sidelines of the 4th BIMSTEC Summit in Kathmandu on 30 August.



"They discussed bilateral and regional cooperation and put emphasis on increasing trade and investment as well as enhanced cooperation for power-sector development," Hasina's Press Secretary Ihsanul Karim told reporters after the meeting at Hotel Soaltee Crowne Plaza in the afternoon.

Karim said the two prime ministers discussed importing electricity from Nepal and signing a memorandum of understanding (MoU) in this regard. He said that Sheikh Hasina recalled Nepal's support during Bangladesh's Liberation War, with profound gratitude, and said Dhaka deeply valued its relations with Kathmandu.

"Our main aim is to eradicate poverty from the region… we want development not for our country alone—we want the neighbours to develop as well," she said. Hasina offered Nepal to use Bangladesh's seaports and the Syedpur airport and added Bangladesh could also share its experience in disaster management with Kathmandu.

Prime Minister Oli said the two countries needed to "explore opportunities to boost cooperation in different sectors." Hasina stressed the need to further strengthen regional connectivity for the benefit of South Asian nations.

Later, Bhutanese Chief Adviser or head of interim government Dasho Tshering Wangchuk called on Sheikh Hasina, at the same location, and they discussed matters of mutual interest. The two leaders expressed satisfaction over the existing friendly ties between the two countries and hoped that the relationship would be further strengthened in the coming days.

Sheikh Hasina, along with other BIMSTEC leaders, jointly called on Nepalese President Bidya Devi Bhandari at Sheetal Nibash, the Presidential Palace, in the capital city. There, they also attended a banquet luncheon hosted by the Nepalese president.

Sheikh Hasina went Nepal to join the two-day 4th Summit of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) which began on 30 August.

Local pharma market set to hit $5.11b by 2023

Bangladesh's pharmaceuticals sector will grow 15 percent year-on-year to reach $5.11 billion by 2023, propelled by high investments by local companies as they seek to grab a bigger share of the global market, said a new study on July 31. By 2022, the market size will be more than doubled to $4.44 billion from $2.02 billion now, it said.

"Bangladesh will soon become a major global hub for high quality and low-cost generic medicine and vaccine," said Abdul Muktadir, chairman and managing director of Incepta, a local medicine producer and exporter. Bangladesh's pharmaceutical industries aim to capture 10 percent of the global generic market as 5 to 7 companies have received approval from top regulatory bodies, he said. These include the UK's Medicines and

Healthcare products Regulatory Agency and the United States Food and Drug Administration, he added.

Muktadir was presenting the keynote paper on "Pharmaceuticals: the next multi-billion dollar opportunity for Bangladesh" at a meeting of the American Chamber of Commerce in Bangladesh (AmCham) at The Westin Dhaka.

Bangladesh exports medicinal products to 144 countries after meeting 97 percent of the domestic demand. Pharmaceuticals exports fetched $103.46 million in the last fiscal year, up 16.03 percent year-on-year, according to the Export Promotion Bureau. Currently, Bangladesh has the facilities for producing advanced medicine like active pharmaceuticals ingredients, biosimilars, vaccines, and oncology products alongside medical devices.

Bangladesh has a surplus of pharmaceutical industry-focused human resources, Muktadir said, adding that the formulation industry is well-developed and investing heavily for future growth. Bangladesh is capable of producing specialised delivery products like inhalers, pre-filled syringe injections, lyophilised injections, dry-powder inhaler and sustained-release formulations, Muktadir said.



The country has already developed production facilities for tablets, capsules, liquid preparations, dry suspension, injections, ointment/cream, nasal spray and granules in sachets. In the first quarter of 2018, the market size of pharmaceutical products in Bangladesh was $2.35 billion and year-on-year growth rate was 8 percent. Per capita consumption of medicine was about $15.36.

Speaking as a panel discussant, Kazi M Aminul Islam, executive chairman of the Bangladesh Investment Development Authority, said Bangladesh needs to develop the knowledge and capacity to grab a bigger share of the global pharmaceutical market. British pharmaceutical company GSK has shut down its production in Bangladesh because preparing Horlicks was commercially more viable than making medicine, he said.

M Mosaddek Hossain, managing director of UniMed & UniHealth Manufacturers Ltd, said if Bangladesh could produce and run an API park successfully, it would become more competitive in the global pharmaceuticals market. "We also need to have competitive sourcing of raw materials," he said.

Nurul Islam, president of the AmCham, Farooq Sobhan, president of the Bangladesh Enterprise Institute, and Md Mustafizur Rahman, director general of the Directorate General of Drug Administration, also spoke.

Rice bran oil: exports on the rise

Bangladesh's rice bran oil is gradually making headway in the international market. The country shipped more than 20,000 tonnes of rice bran oil for the second consecutive fiscal year in 2017-18. They exported the item to more than a dozen countries,



including India, the US, the UK, Australia and Japan in 2017-18, fetching $21 million, according to the Export Promotion Bureau.

Some manufacturers said the prospect of edible oil exports is bright provided a smooth supply chain of rice bran is developed, and logistics, ports and other infrastructures are improved. "We are mainly exporting to India as demand is higher there compared to our domestic market," said Chitta Majumder, managing director of Majumder Group of industries that runs two rice bran oil plants.

Majumder, one of the leading rice millers and importers, has been exporting rice bran oil in crude since 2014. Some other firms such as Agrotech International Ltd (AIL) and traders export the oil, which is popular in Asian countries such as Japan, India, Korea and China.

The export volume of rice bran oil was 17,515 tonnes in 2015-16, according to data from the plant quarantine wing under the Department of Agricultural Extension. The export volume reached that level in less than a decade after some local rice millers joined the foray to extract oil from rice bran, banking on Bangladesh's strides in rice yield.

Today the sector, which began its journey in 2009, has 14 firms with an annual production capacity of more than 2.50 lakh tonnes of rice brain oil. Yet, the active mills cannot use the full capacity because of the dearth of supply of raw materials.

A study by the Bangladesh Tariff Commission (BTC) in 2015 found that the industry needs about 13 lakh tonnes of rice bran to make the most of the capacity. But it does not get the required amount due to the export of rice bran or the demand of the feed

industry. The study said conversion of manual rice mills to auto- and semi-auto rice mills will increase the production of rice bran, meeting the requirement of extraction plants serving domestic and overseas markets.

If 100 percent of the paddy is processed by auto- and semi-auto rice mills, 7.16 lakh tonnes of refined rice bran oil might be obtained, according to a paper published in the Bangladesh Journal of Tariff and Trade by the BTC.

"Availability of rice bran is not an issue; the main problem is supply chain of rice bran is not well-established in our country," said Moinul Hasan, controller of finance of AIL, which has been exporting rice bran oil since 2015. It takes three to five days to load a truck with 15 tonnes of rice bran. Besides, not all rice bran is suitable for extracting oil, he said, adding that the production of milled rice and rice bran will increase through the modernisation of rice mills.

Hasan said the domestic demand for the edible oil is growing thanks to the expanding middle- and upper middle-income groups."Export potential is bright if we can ensure quality. But the main challenge is the country's image," he said. "Building capacity to deliver the item in large quantities and improving the country's image are key to tapping the export market." Hasan said some buyers are doubtful about local millers' capacity to deliver a higher volume at a time.

"Our logistics and infrastructure is weak, which affects buyers' confidence," said Hasan, citing that the company could not send a consignment to South Korea on time last month because of the congestion at the Chittagong Port. Osman Ali of Mim International said his firm exports both rice bran and crude rice bran oil through Benapole land port when it finds higher prices in India.

Refined rice bran oil faces higher tax in India compared to that of crude oil, added Ali. Mim International exported 500 tonnes of crude rice bran oil in 2017. Majumder called for cash incentives to increase the export of rice bran oil.

300 businesses want to invest in Africa

At least 300 local businesses, especially agro-producers and garment makers, are seeking to invest in African countries to grab the benefits of the rising economies of the continent. "(They) contacted us to make investments in Africa over the last two or three months," said Amin Helali, secretary of Bangladesh Africa Investment Forum, a platform of local investors. Many Bangladeshi investors have already poured money into different projects in Africa, he said.



Most of these investors belong to the group of people who left the country years ago for jobs and are now residing in African countries, he said. "They did not make investment in Africa by remitting money from Bangladesh." The agro producers want to invest in Africa to the availability of vast areas suitable for cultivation of vegetables and rice and the presence of a potential market to sell the produce, he said.

"We need a guideline from the banking watchdog which can ensure protection of the money Bangladeshi businesses invested abroad," Helali said. Bangladesh Bank has so far received over 100 applications seeking permission to invest in Africa and given go-ahead to six of them, according to central bank official.

The banking regulator is now examining the proposals case-by-case to give approval to the companies interested to invest in Africa. The demand for low-cost agro-products and processed foods is very high in Africa, Helali said. For instance, the foods processed in Bangladesh by BRAC, Pran and Square have huge demand in African countries.

The garment makers want to invest in Africa to enjoy the zero-duty benefit that the US gives to the products originated in Africa under the African Growth and Opportunity Act (AGOA). The government has given the green light to local DBL Group to invest in the African garment sector. "We have started production in our Ethiopian factory in May this year. We will make the first shipment this month," said MA Jabbar, managing director of DBL Group.

Jabbar said he has a target to export $38 million worth of garment items from the Ethiopian plant every year. Some 1,290 people work in the factory set up at a cost of $32 million; of the employees 200 were recruited from Bangladesh, he said. "We set up the factory in Ethiopia mainly to take benefit of the AGOA and shorter lead times."

"I want to invest in production of vegetables, butter, dairy, rice and maize in Uganda," said Manik Sanyal, managing director of Business Firm Ltd, a Tangail-based agro product company. "If possible I want to establish a fishery in Uganda," said Sanyal, who runs seed and tea businesses in Bangladesh.

Helali, also the chairman of Dosh Disha Group, signed an agreement with the Ugandan agricultural ministry to acquire 20,000 hectares of land for farming paddy and other agricultural products in 2011.

The project is yet to be implemented as the government is delaying to give approval for foreign investment, he said.

"Had the agreement gone through, I would have produced paddy in Uganda. Of the total produce, 60 percent would have been brought to Bangladesh and 40 percent would have been sold in the Ugandan markets." The Chinese and Indian companies are acquiring thousands of hectares of land in different African countries like Uganda, Ethiopia, Kenya, Sudan, Rwanda and Congo. Bangladeshi businesses sought the government's support to invest in African nations long before their counterparts in other Asian countries, but they are still lagging far behind.

"I have been receiving either phone calls or applications from different entrepreneurs seeking approval for investment in Uganda," said Abul Hossain, honorary consul of Uganda in Bangladesh. Apart from agriculture, Bangladeshi entrepreneurs have the opportunity to invest in different sectors, including pharmaceuticals, ceramics, jute and jute goods and food processing, he said. "We will take a group of investors from Bangladesh to Uganda to conduct a feasibility study for making new investments there."

Leaders of the International Business Forum of Bangladesh (IBFB), a platform of investors, urged the government to formulate a specific policy to allow local companies to invest abroad as many domestic industrial conglomerates are now capable of doing so.

"Many Bangladeshi enterprises have acquired adequate technical knowledge and financial capacities to compete in international markets," said Hafizur Rahman Khan, the immediate past president of the IBFB.

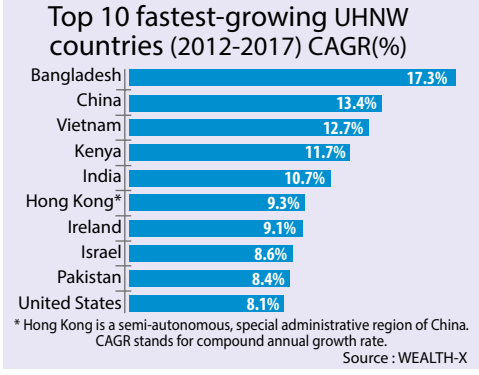
Source : The Daily Star

Number of rich rising fastest in Bangladesh

The World Ultra Wealth Report 2018 by WEALTH-X, published on September 5, said the ultra-high net worth (UHNW) population in Bangladesh posted a 17.3% growth over the last six years (2012-17). Bangladesh has been ranked as the fastest growing country in the world in terms of its increasing rich population, according to a report.

During the same time, the UHNW number rose by 12.9% globally to 255,810 people with their combined wealth surged by 16.3% to $31.5 trillion. UHNW refers to individuals with a net worth of $30 million or more. US-based WEALTH-X provides intelligence and market research on UHNW.

"Looking at a broader range of nations, China - perhaps surprisingly - is not the global leader. That status lies with Bangladesh, which has registered compound annual growth in its UHNW population of 17.3% since 2012," the report said. Apart from Bangladesh, four other countries posted double digit growth in terms of their rich population. They are China (13.4%), Vietnam (12.7%), Kenya (11.7%) and India (10.7%).



Five other countries in the top 10 list are: Hong Kong (9.3%), Ireland (9.1%), Israel (8.6%), Pakistan (8.4%) and United States (8.1%). In terms of richest concentration of rich people, the top 10 countries are: US (79,595 UHNW population), Japan (17,915), China (16,875), Germany (15,080), Canada (10,840), France (10,120), Hong Kong (10,010), United Kingdom (9,370), Switzerland (6,400) and Italy (5,960).

Bangladesh to import 9000 MW electricity from neighbours

Prime minister Sheikh Hasina, in a video conference with her Indian counterpart Narendra Modi on 10 September, said that Bangladesh planned to import 9,000 megawatts of power by 2041 from neighbouring countries and expected New Delhi to support this endeavour. 'We plan to import 9,000 MW of electricity from our neighbours by 2041 under a regional cooperation framework and I hope that India will be by our side in this endeavour,' she said while jointly inaugurating three projects in power and railway sectors with Modi.

Sheikh Hasina added that steps had been taken to immediately import 3,000 MW more from India as Bangladesh already imported 660 MW from there. The Indian prime minister, on the other hand, said that with the opening of the three projects, a golden chapter had been opened. 'From today, we became closer and our relationship has been deepened further,' he said.

The Bangladesh premier was at her Ganobhaban official residence during the conference and Modi was at his office in New Delhi while West Bengal chief minister Mamata Banerjee and Tripura chief minister Biplab Kumar Deb joined

the conference from their respective state capitals. Indian external affairs minister Sushma Swaraj and



Bangladesh foreign minister AH Mahmood Ali also spoke on the occasion.

Two of the projects opened through the conference on 10 September were part of the railway sector while the other was part of the power sector cooperation under which India would export an additional 500 MW of power through Behrampore-Bheramara interconnection. The event marked the inauguration of the Agartala-Akhaura Railway Link and the Kulaura-Shahbazpur rehabilitated section of Bangladesh Railways.

The two prime ministers along with the West Bengal and Tripura chief ministers opened the three projects by unveiling the e-plaques. Law minister Anisul Haque, railways minister Md Mazibul Haque, PM's political affairs adviser HT Imam, international affairs adviser Gowher Rizvi and energy adviser Towfiq-e-Elahi Chowdhury were present on Bangladesh side during the conference. State minister for power, energy and mineral resources Nasrul Hamid Bipu, PM's principal secretary Md Nojibur Rahman, foreign secretary Md Shahidul Haque and Indian high commissioner in Dhaka Harsh Vardhan Shringla were also present at Ganabhaban, among others.

The Bangladesh prime minister thanked Narendra Modi for supporting Bangladesh in its development pursuits particularly in the energy and power sector which she said was as a crucial element of bilateral cooperation. She said that the West Bengal chief minister by now had pledged to export 1000 MW more electricity to Bangladesh and expected the Indian premier to give his consent in this regard.

Sheikh Hasina said that her government was building 55 additional power plants with 13,690 MW of power generation capacities. 'But we need more energy to maintain our high economic growth.' She pointed out that Bangladesh's power generation capacity had now exceeded 20,000 MW while it was 3,200 MW nine and a half years ago.

In the recent years, she said, the two nations had witnessed remarkable progress in cooperation in a host of areas, including trade and commerce, power and energy, connectivity, infrastructure development and people-to-people interaction.

'We have maintained our good ties and also ventured into new areas such as blue economy and maritime cooperation, nuclear energy, cyber security, space research and so on,' she said. The premier said that the two countries experienced enhanced cooperation in the railway sector as well. 'And now we are working to re-open pre-1965 railway links for cargo transport between Bangladesh and India.'

Sheikh Hasina said that the Bangladesh-India relationship had become a role model for the rest of the world as it had enabled the two nations to walk through the path of mutual prosperity with firm confidence. 'Mutual trust, respect and goodwill have made our relations stronger over the years,' she said and recalled with profound respect the crucial Indian contribution during Bangladesh's 1971 Liberation War led by the nation's founding president Sheikh Mujibur Rahman.

The Bangladesh premier said that in recent years, the land boundary problem had been solved with unanimous support from all parliament members in India proving that people in India, irrespective of party and opinion, remained united on any issue related to Bangladesh. The two rail projects — one on the Akhaura-Agartala rail route and another on the Kulaura-Shahbazpur section of Bangladesh Railway — was a testimony of cooperation, Modi said.

The Indian premier highly appreciated Bangladesh premier's proposal for resumption of the pre-1965 rail routes between the two neighbours and added that India wanted to be a 'proud partner' on implementing prime minister Sheikh Hasina's Vision 2021 and Vision 2041. Later, the Bangladesh premier exchanged views with the cross section of people in Akhaura, Bheramara and Kulaura.

Officials familiar with the power sector project said that of the 500 MW power to be imported, 300 MW would come from India's state-run National Thermal Power Plant and 200 MW from the privately-run Power Trading Corporation of India. Bangladesh imported 660 MW of electricity from India; 500 MW of this supply were added to the national grid in Bheramara of Kushtia from Baharampur of India's

West Bengal state while 160 MW were added to the national grid in Comilla from India's Tripura.

Railway officials, on the other hand, said that the rehabilitation of 53 kilometre long Kulaura-Shahbazpur section would be completed at a cost of Tk 678 crore 51 lakh. Of the total amount, Tk 555 crore 99 lakh would be provided by India under its line of credit. The Bangladesh part of the Akhaura-Agartala rail line and the rehabilitation of Kulaura-Shahbazpur section would be implemented under India's one billion dollar LoC. After commissioning of the railway lines, the officials said, Bangladesh-India rail connectivity would be strengthened and it would also boost economic cooperation between the neighbours.

ADB doubles commitment for next three years

The Asian Development Bank is ready to lend $8.01 billion to Bangladesh over the next three years, almost the double the amount it had committed in the previous three years. Between 2015 and 2017, the Manila-based multilateral lender committed $4.08 billion. The ADB has already sent an indicative plan to the government about its intent to bankroll various mega projects with the view to reducing high transport and logistics costs and improving access to domestic, regional and international markets.

It will focus on the development of transport corridors integrating roads, railways and ports in order to ease congestion, improve climate resilience, continue institutional reforms and facilitate trade. The ADB will continue to support the development of the Dhaka-Chittagong-Cox's Bazar Railway corridor, add the Dhaka-Southwest road corridor to the pipeline and support investments in the Chittagong Port.

The lender will also support the improvement of public transport in the capital through the Dhaka Metro Rail project and work towards developing high-speed rail corridors, logistics and inland waterways. In April, an ADB mission visited Bangladesh and held talks with concerned officials.

Of the $8.01 billion, $4.33 billion is available for commitment right away. Of the sum, $1.45 billion will be given in 2019, $1.42 billion in 2020 and $1.47 billion in 2021. Some 31 projects are ready for implementation under this, according to the ERD official. The remaining $3.68 billion are on standby: $1.18 billion can be used in 2019, $1.23 billion in 2020 and $1.27 billion in 2021.

If projects are ready to roll, funds will be given from the standby allocation, according to the ERD official. The development lender does not approve a project before it is ready. The ADB's new lending will be in energy, transport, education, water and urban services, agriculture and rural development.

The bank will provide about $140 million for the Bangladesh-India grid interconnection project, $35 million in technical assistance loan for the Dhaka Metro line-5 (South) and $250 million in investment for the first phase of the same project.

Some $100 million will go towards LNG imports, $200 million for LNG transmission pipeline, $200 million for Dhaka-Chittagong high-speed rail, and $200 million for Dhaka-Chittagong Expressway project. In 2018, the resource available is $1.64 billion, and ad of July the ADB board has approved $1.19 billion.

Source : The Daily Star

ADB lending to cross $2b this year

Asian Development Bank's lending to Bangladesh is likely to exceed $2 billion this year, according to ADB. The ADB has already approved over $1.6 billion, of which $1,535 million is sovereign, $60 million non-sovereign and $8.7 million technical assistance. "More projects worth over $600 million are likely to be approved by year-end," said Manmohan Parkash, country director of the ADB.

He said $988 million was approved for different projects since January, of which $586 million has been disbursed as of 10 September -- the amount being 46 percent higher compared to that in the same period in 2017. Parkash was addressing a ceremony at Economic Relations Division (ERD) in the capital's Sher-e-Bangla Nagar on the ADB and the ERD signing loan agreements on 11 September.

The deals comprised $350 million in loan and $7.5 million in grant for a project to develop two power lines. Kazi Shofiqul Azam, secretary of the ERD, and Parkash signed the agreements representing their respective sides. According to the ADB, the project will get another $7 million as grant from the Japan Fund for the Joint Crediting Mechanism to finance new high-technology energy efficient conductors.

Another $0.5 million grant from South Korea's e-Asia and Knowledge Partnership Fund will promote socially inclusive growth with gender equality. "Bangladesh's power sector has rapidly grown in recent years, but more investments are needed to

meet the rising electricity demand in a fast-growing economy," said Parkash.

The ADB assistance aims to underpin the current impressive pace of growth and development by making power generation, transmission and distribution systems more efficient, reliable, and environmentally friendly. "The project will promote business expansion, and create employment opportunities for local communities, including poor and socially disadvantaged people in southern and western zones of Bangladesh," he added. Azam said there was no crisis of foreign funds for development work in Bangladesh.

He, however, emphasised expediting project implementation to reduce cost overruns due to implementation delays. The Southwest Transmission Grid Expansion Project builds on the ADB's previous work in Bangladesh's power sector to address transmission system deficiencies leading to southern and western load centres. This includes the recently approved Rupsha 800 megawatt combined-cycle power plant in Khulna.

The project will develop a 126 kilometre-long 230 kilovolt (kV) transmission line from Barisal to Faridpur and a 104km 400 kV transmission line from Bogra to Rohanpur, along with substations, transformers and associated extensions and connections.

The transmission lines will have a new type of high temperature conductor to allow more power transfer at lower energy losses. The project is also contributing to climate change mitigation, since the new conductors reduce carbon dioxide emissions compared to conventional ones.

Source : The Daily Star

AIIB to invest $270m in Bangladesh clean water, sanitation projects

The China-based Asian Infrastructure Investment Bank (AIIB) plans to invest $270 million in a Bangladesh clean water infrastructure project. The project aims to improve access to piped water and sanitation to municipalities with poor water quality. The announcement was made on 3 Sept, when members of the AIIB's Board of Directors visited Savar to meet the beneficiaries of an ongoing energy infrastructure project.

"We are delighted that our investment has had a positive impact on the low income population of Bangladesh," said AIIB Director Emil Levendoglu. "We are considering investing in a clean water and sanitation project." "We hope the investment for that project will be approximately $270 million." Levendoglu suggested the water project would be approved at a board meeting in December.

The AIIB has already invested up to $274 million in energy projects in Bangladesh. The investment hopes to provide 2.5 million service connections for rural consumers, upgrade two grid substations and change 85km of overhead lines to underground cables. The project is to be completed by 2019. Bangladesh needs to invest approximately $40 billion on electricity generation, transmission and distribution by 2030 to meet demands and overcome constraints, the AIIB said in a statement.

Bangladesh advances nine notches in e-govt survey

Bangladesh has been ranked 115th in the United Nations E-Government Survey 2018 among the 193 countries. The country has moved up nine places from its previous 124th position in 2016. Access to Information (a2i) programme revealed the information at a press conference in the capital on 22 July. The UN survey report was published on July 19, reprots UNB.

Addressing the conference, Post, Telecommunications and ICT Minister Mustafa Jabbar said, the real advancement of e-government has not truly reflected in the survey report due to data gap and as a result the desired ranking could not be achieved.

"We are prioritising on Human Capital Index and Telecommunication Index. Various projects like CRVS, Open Data Portal, National Information Portal, SDG Portal, Big Data Initiative etc. have been taken to keep our quality



at par international standards.", said the minister adding that, Bangladesh will further improve its position in Online Service Index once these projects are implemented. While explaining Bangladesh's rank in the report, a2i programme's Policy Advisor Anir Chowdhury said, according to the UN survey report, Bangladesh is the highest ranked least developed country (LDC). Among other LDCs, Nepal is ranked at 117th, Rwanda 120th, Bhutan 126th, Zambia 133rd and Uganda 135th.

According to the report, Bangladesh is a notable example of a country with a very high OSI (Online Service Index) which is 0.7847, but set at a much lower EGDI (E-Government Development Index) which is 0.4862. This placed the country in the middle-EGDI level group.

Anir Chowdhury said, the ranking is based on three indexes - Online Service Index, Telecommunication Infrastructure Index (TII) and Human Capital Index (HCI).

Online service is progressing at a high speed, but more efforts are needed to be given to develop the TII and HCI, he said, adding that Bangladesh is improving in E-participation, which means general people are using online mechanism to involve themselves with government decision. In 2012, E-participation ranking of the country was 109, which has now become 51 this year, said Anir Chowdhury.

Among the neighbouring countries India, Maldives, Bhutan, Pakistan and Myanmar have improved their positions while Sri Lanka went down 15 notches in the list, said the policy advisor. In 2012, Bangladesh followed the model of Sri Lanka to improve its position, but now Sri Lanka's ranking has gone down, he said.

Anir Chowdhury also stressed on some measures to perform well in the competition, such as increasing assistance and collaboration among government agencies to reduce data gaps about e-governance, ensuring updated open data, prioritising telecommunication and education sector and increasing e-participation of mass people. While speaking at the press conference, State Minister for ICT Zunaid Ahmed Palak expressed his hope to get Bangladesh into the top 20 countries in EGDI and into the top 5 countries in E-participation index by 2041.

Among others, Information and Communication Technology Division Secretary Juena Aziz, Access to Information (a2i) Project Director Md. Mustafizur Rahman (PAA) and other top officials from Bangladesh Computer Council (BCC), ICT Division, UNDESA and a2i were also present at the event. According to the survey report, the top three countries of EGDI are Denmark (0.9150), Australia (0.9053) and Republic of Korea (0.9010). The average world EGDI has been increasing from 0.47 in 2014 to 0.55 in 2018 owing to the continuous improvement of its subcomponent indices while the improvement of the OSI average is the fastest, from 0.39 to 0.57, by an average of 40 per cent, said the report suggesting that globally there has been steady progress in improving e-government and public services provision online.

European countries lead e-government development globally while those of Americas and Asia share almost equal standing in high and middle e-government index levels. Many African countries continue to struggle to improve their e-government standing, said the UN survey.

Bangladesh moves 3 notches up in Human Development Index

Bangladesh has moved three notches up to the 136th place among 189 countries in the Global Human Development Index (HDI) 2017, reports UNB quoting the Human Development Report (HDR) of the United Nations Development Programme (UNDP). Bangladesh had also moved up three spots and ranked 139th in HDI 2015 due to the remarkable progress it had made in many socio-economic areas, including life expectancy and per capita income.

India also climbed one spot to 130th position among the countries in the latest report 'Human Development Indices and Indicators' released on 14 September. Human development data, analysis and reporting have been at the heart of that paradigm. UNDP's Human Development Index has captured human progress, combining information on people's health, education and income in just one number.

Over the years, the HDI has served as a comparative tool of excellence, and as a reliable platform for vigorous public debates on national priorities. UNDP Administrator Achim Steiner said the Human Development Report will remain UNDP's premier vehicle to advance development thinking. "Our mission to capture the state of global human development and inform development policy across the globe has never been more crucial."

UNDP said still the Sustainable Development Goals (SDGs) require new indicators for assessing the many faces of inequality, the impact of the global environmental crisis on people now and tomorrow, the importance of voice, and the ways in which communities rather than individuals are progressing.

Director of Human Development Report Office Selim Jahan said while there is ground for optimism that the gaps are narrowing, disparities in people's well-being are still unacceptably wide. He said inequality in all its forms and dimensions, between and within countries, limits people's choices and opportunities, withholding progress.

Within South Asia, India's HDI value is above the average of 0.638 for the region, with Bangladesh and Pakistan, countries with similar population size, being ranked 136 and 150 respectively.

Looking at 2018 results, Norway, Switzerland, Australia, Ireland and Germany lead the HDI ranking of 189 countries and territories, while Niger, the Central African Republic, South Sudan, Chad and Burundi have the lowest scores in the HDI's measurement of national achievements in health, education and income.

The overall trend globally is toward continued human development improvements, with many countries moving up through the human development categories: out of the 189 countries for which the HDI is calculated, 59 countries are today in the very high human development group and only 38 countries fall in the low HDI group. Just eight years ago in 2010, the figures were 46 and 49 countries respectively.

Regional News

BIMSTEC Summit: 18-pt Kathmandu declaration focuses on joint efforts to combat terrorism

The fourth BIMSTEC Summit concluded in Kathmandu on 30 August with the member states inking a deal for cross-country energy grid interconnection and reaffirming strong commitment to working out a comprehensive approach to combat terrorism. In the two-day summit, BIMSTEC leaders agreed to turn the Bay of Bengal region peaceful and prosperous by building common strengths through collective efforts.



They also agreed to make the organisation a dynamic, effective and result-oriented body for intensifying regional cooperation, alleviating poverty and promoting connectivity, energy and free trade.

The summit ended with the signing of a Memorandum of Understanding (MoU) on establishing a BIMSTEC Grid Interconnection to enhance energy cooperation among the seven member states -- Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand.

The foreign ministers of the countries signed the deal, which is expected to pave the way for buying and selling electricity among BIMSTEC members once the cross-country energy grids will be put in place.

Diplomatic sources said the MoU would open the door for energy cooperation among the member states of South Asia and South East Asia and would also facilitate the promotion of efficient, economic, and secure operation of power system through the development of regional electricity networks.

Bangladesh Prime Minister Sheikh Hasina, Bhutan Interim Government Chief Adviser Lyonpo Tshering Wangchuk, Indian Prime Minister Narendra Modi, Myanmar President Win Myint, Nepalese Prime Minister KP Sharma Oli, Sri Lankan President Maithripala Sirisena and Thai Prime Minister Prayut Chan-o-cha attended the summit of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

At the closing session, KP Sharma Oli presented an 18-point draft of the Kathmandu Declaration, which was adopted unanimously. It included cooperation in areas such as agricultural technology exchange, gradual reduction of climate change impact, boosting trade and investment, blue economy, mountain economy, tourism, cultural cooperation and people-to-people contact. The Nepalese PM also handed over the chairmanship of the grouping to the Sri Lankan president.

Acknowledging that enhanced inter-linkages and inter-dependence within the economies and societies of the BIMSTEC member states provide greater opportunity to advance regional cooperation, the summit underlined the importance of multidimensional connectivity for economic integration and shared prosperity.

The declaration acknowledged the importance of trade and investment as one of the major contributing factors for fostering economic and social development in the region. The Kathmandu Declaration deplored terrorist attacks in all parts

of the world, including in BIMSTEC countries, and strongly condemned terrorism in all its forms.

"Affirm that the fight against terrorism should target not only terrorists, terror organisations and networks but also identify and hold accountable States and non-State entities that encourage, support or finance terrorism, provide sanctuaries to terrorists and terror groups and falsely extol their virtues," the Declaration said.

The BIMSTEC member states reiterated their strong commitment to combat terrorism and called upon all countries to devise a comprehensive approach in this regard which should include preventing financing of terrorists and terrorist actions from territories under their control, blocking recruitment and cross-border movement of terrorists, countering radicalisation, tackling misuse of internet for purposes of terrorism and dismantling terrorist safe havens.

The summit agreed to expedite the conclusion of BIMSTEC Convention on Mutual Legal Assistance in Criminal Matters and called upon the member states for its early ratification. It also expressed satisfaction that many member states have ratified the BIMSTEC Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking.

Besides, the summit agreed to establish seamless multi-modal transportation linkages and smooth, synchronised and simplified transit facilities through the development, expansion and modernisation of highways, railways, waterways, sea routes and airways in the region.

It was also decided to speed up the efforts to conclude the BIMSTEC Coastal Shipping Agreement and the BIMSTEC Motor Vehicle Agreement as early as possible taking into account the special circumstances and needs of the member states.

Additionally, the grouping decided for an early conclusion of Bimstec Free Trade Area (FTA) negotiations, and directed the BIMSTEC Trade and Economic Ministerial Meeting and its subsidiary bodies, including the Trade Negotiating Committee, to expedite finalisation of all related agreements of the BIMSTEC FTA as early as possible.

The summit also called for exploring the possibility of establishing a BIMSTEC development fund with voluntary contributions from the member states. The fund would be utilised for research and planning of BIMSTEC and financing of projects, and other activities of the regional organisation, according to the Kathmandu Declaration.

Hasina, Modi agree to work together for people of Bangladesh, India

Prime Minister Sheikh Hasina and her Indian counterpart Narendra Modi had a meeting in Kathmandu, Nepal on 30 August and they agreed to work together for the welfare of the people of the two countries. PM's press secretary Ihsanul Karim briefed reporters after the meeting held at Hotel Soaltee Crowne Plaza in Tahachal Marg.



"They both agreed to work together for the development of the fate of the people of the two neighbouring countries ," said Ihsanul Karim. He said Prime Minister Sheikh Hasina expressed her gratitude to India for their support to Bangladesh from its Liberation War to development activities. "We want to take this friendship to a newer height," the Prime Minister was quoted as saying.

Narendra Modi said both the countries want to help each other for their mutual benefits. The two Prime Ministers hoped that BIMSTEC will go a long way in economic development of its member countries through enhanced cooperation among themselves.

Foreign Minister AH Mahmood Ali, Bangladesh High Commissioner to India Syed Moazzem Ali, Principal Secretary Md Nojibur Rahman and Foreign Secretary Md Shahidul Haque were, among others, from Bangladesh side.

India to help Nepal build rail link to Kathmandu

India will help Nepal construct a rail link between capital Kathmandu and an Indian border town for smoother movement of passengers and cargo to the landlocked Himalayan nation, which neighboring China is also trying to woo with a similar plan. An agreement to study the feasibility of a rail line linking the two countries

was signed by officials on 31 August during a meeting between Nepal's Prime Minister K.P. Sharma Oli and Indian premier Narendra Modi on the sidelines of a regional summit of seven South and East Asian countries.

India's Konkan Railway Corporation Ltd will conduct a preliminary engineering and traffic survey for the rail line, India's embassy in Nepal said in a statement. The planned 130 km (80.78 mile) line from the Indian border town of Raxaul in eastern Bihar state to Nepalese capital Kathmandu, once built, will just be the second rail track in the mountainous nation. Nepal's only railway link is a 35 km stretch in its southern plains.

Construction of the rail line and its funding will be finalised after the Konkan Railway submits its findings, officials said. The bulk of Nepal's overland foreign trade is routed through Raxaul and accounts for nearly two thirds of all trade in the landlocked nation. Imports by roadways are often delayed and expensive as cargo is carried in diesel-guzzling trucks.



"The Raxaul-Kathmandu rail line is expected to expand connectivity by enhancing people-to-people linkages between the two countries and promoting economic growth and development," the Indian embassy statement said. Nepal, wedged between China and India, is seeking to lessen its heavy dependence on New Delhi for trade and the supply of essential goods such as fuel, as it tries to improve connectivity with China.

China has already conducted a pre-feasibility study for a 70 km (42 miles) link connecting Gyiron in Tibet with Kathmandu, making it one of the most ambitious infrastructure projects in the rugged Himalayan mountains.

14-point Recommendation of UN fact-finding Mission
Crimes against humanity committed in Kachin, Rakhine and Shan States

The UN fact-finding mission concludes on reasonable grounds that the following serious crimes under international law have been committed that warrant criminal investigation and prosecution:

There is sufficient information to warrant the investigation and prosecution of senior officials in the armed forces' chain of command, so that a competent court can determine their liability for genocide in relation to the situation in Rakhine State.

Crimes against humanity have been committed in Kachin, Rakhine and Shan States, principally by the military. For Kachin and Shan States, these include crimes against humanity of murder; imprisonment; enforced disappearance; torture; rape, sexual slavery and other forms of sexual violence; persecution; and enslavement.

In Rakhine State, these and additional crimes against humanity were committed. The elements of extermination and deportation are also present, and the systematic oppression and discrimination not only supports a finding of persecution, but may also amount to the crime of apartheid.

War crimes

Given the Mission's consideration that non-international armed conflicts existed in Kachin and Shan States (for the entire period under review) and in Rakhine State at least since August 2017, much of the conduct which gives rise to crimes against humanity will also satisfy the war crime elements of murder; torture; cruel treatment; outrages upon personal dignity; attacking civilians; displacing civilians; pillaging; attacking protected objects; taking hostages; sentencing or execution without due process; as well as rape, sexual slavery, and sexual violence.

Certain acts committed by ethnic armed organisations (EAOs) and Arakan Rohingya Salvation Army (Arsa) may also constitute war crimes.

14-Point Recommendation of fact-finding mission :

(a) The international community, through the UN, should use all diplomatic, humanitarian and other peaceful means to assist Myanmar in meeting its responsibility to protect its people from genocide, crimes against humanity and war crimes.

(b) The UN Security Council should ensure all perpetrators are held to account, preferably by referring Myanmar to International Criminal Court or by creating an ad hoc

tribunal. The Security Council should adopt targeted individual sanctions, including travel bans and asset freezes, against those who appear most responsible for serious crimes under international law and impose an arms embargo on Myanmar.

(c) Until the Security Council acts, the General Assembly, or alternatively the Human Rights Council, should create an independent, impartial mechanism to collect, consolidate, preserve and analyse evidence of violations for criminal proceedings.

(d) The Human Rights Council should continue to support the mandates of the Special Rapporteur on Myanmar and the High Commissioner for Human Rights to maintain a strong focus on the human rights crisis in Myanmar.

(e) The Human Rights Council should specifically request OHCHR to focus on ensuring accountability for human rights violations and abuses in Myanmar.

(f) The Human Rights Council should establish a second fact-finding mission for a limited period to build on the work undertaken by the Mission.

(g) The UN should urgently adopt a common strategy to ensure that all engagement with Myanmar takes into account, and addresses, human rights concerns, in line with the Human Rights Up Front Action Plan.

(h) There must be a comprehensive, independent inquiry into the United



Nation's involvement in Myanmar since 2011, with a view to establishing whether everything possible to prevent or mitigate the unfolding crises was done; identifying lessons learned and good practice; making recommendations as appropriate, including on accountability; and enabling more effective work in future.

(i) The UN and international community must ensure that the repatriation of refugees and return of internally displaced persons only occurs when safe, voluntary and dignified, with explicit human rights protections in place, including citizenship. In the current circumstances, returns are not possible.

(j) All Member States should ensure that engagement with Myanmar, and support for aid, development and reform projects, take into account and address human rights concerns, and explicitly conform to the principles of non-discrimination and equality.

(k) Regardless of the imposition of an arms embargo by the Security Council, States should not authorise the transfer of arms to Myanmar, considering the overriding risk that they would be used to undermine peace and security and in the commission of serious crimes under international law.

(l) Relevant regional organisations, including the European Union and ASEAN, should develop strategies to ensure accountability for perpetrators of crimes under international law in Myanmar, including through sustained engagement with Myanmar and support for an international justice mechanism.

(m) Member States should exercise jurisdiction to investigate and prosecute alleged perpetrators of serious crimes under international law committed in Myanmar.

(n) The United Nations should establish a trust fund for victim support, through which victims can receive psychosocial support, legal aid, livelihood support, and others means of assistance. All trust fund projects should be designed in consultations with victims.

Source : The Daily Star

5 South Asia countries to form regional network

Senior government officials of five South Asian countries in the Hindu Kush Himalaya (HKH) region have agreed to form a regional network to boost their mountain economies and slow down glacier and snowmelt caused by climate change and pollution.

Officials from Afghanistan, Bhutan, India, Nepal, and Pakistan on 17 September agreed on a set of principles to better maintain the snow covers and glaciers that span their mountain ranges and serve as a valuable source of energy, water, and



food for millions of people living in downstream areas.

Speaking at the launch of 'Hindu Kush Himalaya Glaciers and Mountain Economy Network' during a climate change conference in the Capital on September 17, Nepal's Minister for Forests and Environment Shakti Bahadur Basnet said, "South Asia is home to the largest glaciated area outside the poles, and the region shares many common challenges

related to climate change and glacier melting.

"Greater cooperation with our South Asian neighbours will bring the solutions we need to keep our Himalayan glaciers healthy, boost our mountain economies, and make our communities more resilient to climate change." According to climate scientists, during the past century, most of the Himalayan glaciers have been shrinking, and between 2003 and 2009, the range lost an estimated 174 giga tonnes of water each year at a rate faster than the global average.

These countries and the whole region is highly dependent on water provided by Himalayan glaciers and increased snowmelt in the HKH region, triggered by the rising temperature, has made the region highly vulnerable to climate change impacts.

India becomes sixth largest economy in the world, overtakes France

The country's economy grew at a seven-quarter high of 7.7 per cent in the three months ended March 2018, helped by higher government spending and investment.



India has become the world's sixth largest economy, surpassing France, according to a World Bank report. According to the data, India's Gross Domestic Product (GDP) amounted to USD 2.59 trillion, as against France's USD 2.58 trillion. The country's economy grew at a seven-quarter high of 7.7 per cent in the three months ended March 2018, helped by higher government spending and investment.

India has doubled its GDP within a decade and is expected to power ahead as a key economic engine in Asia, even as China slows down. The country is also expected to surpass the fifth largest economy, the United Kingdom, in the near future. The United Kingdom, which is facing Brexit blues, had a GDP of USD 2.62 trillion in 2017, the report added. As per the International Monetary Fund's World Economic Outlook released in April this year, the size of the Indian economy was pegged at USD 2.61 trillion, ahead of France with a GDP of USD 2.58 trillion.

According to the World Bank, the United States is the world's largest economy with a size of USD 19.39 trillion, followed by China (USD 12.23 trillion) at the second place. Japan (USD 4.87 trillion) and Germany (USD 3.67 trillion) are at the third and fourth places, respectively.

G20 calls for stepped-up trade dialogue: No agreement on way forward

Global finance leaders called on 22 July for stepped-up dialogue to prevent trade and geopolitical tensions from hurting growth, but ended a two-day G20 meeting with little consensus on how to resolve multiple disputes over U.S. tariff actions, according to a draft communique from the meeting. The finance ministers and central bank governors from the world's 20 largest economies warned that growth, while still strong, was becoming less synchronized and downside risks over the short- and medium-term had increased.

"We recognise the need to step up dialogue and actions to mitigate risks and enhance confidence," the communique said. This marked a strengthening of language compared to their previous statement issued in March, in which they simply "recognise the need for further dialogue."



"The latest language suggests a great deal of urgency about resolving these issues," Australia Treasurer Scott Morrison told Reuters in an interview, adding that the ministers had made it clear in the discussion that they were concerned about "tit-for-tat measures" and that open trade was the goal. "The language previously had been a bit ambiguous about that, a bit sheepish," Morrison added. The weekend talks in Buenos Aires came at a time of escalating rhetoric in the trade conflict between

the United States and China, the world's largest economies, which have so far slapped tariffs on $34 billion worth of each other's goods.

U.S. President Donald Trump raised the stakes on July 20 with a threat to impose tariffs on all $500 billion of Chinese exports to the United States unless Beijing agrees to major structural changes to its technology transfer, industrial subsidy and joint venture policies.

G20 agriculture ministers slam protectionism, pledge WTO reforms

Agriculture ministers from the G20 countries criticized protectionism in a joint statement on 28 July, and vowed to reform World Trade Organization (WTO) rules, but did not detail what steps they would take to improve the food trade system.

markets. China and other top U.S. trade partners have placed retaliatory tariffs on American farmers after the Trump administration put duties on Chinese goods as well as steel and aluminum from the European Union, Canada and Mexico.

relief that U.S. farmers could see as early as late September. Despite the payments, the measures are "not going to make farmers whole," Perdue said.

The ministers, whose countries represent 60 percent of the world's agricultural land and 80 percent of food and agricultural commodities trade, did not specify which measures they were referring to in the statement.



The ministers from countries including the United States and China, in Buenos Aires for the G20 meeting of agriculture ministers, said in the statement they had affirmed their commitment not to adopt "unnecessary obstacles" to trade, and affirmed their rights and obligations under WTO agreements.

The meeting came amid rising trade tensions that have rocked agricultural

U.S. growers are expected to take an estimated $11 billion hit due to China's retaliatory tariffs.

The Trump administration said it would pay up to $12 billion to help farmers weather the trade war. U.S. Agriculture Secretary Sonny Perdue told Reuters in an interview on the sidelines of the meeting that Trump's plan would include between $7 billion and $8 billion in direct cash

In the statement, the ministers said they agreed to continue reforming the WTO's agricultural trade rules. U.S. President Donald Trump and European Commission President Jean-Claude Juncker struck a surprise deal on Wednesday that ended the risk of further escalating trade tensions between the two powers. After the meeting, Trump said the European Union would buy "a lot" of U.S. soybeans.

Earlier, Kloeckner told Reuters that the trade relationship between the United States and the European Union was improving, but that there was no guarantee the bloc would import the quantity of soybeans that Washington expects.

G20 trade ministers say WTO reform 'urgent' as new Trump tariffs loom

Trade and investment ministers from G20 countries meeting in Argentina said there was an "urgent need" to improve the World Trade Organization, a joint statement said on 14 September.

Spain's Minister of Industry, Trade and Tourism, Maria Reyes Maroto talks to journalists next to Spain's Director General for International Trade and Investment, Jose Luis Kaiser Moreiras during G20 Trade

Ministers Meeting in Mar del Plata, Buenos Aires, Argentina, September 14, 2018.

With U.S. President Donald Trump readying tariffs on another $200 billion in Chinese goods, the ministers said they were "stepping up the dialogue" on international trade disputes, according to the statement issued at the summit. It did not provide any details of possible WTO reforms or how dialogue on

trade was being increased. "German Deputy Economy Minister Oliver Wittke said the joint declaration sent a powerful signal about the importance of strengthening WTO "especially in times of 'America first' and increasing global protectionism," with next steps to follow when G20 leaders meet in Argentina at the end of November.

Argentina holds the G20's rotating presidency this year, and is re-

negotiating a $50 billion stand-by financing deal with the IMF, cutting its fiscal deficit targets and reducing costs to ensure it can continue paying its international debts.

Trump has said he would attend the summit's final meeting with other heads of state, in Buenos Aires on November 30. The Trump administration has demanded that China cut its $375 billion trade surplus with the United States, end policies aimed at acquiring U.S. technologies and intellectual property, and roll back high-tech industrial subsidies.

The Promise of Regional Trade in South Asia : World Bank Report

Trade has played a critical role in global poverty reduction. In harnessing the potential of trade, some of the most successful countries have developed strong trade relationships with their neighbors. However, many South Asian countries have trade regimes that often offset the positive impact of geography and proximity.



At present, South Asia is one of the least integrated regions. Intra-regional trade accounts for only 5 percent of South Asia's total trade, compared to 25 percent in ASEAN. Intra-regional investment is smaller than 1 percent of overall investment.

Due to limited transport connectivity, onerous logistics and regulatory impediments, and lack of trust, it costs more to trade within South Asia than between South Asia and world's other regions. Its ~20% cheaper for India to trade with Brazil than with its neighbor Pakistan!

Greater cooperation and regional economic integration can bring about gains in these areas and help tap into the proximity and demographic dividend, South Asian countries enjoy. But there are several factors restraining Regional Integration.



Factors restraining Regional Integration:

High trade costs and investment restrictions; Insufficient policy-relevant analytical work on gains of Regional Integration in both trade and investment; to make informed policy decisions; Skeptical mindset from previous failures in regional cooperation, misinformation, and lack of vocal champions for regional cooperation; Relative asymmetry in size among the South Asian countries; Historical political tensions, mistrust, cross-border conflicts and security concerns; Limited transport connectivity, logistics and regulatory impediments.

As these barriers get gradually removed, intra-regional trade in South Asia could increase from the current $23 billion to $67 billion. More economic exchange and people-to-people interaction can increase trust and drive regional economic integration even further.

The momentum of greater regional integration has been building in recent years. But meeting all the challenges requires more than business as usual. With regional integration, a key part of its strategy, the World Bank Group is supporting 'One South Asia' through a twofold program.

Amazon to create over 1,700 permanent jobs in Italy in 2018

Amazon on 9 July announced that it will create 1,700 permanent jobs in Italy during the year in a move that will take the company's total workforce to over 5,200, up from 3,500 at the end of 2017. These new job opportunities are for people with all types of experience, education and skill levels—from engineers and software developers to those seeking entry-level positions. Many of the roles will be in the new fulfillment centers that have been opened in autumn 2017 in Passo Corese (RI) and in Vercelli as well as in Amazon's

existing fulfillment center in Castel San Giovanni, the Customer Service center in Cagliari and the company's new corporate offices in Milan. Amazon has invested over 1.6 billion Euros in its Italian operations since 2010.

Mariangela Marseglia, Country Manager Amazon.it and Amazon.es, said: "We're committed to investing



in Italy to continuously improve the services we offer to our customers. To keep innovating we are investing in research and development across Europe, including Italy, especially with respect to Machine Learning and Robotics.

In 2018, – concludes Marseglia - we will add 1,700 new employees to our team in Italy to provide the Italian customers with fast delivery, more selection and great value."

Japan, EU sign trade deal to eliminate nearly all tariffs

The European Union and Japan signed a landmark deal on July 17 that will eliminate nearly all tariffs on products they trade. The ambitious pact signed in Tokyo runs counter to President Donald Trump's moves to hike tariffs on imports from many U.S. trading partners. It covers a third of the global economy and markets of more than 600 million people.

"The EU and Japan showed an undeterred determination to lead the world as flag-bearers for free trade," Abe said at a joint news conference with European Council President Donald Tusk and European Commission President Jean-Claude Juncker.

Tusk praised the deal as "the largest bilateral trade deal ever." He said the partnership is being strengthened in various other areas, including defense, climate change and human exchange, and is "sending a clear message" against protectionism.

The leaders did not mention Trump by name, but they did little to mask what was on their minds — highlighting how Europe and Japan have been pushed closer by Trump's actions.

The agreement was largely reached late last year. The ceremonial signing was delayed from earlier this month because Abe canceled going to Brussels over a disaster in southwestern Japan, caused by extremely heavy rainfall. More than 200 people died from flooding and landslides.

The measures won't kick in right away and still require legislative approval. But they will bring Japanese consumers lower prices



for European wines, pork, handbags and pharmaceuticals. Japanese machinery parts, tea and fish will become cheaper in Europe.

The deal eliminates about 99 percent of the tariffs on Japanese goods sold to the EU. About 94 percent of the tariffs on European exports to Japan will be lifted, rising to 99 percent in the future. The difference reflects exceptions on such products as rice, which enjoys strong political protection from imports in Japan.

Overall, European farmers will benefit, Juncker said, though European consumers will be able to more easily buy luscious Kobe beef and famous Yubari melons.

The EU said the trade liberalization will help raise European exports of chemicals, clothing, cosmetics and beer to Japan. Japanese will get cheaper cheeses, such as Parmesan, gouda and cheddar, as well as chocolate and biscuits.

The imported wine and cheese could hurt sales by Japanese wineries and dairies, but Japanese consumers have historically coveted such European products.

The major step toward liberalizing trade has been discussed since 2013. Apart from its deal with the EU, Japan is working on other trade agreements, including a far-reaching trans-Pacific deal. The partnership includes Australia, Mexico, Vietnam and other nations, although the U.S. has withdrawn.

Abe praised the deal with the EU for helping his "Abenomics" policies, designed to wrest the economy out of stagnation despite a shrinking population and cautious spending. Japan's growth remains heavily dependent on exports.

PepsiCo to buy SodaStream for $3.2B

PepsiCo Inc. agreed to buy SodaStream International Ltd. for $3.2 billion in the latest attempt by a major soft-drink maker to harness demand for at-home drink systems to offset a slowdown in soda. PepsiCo will pay $144 a share in cash for the Israeli company, the companies said in a statement on 20 August. That's 11 percent higher than 17th August closing price and would be PepsiCo's largest acquisition in eight years. SodaStream shares rose 10 percent to $143.25 in premarket trading in the U.S.

Waning soda consumption and environmental concern have led soft-drink producers to try to tap the at-home market, though success has been elusive. Coca-Cola Co. ventured into the segment in 2014 when it bought a stake in Green Mountain Coffee Roasters, though the soft-drink-making system they developed was discontinued in 2016 due to weak demand. To counter the weakness in soft drinks in recent years, SodaStream Chief Executive Officer Daniel Birnbaum has shifted the company's marketing to focus on how the machines can produce carbonated water.

The transaction values SodaStream at 36 times trailing 12-month operating profit, compared with a median of 21 times for comparable deals, according to data compiled by Bloomberg. The stock has jumped 49 percent this month after second-quarter earnings exceeded the highest analyst estimates.

The purchase will probably be the last big move by PepsiCo CEO Indra Nooyi, who said this month she's stepping down as head of the beverage company after 12 years in the job. "Daniel and his leadership team have built an extraordinary company that is offering consumers the ability to make great-tasting beverages while reducing the amount of waste generated," Nooyi said in the statement.

SodaStream sells machines that carbonate tap water. The company has targeted big soda makers in ads in the past, criticizing them



for making excessive waste. After declines in 2014 and 2015, the stock has surged amid the company's refocus on sparkling water, and the bid price is 10 times where the shares were trading less than three years ago.

Comcast eclipses Murdoch's Fox with £30b Sky bid

US cable giant Comcast outbid Rupert Murdoch's 21st Century Fox in a blind auction for the European TV operator Sky on 22 September that all but settled a titanic battle between the two media empires.

Britain's takeover regulator said the secret process ended with Comcast offering to pay £30.4 billion ($39.7 billion, 33.8 billion euros). Sky's highest offer was worth £27.6 billion.

The pan-European TV operator's shareholders will have until October 11 to decide which bid to accept. But Comcast's chief executive Briant Roberts quickly hailed the outcome as "a great day" for his company.



"Sky is a wonderful company with a great platform, tremendous brand, and accomplished management team," he said in a statement. "This acquisition will allow us to quickly, efficiently and meaningfully increase our customer base and expand internationally."

Sky's subscription base of 23 million and lucrative rights to English Premier League football make it one of Europe's most profitable and powerful TV companies. The nearly two-year battle for Sky has reshaped the global media-entertainment landscape and put Comcast in pole position to take on emerging online rivals.

Walmart, Microsoft in partnership to use cloud tech



Walmart is doubling down on its e-commerce presence to better compete with Amazon, Microsoft has been working on a technology that would eliminate cashiers and checkout lines from stores. Walmart, Microsoft in partnership to use cloud tech Retail giant Walmart Inc said on 17 July it entered into a strategic partnership with Microsoft Corp for wider use of cloud and artificial intelligence technology, in a sign of major rivals of Amazon.com Inc coming together.

The five-year agreement will leverage the full range of Microsoft's cloud solutions, including Microsoft Azure

and Microsoft 365, to make shopping faster and easier for customers, the Bentonville Arkansas-based company said.

As part of the partnership, Walmart and Microsoft engineers will collaborate to migrate a significant portion of walmart.com and samsclub.com to Azure, Walmart added. While Walmart is doubling down on its e-commerce presence to better compete with Amazon, Microsoft has been working on a technology that would eliminate cashiers and checkout lines from stores.

Microsoft's technology aims to help retailers keep pace with Amazon Go, the ecommerce giant's highly automated store format. The Windows software maker has also shown the sample technology to retailers from around the world and has had talks with Walmart about a potential collaboration.

Through the partnership, Walmart plans to defend itself from Amazon's retail ambitions and expertise in data, and boost its online presence.

World's biggest trade deal agreement set for November

Singapore's trade minister said on 1 September that broad agreement on what has been labelled the world's biggest trade deal should be reached at a summit of leaders from participating nations in the city-state in November, six years since talks began.

Called the Regional Comprehensive Economic Partnership (RCEP), the trade accord includes the 10 members of the Association of Southeast Asian Nations (ASEAN), Australia, India, Japan, South Korea, New Zealand and the world's second largest economy, China.

The deal does not include the United States, which is locked in a trade spat with China and pulled out of



another broad, international trade agreement in 2017 called the Trans-Pacific Partnership (TPP). The White House said on Friday that U.S. President Donald Trump would skip the November gathering of leaders in Singapore.

Asked by Reuters after a meeting of regional economic ministers if participating countries were working towards a deal in time for the mid-November summit, trade minister Chan Chun Sing said: "Yes. We are looking for that broad agreement, that milestone, to be achieved … when the leaders meet at the end of the year." However, he said it was not clear when a final deal would be signed.

Shooting stars on demand: Tokyo-based startup plans 2020 meteor shower

A Japanese startup developing "shooting stars on demand" says it will be ready to deliver the world's first artificial meteor shower in a spectacular show over Hiroshima in early 2020. ALE Co., based in Tokyo, is in the final stages of developing two microsatellites the firm says will release tiny balls that glow brightly as they enter the atmosphere, simulating a meteor shower.



The first satellite will hitch a ride into space on a rocket being launched by the nation's space agency by March 2019. The second will be launched in mid-2019 on a private-sector rocket. "We are targeting the whole world, as our stockpile of shooting stars will be in space and can be delivered across the world," ALE chief executive Lena Okajima told reporters.

Each satellite will be able to carry 400 tiny balls whose chemical formula is a closely guarded secret. Ejected from the satellite, the balls will glow as they plunge through the atmosphere. The 400 balls will be enough for 20-30 events, according to the company, and the satellites will be able to stay in space for around two years.

The company is also exploring the possibility of using satellites already in space that are no longer operational to create "giant" shooting stars, officials said. "We are planning to push a used satellite into the atmosphere on a targeted orbit to create a giant artificial shooting star," ALE chief engineer Ko Kamachi said, adding that the idea was still in the basic research phase.

ALE's two satellites will start orbiting the Earth by February 2020, preparing for the world's first delivery of artificial shooting stars in spring 2020 over the city of Hiroshima. It will be possible to use the satellites separately or in tandem, and they will be programmed to eject the balls at the right location, speed and direction to put on a show for viewers on the ground.

Tinkering with the ingredients in the balls should mean that it is possible to change the colors they glow, offering

the possibility of a multicolored flotilla of shooting stars. Each star is expected to shine for several seconds before being completely burned up — well before they fall low enough to pose any danger to anything on Earth. They would glow brightly enough to be seen even over the light-polluted metropolis of Tokyo.

If all goes well, and the skies are clear, the 2020 event could be visible to millions of people, ALE said. Okajima said the company chose Hiroshima for its first display because of its good weather, landscape and cultural assets. ALE is working in collaboration with scientists and engineers at universities in Japan as well as local government officials and corporate sponsors.

It has not yet disclosed the price for an artificial meteor shower but it may not come cheap, with the company spending about $20 million for the development, production, launch and operation of the two satellites.

Microsoft, Amazon, Google join fight to prevent famine

Tech giants Microsoft, Amazon and Google are joining forces with international organizations to help identify and head off famines in developing nations using data analysis and artificial intelligence, a new initiative unveiled on 23 September.

Rather than waiting to respond to a famine after many lives already have been lost, the tech firms "will use the predictive power of data to trigger funding" to take action before it becomes a crisis, the World Bank and United Nations announced in a joint statement.

"The fact that millions of people — many of them children — still suffer from severe malnutrition and famine in the 21st century is a global tragedy," World Bank Group President Jim Yong Kim said in a statement. "We are forming an unprecedented global coalition to say, 'no more.'"

Last year more than 20 million people faced famine conditions in Nigeria, Somalia, South Sudan and Yemen, while 124 million people currently live in crisis levels of food insecurity, requiring urgent humanitarian assistance for their survival, the agencies said. Over half of them live in areas affected by conflict.

The Famine Action Mechanism (FAM) will provide early warning signs to identify food crises that could become famines, and trigger pre-arranged funding plans to allow early intervention. "If we can better predict when and where future famines will occur, we can save lives by responding earlier and more effectively," Microsoft President Brad Smith said in a statement.



Google, Microsoft and Amazon Web Services and other technology firms are providing expertise to develop a suite of analytical models called "Artemis" that uses AI and machine learning to estimate and forecast worsening food security crises in real-time. These forecasts will help guide and promote decision makers to respond earlier.

"Artificial intelligence and machine learning hold huge promise for forecasting and detecting early signs of food shortages, like crop failures, droughts, natural disasters, and conflicts," Smith said. The FAM will initially be rolled out in a small group of vulnerable countries building up to ultimately provide global coverage. On October 13, leaders dedicated to this initiative will gather as part of the IMF-World Bank Annual Meetings in Bali, Indonesia to discuss further implementation.

Canada's Barrick in $18B merger to create world's largest gold miner

Barrick Gold Corp. has agreed to take over Randgold Resources in an all-share deal worth about $7.9 billion that will solidify its position as the world's biggest gold producer after years of cutbacks. Randgold investors will receive 6.128 Barrick shares for each of their shares to own about a third of a new Barrick group with some $12.5 billion in revenue and an expected $23.7 billion market capitalization.

Toronto-based Barrick Gold Corp. has agreed to buy Randgold Resources to create the world's largest gold miner. The deal brings together two companies focused on efficient operations and returns

to shareholders as measured by growth in free cash flow, said Barrick executive chair John Thornton on a conference call on 24 September.

"We are both committed to financial prudence, particularly in maintaining a strong balance sheet. Perhaps most important, we are of one mind about the true source of shareholder value in the gold industry: per share returns over the long term." The merger, expected to close in the first quarter next year, brings together Toronto-based Barrick's global portfolio heavily focused on the Americas and Randgold's African focused operations.

Barrick spun out its African assets into its 64-per-cent owned Acacia Mining eight years ago. The company is embroiled in a taxation dispute with Tanzania that has led to significant production cuts. Randgold's assets, which produced 1.32 million ounces of gold last year, will see Barrick retain its status as the world's largest gold producer.

Newmont Mining Corp. was expected to eclipse Barrick this year with an upwards guidance of 5.4 million ounces to Barrick's five million ounces, after Barrick narrowly kept its status as the biggest producer last year.

Thornton will keep his spot as executive chair, while Randgold chief executive Mark Bristow will become president and chief executive officer.

The combined company will follow Thornton and Bristow's shared focus on high-quality assets and focus on cash flow. Management has committed to identify assets that don't meet their investment criteria for potential sale within a year of the merger.

Apple and Amazon lead the pack to $1tr market value

For a long time, Apple seemed to fly solo at a market value of $ 1 trillion, but Amazon is on its heels – and experts are not afraid of a tech bubble. Apple, with $ 939 billion, remains the most highly valued private company in global markets – and could break through the $ 1 trillion payroll after publishing its quarterly earnings on July 24.

But Amazon is just behind on July 27, its market capitalization reached 917 billion dollars, before ending up at 882 billion dollars.

The parent company of Google Alphabet ($ 886 billion) and Microsoft ($ 827 billion) are also on track, while Facebook ($ 505 billion) is out of the race, having lost $ 119 billion after the results published on July 26.

The largest traditional economic players – billionaire Warren Buffet Berkshire-Hathaway's holding ($ 492 billion) and JPMorgan Chase Bank ($ 395 billion) – have been relegated to mere spectators. PetroChina, a national oil company, briefly broke the $ 1 trillion barrier in 2007 when it went public, but has since retreated.

According to TDAmeritrade's mid-year review, the stock of Amazon's online commerce giant was the most popular purchase in the first half of 2018, with Apple's second most popular sale.

"The retail trader who buys this stock is also the same person who is probably an Amazon customer," said JJ Kinahan, chief market strategist for TDAmeritrade.

Greener growth could add $26tr to world economy by 2030: study

Strong action to combat climate change could cumulatively add at least $26 trillion to the world economy by 2030, according to a study on 5 September which seeks to dispel fears that a shift from fossil fuels will undermine growth.

President Donald Trump, for instance, said last year that he will pull the United States out of a global climate pact called the Paris Agreement because it would impose what he called "draconian financial and economic burdens" on his country.

By contrast, the Global Commission on the Economy and Climate, which includes former heads of government, business leaders and economists, said there was "unprecedented momentum" towards greener growth that would boost jobs and countries' economies. Bold climate action could deliver at least $26 trillion in net cumulative benefits from now until 2030 compared with business as usual, it said.

WTO News

WTO issues 2018 editions of its flagship statistical publications

The WTO issued on 30 July the latest editions of its annual statistical publications: World Trade Statistical Review, Trade Profiles and World Tariff Profiles.

World Trade Statistical Review 2018 looks into the latest trends in global trade, with an in-depth analysis of what is being traded in goods and services and who the leading players are. It also looks at the performance of developing economies, the latest developments in regional trade agreements, trade in value-added terms and digital trade.



A section on trade policy developments provides data on trade-restrictive and trade-facilitating measures implemented by WTO members, commitments to the Aid for Trade initiative, and implementation of the WTO's Trade Facilitation Agreement. It also looks into the latest developments in trade finance and the outcome of the 11th WTO Ministerial Conference held at the end of 2017.

Analytical chapters are complemented by over 60 tables providing a detailed breakdown of merchandise trade and trade in commercial services.

Merchandise trade data in World Trade Statistical Review are jointly produced in collaboration with the United Nations Conference on Trade and Development (UNCTAD) while commercial services data are jointly produced with UNCTAD and the International Trade Centre (ITC).

Trade Profiles 2018 provides a series of key indicators on merchandise trade and trade in commercial services for 197 economies, highlighting the breakdown of exports and imports for each economy as well as their main trading partners. For each profile, the data are presented in a handy two-page format, providing a concise overview of global trade.

World Tariff Profiles 2018, a joint publication of the WTO, ITC and UNCTAD, provides comprehensive information on the tariffs and non-tariff measures imposed by over 170 countries and customs territories. Tariff data are presented in comparative tables and in one-page profiles for each economy. Statistics on non-tariff measures by country and by product group complement the data on tariffs.

World Tariff Profiles also includes as a special topic an analysis of how least-developed countries make use of preferential tariffs offered by trading partners for their exports. The three publications can be downloaded from the WTO website. French and Spanish editions will be available for download by the end of August. Printed copies will be available in September.

Additional data are available through the WTO's statistical webpage, the WTO statistical database and the International Trade and Market Access online data application. A further update of merchandise exports and imports will be available online at the end of October.

The WTO also provides short-term trade data through the WTO statistics webpage.

Rate of new trade restrictions from G20 economies doubles against previous period

The WTO's nineteenth monitoring report on Group of 20 (G20) trade measures covering the period from mid-October 2017 to mid-May 2018, issued on 4 July, shows that new trade-restrictive measures from G20 economies have doubled compared to the previous review period. The report also shows that G20 economies continue to implement trade-facilitating measures, with the rate increasing slightly. The report's findings should be of 'real concern' to the international community, according to Director-General Roberto Azevêdo.

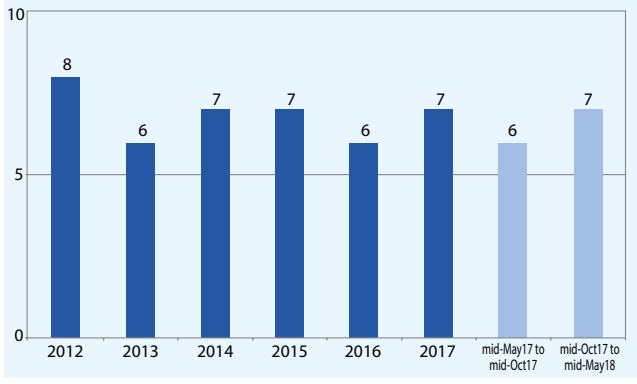
A total of 39 new trade-restrictive measures were applied by G20 economies during the review period, including tariff increases, stricter customs procedures, imposition of taxes and export duties. This equates to an average of almost six restrictive measures per month, which is significantly higher than the three measures recorded during the previous review period. G20 economies also implemented 47 measures aimed at facilitating

trade during the review period, including eliminated or reduced tariffs, simplified import and export customs procedures and reduction of import taxes. At an average of almost seven trade-facilitating measures per month, this is marginally higher than the six measures recorded in the previous reporting period (mid-May to mid-October 2017).

It is notable that the estimated trade coverage of trade-facilitating measures implemented by G20 economies (US$82.7 billion) exceeded the estimated trade coverage of import-restrictive measures (US$74.1 billion), but is approximately half the trade coverage reported for these measures during the same period in 2016-17.

The trade coverage of import-restrictive measures is more than one-and-a-half times larger than that during the same period in 2016-17.

On trade remedy measures and compared to the previous period, the review period saw a slight increase in initiations of investigations by G20 economies and a significant increase of terminations of trade remedy actions (see chart). Initiations of trade remedy investigations represented about half (49%) of trade measures recorded, with anti-dumping (AD) investigations accounting for almost 80% of all trade remedy initiations. The amount of trade covered by these is estimated at US$52.3 billion and is significantly higher than in the two previous G20 reports. The trade coverage of trade remedy terminations recorded in the review period is estimated at US$6.2 billion. These measures are not classified as either trade-restrictive or trade-facilitating by this report.



The main sectors affected by trade remedy initiations during the review period were iron and steel, plastics and articles thereof, vehicles, parts and accessories thereof and products of iron and steel.

The G20 economies are Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Republic of Korea, Japan, Mexico, the Russian Federation, Saudi Arabia, South Africa, Turkey, the United Kingdom and the United States, as well as the European Union.

DG Azevêdo: Now is the time to speak up for trade and the trading system

At a meeting of the full WTO membership on 24 July, Director-General Roberto Azevêdo outlined the economic and systemic threats posed by the growing tensions in global trade and called on "everyone who believes in trade as a force for good" to speak up in its defence.

"Members are well aware of the growing crisis in global trade. Tensions are growing. New measures are being announced with increasing frequency. There is real and justified concern about the escalation we are seeing. Whether or not you call it a trade war, certainly the first shots have been fired. Continued escalation would risk a major economic impact, which would pose a serious threat to jobs, growth and recovery in all countries. There is also a potential systemic impact, which poses a greater threat in the longer term, particularly if countries begin to accept this tit-for-tat dynamic as the new normal.



"The situation requires an urgent response. We have a duty to help resolve these issues, and to alert people to the potential risks and consequences. That is what I have been working to do. I have been consulting with members on these issues, and I have been meeting with leaders and ministers – urging dialogue and exploring steps to resolve the current situation. But I have also been talking to a wider range of contacts – such as parliaments, business, think tanks and the media – in order to increase awareness and understanding of what is at stake. Trade touches all of our lives.

So I am calling on everyone who believes in trade as a force for good to speak up. Now is the time.

"In some ways I actually think we may be seeing some progress. Leaders

are increasingly aware and engaged in WTO issues – in a way that I haven't seen before. There is renewed engagement from many members on systemic issues, bringing more focus on the WTO and how it can be improved. I think that this could be positive – and could potentially help us to find a path out of the current crisis." The Director-General also addressed the impasse in appointments to the Appellate Body, stressing the gravity of the situation and the need for members to engage with renewed urgency.

Support remains solid for Aid for Trade financing, WTO members told

Support for projects intended to help poor countries expand their participation in global trade continues to be solid, with low income countries garnering the most support on a per-capita basis, WTO members were told on 3 July. The latest update was delivered to the Committee on Trade and Development's session on Aid for Trade. Frans Lammersen, Principal Administrator for the Organisation for Economic Cooperation and Development's Co-operation Directorate, said that USD 342 billion in aid for trade support has been disbursed since the start of the initiative in 2006. Sectors receiving the most support were transport and storage (USD 95 billion), energy generation and supply (USD 75 billion) and agriculture, fisheries and forestry (USD 71 billion).



Aggregate aid commitments reached a peak of around USD 55 billion in 2015 before slipping slightly to USD 51 billion in 2016. This was still well above the long term average, with support for trade-related infrastructure and productive capacity registering strong growth since the early 2000s, Mr Lammersen noted.

In absolute terms Asia and Africa are the largest aid for trade recipients. Most of this support took the form of loans rather than grants. Mr Lammersen noted that overall, most financing for development is increasingly through private market finance, with upper middle income countries the biggest recipients.

Low income and lower middle income countries were the biggest aid for trade recipients on a per-capita basis, Mr Lammersen said. However, support for least developed countries is increasingly taking the form of loans rather than grants. This has raised concerns about debt sustainability for recipients.

In regards to official development assistance (ODA), the share of aid for trade in sector allocable ODA continues to steadily increase and now accounts for nearly 40 per cent of the total, Mr Lammersen added.

The WTO-led Aid for Trade initiative encourages developing country governments and donors to recognize the role that trade can play in development. In particular, the initiative seeks to mobilize resources to address the trade-related constraints identified by developing and least-developed countries.

The chair of the Committee on Trade and Development, Ambassador Diego Aulestia of Ecuador, noted that the theme of the current Aid for Trade work programme is "Supporting Economic Diversification and Empowerment for Inclusive, Sustainable Development through Aid for Trade". WTO members have a substantive and detailed set of activities and outcomes to deliver, including the organization of workshops, delivering the next Global Review of Aid for Trade in mid-2019, and conducting a review of Aid-for-Trade achievements.

South Africa, speaking for the African Group of WTO members, said the group was pleased members succeeded in improving the work programme, which will reflect as much as possible the priorities and constraints of developing members, in particular least developed countries. The group also stressed the importance of the regional dimension of the planned work. Multilateral development banks, namely the Asian Development Bank, the Islamic Development Bank, and the World Bank, updated the meeting on their on-going support related to trade. Presentations were also made by United Nations Industrial Development Organization the Enhanced Integrated Framework, and the International Trade Centre on their aid for trade-related activities, while the WTO Secretariat reported on the activities of the Standards and Trade Development Facility.

WTO announces winner of 2018 Essay Award for Young Economists

The winner of the 2018 WTO Essay Award for Young Economists is Alonso de Gortari of Harvard University. His paper, "Disentangling Global Value Chains", was ranked first by the Selection Panel. He receives a prize of CHF 5,000. The Selection Panel also gave an honourable mention as runner-

up to Yuan Mei of the University of Chicago for his work entitled "Regulatory Protection and the Role of International Cooperation".

The prize winners were announced at the annual meeting of the European Trade Study Group, the largest conference specializing in international trade, which took place on 13 September 2018 in Warsaw, Poland.

Winning essay

Alonso de Gortari's paper highlights a new feature of global value chains (GVCs), namely that they employ specialized inputs tailored to the destination of the final product. For example, regarding Mexico's car exports, "the U.S. accounts for a colossal 74% of the foreign inputs embedded in Mexican vehicles sold to U.S. consumers but for only 18% of the inputs of those sold to German consumers." Similarly, the share of German inputs is much higher in cars exported to Germany than in those exported to the United States.

The paper shows that members of GVCs are substantially more integrated with one another than traditional measures have shown, with the implication that the traditional study of GVCs substantially under-estimates the cost of GVCs being disrupted.

Since GVCs are a very significant feature of international trade, the Selection Panel took the view that the calculation of their welfare effects, including losses inflicted by the disruption of GVCs, is extremely important. While much work remains to be done, both in terms of the collection of appropriate data and the calculation of the effects, this paper is a very useful start and may launch an "industry" of research.



Alonso de Gortari is a Mexican national. He received his Ph.D. in economics from Harvard University in 2018. He is currently a IES post-doctoral fellow in Princeton University. He will be joining Dartmouth College as Assistant Professor in 2019.

Honourable mention

Yuan Mei's paper studies the effects of product standards regulation on trade and welfare. The key finding is that standards can affect fixed as well as marginal costs of production. Therefore, these standards affect the number of firms and variety of products. This means standards regulation creates opportunities for inefficient policy making on a unilateral basis.

The paper considers various approaches to handling the regulatory inefficiencies that arise when there is a lack of coherence in policy making, and identifies conditions where the national treatment rule (the principle of giving others the same treatment as one's own nationals) can achieve efficiency in regulations and where it cannot. The paper shows that while the gains from national treatment are relatively small, the potential gains from international cooperation in standards regulation can be very large.

In the view of the Selection Panel, the paper provides a useful reminder that while, for most non-tariff barriers (NTBs), it is possible to quantify the tariff rate that reduces trade by the same amount (the so called "tariff equivalent"), this is not an accurate measurement because how the NTB impacts the economy is of a different nature. The example of standards highlighted in the paper emphasizes this point.

Yuan Mei is a Chinese national. He received his Ph.D. in Economics from the University of Chicago in 2018. He is currently assistant Professor of Economics at Singapore Management University.

Selection Panel

The Selection Panel for 2018 comprised Avinash Dixit (Emeritus Professor of Economics, Princeton University), Robert Koopman (Director, Economic Research and Statistics Division, WTO), Robert Staiger (Professor of Economics, Dartmouth University) and Alberto Trejos (Professor of Economics, INCAE Business School). Roberta Piermartini (ERSD, WTO) coordinated the work of the Selection Panel.

WTO Dispute Settlement

United States initiates dispute complaints against five members over duties on US products

The United States has requested WTO dispute consultations with Canada, China, the European Union, Mexico and Turkey regarding additional duties imposed by the five WTO members on imports of certain US products.

The request was circulated to WTO members on 19 July. The duties were imposed in response to the additional duties imposed by the United States on steel and aluminium products.

The United States claims the actions by the five WTO members are inconsistent with provisions of the WTO's General Agreement on Tariffs and Trade (GATT) 1994.

The request for consultations formally initiates a dispute in the WTO.

Consultations give the parties an opportunity to discuss the matter and to find a satisfactory solution without proceeding further with litigation. After 60 days, if consultations have failed to resolve the dispute, the complainant may request adjudication by a panel.

Russia initiates WTO dispute complaint against US steel, aluminium duties

The Russian Federation has requested WTO dispute consultations with the United States regarding US duties on certain imported steel and aluminium products. The request was circulated to WTO members on 2 July.

Russia claims the US duties of 25% and 10% on imports of steel and aluminium products respectively are inconsistent with provisions of the WTO's General Agreement on Tariffs and Trade (GATT) 1994 and the Agreement on Safeguards.

China initiates WTO dispute complaint against additional US tariffs on Chinese imports

China has requested WTO dispute consultations with the United States concerning additional duties applied by the United States on imports of Chinese goods. The request was circulated to WTO members on 27 August.

China claims that the additional tariffs, applied to $16 billion in annual Chinese imports, are inconsistent with the provisions of the WTO's General Agreement on Tariffs and Trade (GATT 1994) in that they apply solely to products of Chinese origin and exceed the United States' bound duty rates.

Switzerland initiates WTO dispute complaint against US steel, aluminium duties

Switzerland has requested WTO dispute consultations with the United States regarding US duties on certain imported steel and aluminium products. The request was circulated to WTO members on 12 July.

Switzerland claims the US duties of 25% and 10% on imports of steel and aluminium products respectively are inconsistent with provisions of the WTO's General Agreement on Tariffs and Trade (GATT) 1994 and the Agreement on Safeguards.

Tunisia initiates WTO dispute complaint against Moroccan book duties

Tunisia has requested WTO dispute consultations with Morocco regarding anti-dumping duties levied by Morocco on imports of school exercise books originating in Tunisia.

Tunisia alleges that Morocco acted inconsistently with a number of provisions of the WTO's Anti-Dumping Agreement. This is the first dispute proceeding initiated by Tunisia at the WTO.

Ukraine initiates dispute complaints against Armenia, Kyrgyz Republic on steel pipe duties

Ukraine has requested WTO dispute consultations with Armenia and the Kyrgyz Republic to discuss anti-dumping duties imposed by the two countries on steel pipes from Ukraine. Ukraine's request was circulated to WTO members on 22 October.

The two dumping measures were maintained pursuant to a 2016 sunset review conducted by the Eurasian Economic Commission (EEC), which prolonged the original measures.

The EEC is the executive arm of the Eurasian Economic Union, of which Armenia and the Kyrgyz Republic are both members.

Ukraine charges the measures are inconsistent with various provisions under the WTO's Anti-Dumping Agreement and Article VI of the General Agreement on Tariffs and Trade (GATT).

Kazakhstan to host WTO's next Ministerial Conference

WTO members have accepted Kazakhstan's invitation to host, in Astana, the organization's Twelfth Ministerial Conference (MC12) to be



held in 2020. The decision was taken by consensus at General Council meeting on 26 July and marks the first time a Ministerial Conference is to be organized in Central Asia. The conference will be held in June 2020 with exact dates to be determined.

It will be attended by trade ministers and other senior officials from the organization's 164 members. Kazakhstan's offer to host MC12 "demonstrates its strong belief in the multilateral trading system," said WTO Director-General Roberto Azevêdo, thanking the Kazakhstan government for its invitation. "Coming from one of the newest WTO members, this is powerful," he added.

Kazakhstan joined the WTO in 2015, and only Afghanistan and Liberia have joined more recently – in 2016. Kazakhstan's WTO Ambassador, Mrs Zhanar Aitzhanova, conveyed her country's "sincere gratitude for the confidence and trust that WTO members have placed in Kazakhstan". She added: "It is a great honour for a young independent state and recently-acceded member to be hosting such an important meeting. We stand ready to contribute to addressing all outstanding issues to secure substantive outcomes at MC12."

The Ministerial Conference is the WTO's top decision-making body and the Marrakesh Agreement establishing the organization instructs members to hold one at least every two years. The previous Ministerial Conference (MC11) was held in Buenos Aires in December 2017.

About ICC Bangladesh

International Chamber of Commerce (ICC) - The world business organization was founded in 1919 by a few visionary business leaders of Europe immediately after the First World War; having its HQrs. in Paris. ICC has been promoting Free Market Economy, formulating various rules and guidelines for cross border trade and investment. ICC's over 6 million member companies in over 130 countries have interests spanning in every sector of private enterprise. ICC works in close cooperation with national governments and multi-national institutions such as G-8/G-20, World Bank, WTO, Asian Development Bank, UNCTAD, OECD and several UN agencies for promotion, protection and development of world economy.

The United Nations (UN) General Assembly on 13 December 2016 has granted Observer Status to the International Chamber of Commerce-the world's largest business organization. The decision-taken by 193 members of the UN General Assembly during its 71st session in New York - is the first time that a business organization has been admitted as an Observer at the UN General Assembly.

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

The activities of ICC Bangladesh include promotion of foreign trade and investment, trade policy reviews, business dialogues, seminars & workshops both at home and abroad on related policy issues, harmonization of trade law & rules, legal reforms, updating businesses with the ICC rules & standards for cross border business transactions. ICC Bangladesh has so far organized following regional & international conferences.

- 10-11 November 2000: ICC Asia Conference on "Investment in Developing Countries: Increasing Opportunities" organized in Dhaka was inaugurated by the Prime Minister of Bangladesh and attended by a number of high profile dignitaries including the Thai Deputy Prime Minister & WTO Director General Designate, ADB President, UN-ESCAP Executive Secretary and Chinese Vice Minister for Foreign Trade & Economic Cooperation. More than 250 participants from 24 countries participated in this event.
- 17-18 January 2004: International Conference on "Global Economic Governance and Challenges of Multilateralism" was held in Dhaka, coinciding with 10th Anniversary of ICC Bangladesh. The Conference was inaugurated by the Prime Minister of Bangladesh and Thai Prime Minister was the Keynote Speaker. WTO Director General, EU Commissioner for Trade, UNESCAP Executive Secretary, Governor of Japan Bank for International Cooperation, six Ministers from three continents, Bangladesh Ministers, ICC Chairman, ICC Vice Chairman, ICC Secretary General and more than 500 participants from 38 countries attended this event.
- 27-28 September 2005: Regional Seminar on "Capital Market Development: Asian Experience". The Seminar held in Dhaka was inaugurated by the President of the People's Republic of Bangladesh and attended by Chairmen/CEOs of securities & exchange commissions, stock exchanges, capital market operators, financial institutions and investors from 15 Asian countries.
- 13 April 2010: Conference on "Energy for Growth" was held in Dhaka coinciding with the 15 years of ICC's presence in Bangladesh. The Conference was inaugurated by the Finance Minister of Bangladesh and attended by ICC Global Chairman, Minister for Commerce of Bangladesh, Minister for Development Cooperation of Denmark and Adviser to the Bangladesh Prime Minister for Energy & Mineral Resources. Some 800 delegates from home and abroad including energy experts and international financiers from Australia, China, Denmark, India, Germany, Japan, Singapore, Switzerland, UK and USA attended the event.
- 25-26 October 2014: International Conference on "Global Economic Recovery: Asian Perspective", was in held in Dhaka coinciding with the 20 years of ICC's presence in Bangladesh. The Conference was inaugurated by the President of the People's Republic of Bangladesh H.E. Mr. Md. Abdul Hamid. Minister for Finance & Minister for Commerce of Bangladesh, UNCTAD Secretary General, Ministers from Myanmar and Nepal; ICC Vice Chairman; ICC Secretary General; ICC Research Foundation Chairman; Director of ICC National Committees and more than 500 participants attended this event.
- 8-9 February 2017: The first ever "UNESCAP Asia Pacific Business Forum: Regional Integration to Achieve Sustainable Development " was organized by ICC Bangladesh jointly with UNESCAP under the patronage of the Ministry of Commerce, Government of Bangladesh. The Forum was inaugurated by the President of the People's Republic of Bangladesh H.E. Mr. Md. Abdul Hamid. Ministers from Bangladesh, Sri Lanka, Nepal, UNESCAP Under Secretary General, UNCTAD Secretary General, business leaders and some 600 delegates from home and abroad attended the Forum.

As part of its activities, ICC Bangladesh has been organizing Workshops / Seminars on International Trade Finance, mainly for bankers of Bangladesh, in various countries since 2014. So far such events have been organized in Kuala Lumpur (April 2014); in Colombo (February 2015); in Kunming (August 2015); in Yangon (November 2015); in Hanoi (April 2016); in Jakarta (April 2017), in Vienna (May 2017); in Bangkok (December 2017) and in Phnom Penh (April 2018) .

For professional development of bankers, ICC Bangladesh also organizes Certified Documentary Credit Specialist (CDCS), Certificate for Specialists in Demand Guarantees (CSDG) and Certificate of International Trade Finance (CITF) Examinations in Dhaka, conducted worldwide every year by LIBF (London Institute of Banking and Finance) and endorsed by ICC Paris.

ICC Bangladesh participates in most of the World Chambers Congress & ICC World Congresses held every two years and WTO Ministerial Meetings as well as ICC Regional Consultative Group Meetings. The National Committee also arranges visit by Bangladesh Business delegation to different countries for promotion of trade and investment.

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