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The world business organization

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Editor's Note

ICC for World Peace through World Trade

In 1919, in the aftermath of World War 1, a group of business leaders from Belgium, Italy, France, the UK and the USA, met in Atlantic City, New Jersey, USA and established the International Chamber of Commerce (ICC). They identified themselves as 'Merchants of Peace' and adopted the motto 'world peace through world trade.' The following year, under the aegis of the French statesman and entrepreneur Etienne Clemental, ICC established its headquarter in Paris, where it has remained ever since. The ICC mission from its inception was to champion an open global market economy as a force for economic growth, job creation and prosperity. These three elements are the fundamental ingredients for peace.

In the tenth year of the ICC, in 1929, the Great depression occurred and in the twentieth year, 1939, World War 11 broke out. In the intervening decade the global economy contracted dramatically as countries engaged in trade wars and unemployment soared.

On the thirtieth anniversary of the ICC, in 1949, the world economy seemed to be back on track. Following the first round in Geneva in 1947 that formally established the GATT (General Agreement for Tariffs and Trade), a second round was launched in the French City of Anney, which proceeded to expand membership and reduce tariffs. The ICC vision was re-enforced by the establishment of a rules-based multilateral trading regime to which it has remained completely committed throughout the ensuing decades.

In 1989, the seventieth anniversary of the ICC, the destruction of the Berlin Wall heralded the emergence of an open global market economy that seemed indeed to correspond perfectly to the ICC founding vision of 'world peace through world trade.' The cold war ended and markets opened virtually everywhere with the conclusion of the Uruguay Round in 1994 the World Trade Organisation (WTO) was formerly established on 1 January 1995. In the ensuing decade-and-a half the membership of the WTO has expanded enormously. In the course of the decade 1989 to 1999 it seemed as though globalization had embarked on an 'irreversible' course.

In 2009, the ninetieth year of ICC, talk of globalization being 'irreversible' had ceased, while the term 'de-globalization' increasingly became current in describing possible future scenario.

The ICC vision remains constant in seeking to bring about economic growth, job creation, prosperity and hence peace, through an open global market economy based on a multilateral trading regime. This was the vision in 1919 as well as today's vision. The ICC vision has also come to encompass the other key issue of the twenty first century, the climate change agenda is one of them. In 2015, ICC's strong presence at COP21 helped broker the landmark Paris Agreement—the world'sfirst comprehensive climate accord.

ICC with members in more than 100 countries, represents 45 million companies and more than 1 billion workers worldwide. One in every three workers depend on ICC members for their livelihood. ICC represents both the developed and the developing world, bringing a unique and diverse perspective to global discussions.

In December 2016, ICC, the only private sector non-sovereign organization was given the United Nations Permanent Observer Status by the General Assembly.

However, the world trade system enters the second decade of the twenty-first century in turbulent and fragile state. Trade tensions between China and the USA are pretty much bound to intensify. It is of course in the interests of both nations and of the global trading system generally that these tensions should be contained and indeed resolved. The absence of a strong multilateral framework, indeed the weakness of the WTO, in that context, as in many others, must be matters of concern.

ICC's founding constitution states the organisation's mission was "to further the development of an open world economy with the firm conviction that international commercial exchanges are conducive to both greater global prosperity and peace among nations."

Building on the foundation, ICC's renewed mission to "make business work for everyone, everyday, everywhere" is now aligned with our purpose in the context of the global challenges and opportunities of the 21st century.

ICC Bangladesh News

ICC Bangladesh received National Committee Initiative of the Year Award 2018-2019

ICC initiated National Committee (NC) Initiative of the Year Award 2019. This internal award programme



is designed to recognize initiatives taken by individual NCs to improve the way they work, serve their members, and raise ICC's profile locally or regionally. The objective is to reward and celebrate the work of NCs, and provide inspiration and encouragement for innovative ideas across ICC's global network.

ICC Bangladesh project on ICC-UNHCR joint programme for Rohingya Refugees in Bangladesh got the first place in the Asia Pacific Region and second place in the Grand Prize Winners for the NC Initiative of the Year Award, which were announced at the Permanent Heads of Meeting held at ICC Hq in Paris on 29 May.

Entries of six NCs from Asia were placed for voting and the results were as follows: 1st place ICC Bangladesh - ICC-UNHCR joint programme for Rohingya Refugees in Bangladesh; 2nd place ICC Sri Lanka: Membership Privilege Card; 3rd place ICC Indonesia: Hotline Services for Trade Transactions. The other three projects from Asia were: ICC Afghanistan: First Afghanistan UK Business Conference; ICC China: Belt and Road Trade and Investment Forum and ICC Hong Kong: ICC International Commercial Mediation Competition - Hong Kong

In the final global round, the following 3 NC Initiatives out of five were selected for the Award for 2019: First place ICC Brazil: ITTI Cognitive Trade Advisor; Second place ICC Bangladesh: ICC-UNHCR joint programme for Rohingya Refugees in Bangladesh and Third place ICC Albania: ABC Project (Anti-corruption Business Coalition). The remaining two NC initiative were: Africa: ICC Nigeria: Annual Dinner & Dance and B-MENA

ICC UAE: Members' Engagement & Communication Strategy

Bangladesh is faced with the worst man-made disaster from Myanmar without any war or any conflict. As of February 2018, the United Nations estimates that almost 1 million Rohingya refugees had fled Myanmar's violent campaign of ethnic cleansing. Bangladesh had no option but to give shelter to the Rohingyas by opening its border and hosting them. The vast majority of Rohingya refugees are women and children, including newborn babies and elderly people requiring additional aid and protection.

In order to provide some support to the Rohingya Refugees, the ICC Secretariat in Paris and ICC Bangladesh initiated a joint project with UNHCR in November 2018. ICC Bangladesh, in collaboration with UNHCR, arranged a mission to visit Rohingya camps in Cox's Bazar, where Rohingya Refugees have been provided shelter. The Team consisted of officials from the EDF Foundation (Electricité de France), UNHCR, the



ICC Secretariat in Paris, and ICC Bangladesh. After visiting the camps, the Team agreed that the most immediate requirement in the camps was to provide electricity for the people's security, in particular for the safety of the women and children.

Based on the assessment, the EDF Foundation agreed to provide a Solar Power plant for electricity for the street lights, the community school, and for households. The EDF Foundation approved a project to supply solar energy to a select area of the camps. The first phase of the project, with funding of €95,000, will install the first 40 KWP mini-grid by August 2019.. The ICC-EDF initiative has allowed UNHCR to build on what is considered a very low tech and repeatable design. The project will supply electricity to health centre, lighting to refugee households and support to livelihoods by providing power to a market areas. Based on the lessons learned from the first phase, a second identical grid will be installed by 2020.

ICC Bangladesh made courtesy call on H. E. Dr. A. K. Abdul Momen, M.P, Minister of Foreign Affairs

ICC Bangladesh President Mahbubur Rahman called on H. E. Dr. A. K. Abdul Momen, M.P, Minister of Foreign Affairs at his Chamber on 16 May. He briefed the Minister about the activities of ICC Bangladesh. He informed the Minister that the International Chamber of Commerce (ICC), The world business organization, with its headquarters in Paris, is having its Centenary Celebration world over in 2019. With its physical presence in more than 100 countries, including Bangladesh, ICC represents 45 million companies and more than 1 billion workers worldwide. One in three workers depend on ICC members for their livelihood.



ICC Bangladesh President Mahbubur Rahman (2nd from right) called on H. E. Dr. A. K. Abdul Momen, M.P, Minister of Foreign Affairs (middle) at his Chamber on 16 May. Also seen in the picture are ICCB Executive Board Member Aftab ul Islam (2nd from left), Bangladesh International Arbitration Centre CEO Muhammad A. (Rumee) Ali (extreme left) and ICCB Secretary General Ataur Rahman (extreme right).

ICC Bangladesh President apprised the Minister that ICC Bangladesh will organizing The Asia-Pacific Conference on Financing inclusive and Sustainable Development jointly with United Nations Economic and Social Commission for Asia and Pacific (UNESCAP) and Asian Development Bank (ADB) under the patronage of the Government of Bangladesh in Dhaka on 10-12 December 2019. On this occasion, ICC Bangladesh has invited Prime Minister of Malaysia to attend the Conference and deliver the Keynote address during the inaugural session on 10 December 2019. The Foreign Minister assured extending all support and cooperation to ICC Bangladesh. Bangladesh International Arbitration Centre (BIAC) CEO Muhammad A (Rumee) Ali and ICC Bangladesh Secretary General Ataur Rahman were also present during the meeting with the Minister.

Meeting with ADB Country Director

ICC Bangladesh President Mahbubur Rahman attended a meeting with Mr. Manmohan Parkash, Country Director, Asian Development Bank (ADB) at his chamber on 20 May. He briefed the Country Director about various activities of ICC Bangladesh as well as ICC globally.

To Celebrate ICCs Global Centenary and Silver Jubilee of ICC Bangladesh, we are going to organize Asia-Pacific Conference on Financing inclusive and Sustainable Development in



ICC Bangladesh President Mahbubur Rahman (2nd from left) met Mr. Manmohan Parkash, Country Director, Asian Development Bank (2nd from right) at ADB Resident Mission Office on 20 May. Bangladesh International Arbitration Centre CEO Muhammad A. (Rumee) Ali (extreme right) and ICCB Secretary General Ataur Rahman (extreme left) also attended the meeting.

Dhaka on 10-12 December 2019, he said. ICC Bangladesh President handed over to him a letter of invitation to the ADB President to attend the Conference as Guest of Honour. Mr. Parkash assured all out support of ADB in organizing the Conference and also to follow up with ADB President for his acceptance of the invitation. ICC Bangladesh President conveyed his thanks to ADB for joining ICC Bangladesh and UNESCAP in organizing the Conference in Dhaka. BIAC CEO Muhammad A (Rumee) Ali and ICC Bangladesh Secretary General Ataur Rahman were also present during the meeting.

Participation at ICC Annual Banking Commission Meeting in Beijing

The Annual Banking Commission Meeting of the International Chamber of Commerce (ICC), The world business organization was held in Beijing on 10-11 April 2019.



ICC Bangladesh Secretary General Ataur Rahman (2nd from right, back row) is seen with Mr. Md. Ansar Ali Khan, Director, Agrani Bank Limited (4th from left, 1st row) & Mr. Emranul Huq, Additional Managing Director, Dhaka Bank Ltd. (extreme right, back row) with other participants at Annual Banking Commission Meeting of ICC held in Beijing on 10-11 April 2019.

This year marks 100 years of ICC, with the event bringing together a record number of senior guests and industry experts to celebrate ICC's numerous successes over the past century. At the same time, the Meeting focused on future relevance and to explore and discuss on the ways in which the organization can help make business work for everyone, every day and everywhere over the next 100 years of global business. This year's meeting also deliberated on innovations and changes within the trade finance sector, from the benefits of digitalization to the growing interest in sustainable trade finance and the enormous global potential of China's Belt & Road initiative.

ICC Bangladesh Delegation led by Secretary General Ataur Rahman consisted of 29 Member bankers from from Agrani Bank, Al-Arafah Islami Bank, BRAC Bank , Dhaka Bank, Islami Bank Bangladesh, Mutual Trust Bank and Sonali Bank. The Meeting was also attended by more than 640 trade finance practitioners from 59 countries. The two-day event provided trade finance professionals, financial institutions, corporations and international organizations from a wide range of countries the opportunity to discuss the challenges the industry faces in providing trade finance services around the world.

Partnership Agreement signed with ICC Academy

ICC Bangladesh signed a 2-year partnership agreement with ICC Academy in Beijing on 9 April 2019 to offer online training courses and accreditation programs on global trade and trade finance to the bankers and professionals dealing with trade finance. The courses are offered through ICC Academy's e-Learning platform "Learning Management System". Through this capacity-building initiative, the ICC Bangladesh enables to provide bankers quality programme to bridge knowledge gaps.

The ICC Academy based in Singapore is a e-Learning platform brought by the International Chamber of Commerce (ICC), the world business organization. The Academy offers dynamic e-courses and specialized programme on trade finance and cross border transactions designed by leading industry experts to meet the educational needs of banks, corporates and other organizations at the forefront of international trade. The Academy also provide FTF Training based on the topics that might be of interest to stakeholders.

The ICC Academy courses are also recognized by The London Institute of Banking and Finance (LIBF), for

availing of PDU / CPD points for re-certification of Certificate for Documentary Credit Specialists (CDCS®) & Certificate for Specialists in Demand Guarantees (CSDG®).

The following on-line courses are offered by ICC Academy : Certified Trade Finance Professional (CTFP), Global Trade Certificate (GTC), Export/Import Certificate (EIC),Free Trade Agreement Certificate (FTAC), Incoterms® 2020 Certification (INCO), Ethical Marketing and Advertising (EMA),IMB NVOCC Bill of Lading and Microfinance Associate Certificate (MAC).



ICC Bangladesh Secretary General Ataur Rahman is seen with Mr. Daniel KOK, General Manager, ICC Academy after signing Partnership Agreement with ICC Academy in Beijing on 10 April

ICC Workshop on Trade Finance and Best Practices in Demand Guarantees

ICC Workshops on Trade Finance and Best Practices in Demand Guarantees was held in Chittagong and Dhaka on 16 and 17 April respectively. Dr. Andrea Hauptmann, Senior Global Consultant on Trade Finance, Raiffeisen Bank International AG, Austria and Founder Member of the ICC Guarantee Task Force, Member of the URDG Drafting Group and Executive Committee of the ICC Banking Commission conducted the Workshops.

ICC Bangladesh President Mahbubur Rahman attended the closing session of the Workshop held in Dhaka 17 April. In his address he mentioned that Bangladesh has become one of Asia's most remarkable success stories in recent past. Bangladesh is an important market for trade finance within Asia & the Pacific. To remain competitive in today's changing environment, both clients and financial institutions have to streamline their trade activities said ICC Bangladesh President Mahbubur Rahman at the closing ceremony of ICC Workshop on Trade Finance and Best Practices in Demand Guarantees organized by ICC Bangladesh at a city hotel in Dhaka. The international trade volume of Bangladesh was $21 billion in 2005 and the amount went up to more than $95 billion in 2018, he added.

Mr. Rahman cautioned that with the growing business complexities, technological changes, market expectations and financial crimes, trade services are becoming increasingly challenging for banks and financial institutions of our country, similar to the other trading nations. Time has come to identify the exposure of banks on international bank guarantees; and it seems crucial now to formulate guideline/sets of rules for such guarantees and adopt international rules associated with bank guarantees and standby LCs, he mentioned.

ICCB President noticed that Incidences of Trade Based Money Laundering (TBML) remain a growing concern for policy makers and central banks throughout the world. Though the available sets of Anti Money Laundering (AML) rules are in line with globally accepted standards, there is still a lot of scope to improve their enforcements.



Group picture of participants with ICC Bangladesh President Mahbubur Rahman at ICC Workshop on Trade Finance and Best Practices in Demand Guarantees held in Dhaka on 16 April.

Bangladesh Bank (BB) is working on TBML guideline which is expected to bring positive changes regarding better enforcement of the AML rules, he hoped.

Centre (BIAC) Muhammad A. (Rumee) Ali in his address pointed out four major risks in the trade finance for coming days : these are Cyber Security, Illicit Flow, Fin-tech and contagious risk. He urged the participants to be cautious regarding these risks.



CCCI President Mahbubul Alam (middle), ICCB Secretary General Ataur Rahman (extreme right) & Workshop Resource Person Dr. Andrea Hauptmann, Senior Global Consultant on Trade Finance, Raiffeisen Bank International AG, Austria and Founder Member of the ICC Guarantee Task Force, Member of the URDG Drafting Group and Executive Committee of the ICC Banking Commission are seen at ICC Workshop on Trade Finance and Best Practices in Demand Guarantees held in Chattogram on 17 April.

ICC Bangladesh Banking Commission Chairman & CEO Bangladesh International Arbitration Workshop Resource Person Dr. Andrea Hauptmann, Senior Global Consultant on Trade Finance, Raiffeisen Bank International AG, Austria and ICCB Secretary General Ataur Rahman also spoke on the occasion.

The Chittagong Chamber of Commerce and Industry President Mahbubul Alam was the chief guest at the closing session of the Workshop held in Chattogram on 16 April and distributed certificates among the participants. He thanked ICC Bangladesh for organizing the Workshop in Chattogram.

A total of 193 participants attended: 70 participants in Chattogram (4 from Bangladesh Bank and 66 from 26 commercial banks) and 123 participants in Dhaka (8 from Bangladesh Bank, 1 from BIBM, 2 from IDLC, 1 lawyer and 111 from 27 Commercial banks).

ICC Bangladesh participated at Trade Finance Week 2019 in Vienna, Austria

ICC Austria and RBI-Raiffeisen Bank International organized the International Trade Finance Week 2019 in Vienna from 20-24 May. More than 250 international trade finance experts attended the Event. ICC Bangladesh General Manager Ajay Bihari Saha led a 12-Member ICC Bangladesh Delegation consisting Officials from BRAC Bank, The City Bank, Eastern Bank and United Commercial Bank.

The speakers at the Conference included, among others, Claude Cagnoncle, President of CREDIMPEX France, The French Association of Trade Finance Specialist; Neil J. Chantry, International Consultant on Trade Finance & Compliance, UK.; Dr. Andrea Hauptmann, Senior Global Consultant on Trade Finance, Raiffeisen Bank International AG, Austria; Matthieu Delorme, SVP Agriculture & Americas, Cotecna Group-Switzerland, Gabriele Katz, Client & Product Solution, Senior Product Manager, Documentary Trade Business & Services, Deutsche Bank AG, Germany; Mariia Minaeva, PhD, Head of Trade Finance and Documentary Operations, International Investment Bank, MDB, Russian Federation, Glenn Ransier, SVP Head of Documentary Trade and SBLCs, Wells Fargo Bank,



Group picture of participants with ICC Bangladesh General Manager Ajay Bihari Saha (5th from left) at Trade Finance Week 2019 held in Vienna, Austria during 20-24 May.

Charlotte, NC, USA; Christina Elisabeth Seierup, Vice President, Trade Finance Operations, Dankse Bank AS, Denmark; Donald R. Smith, President, Global Trade Advisory, Ltd., USA. Hugo Verschoren, Manager & Owner, goVer Trade Technologies, Belgium; Juanjo Ruiz Martinez, TradeLens Strategy and Operations, IMB Industry Platforms and Andreas Zietz, Head of Team-Trade Finance (Letters of Credit) Raiffeisen Bank International AG, Austria.

Discussions on various topics that were presented by experts included: Case Studies on Bank Guarantees and L/Cs; Trade Finance : Sanctions and Compliance Up-date 2019-Control of Commercial Crimes; UPAS (usance payable at first sight) discounting within LCs; Future Changes in Global Trade Flows – due to ever Increasing Trade Barriers; L/C Financing under Export L/Cs; Current developments in ICC's e-Rules; Current Development in Digitalisation; Up-date on Digitalization from the Shipping Industry; Warehouse inspection system -Mitigate risks through effecting monitoring; Working Practice under Irrevocable Reimbursement Undertaking; Recent ICC Banking Commission Opinions 2017-2019.

Participation at FCI 51st Annual Meeting in Vietnam

51st Annual Meeting of Factor Chain International (FCI) held in Ho Chi Minh City, Vietnam, with a highly successful, intensive and in-depth programme involving some 240 participants in interactive presentations, discussions and debate on the latest developments and trends in the Global Factoring Industry. This yearly gathering was not just a great occasion for members to get together and meet new colleagues and friends, but also where the attendees could witness some important developments within FCI. It was also the occasion not only to network with new business contacts but also to gain an insight into very important subjects.

A 9-member ICC Bangladesh delegation consisting of bankers (one from BASIC Bank, two each from Janata Bank and Mercantile Bank and four from Sonali Bank) attended the 51st Annual Meeting of Factor Chain International (FCI).

Mr. Cagatay Baydar, FCI outgoing Chairman said in his address that FCI fortified the chain by launching project, promoting factoring and reinforcing our major stakeholder relationships with other likeminded organisations. He noted the solid growth of the Industry volume again in 2018 indicating a positive trend in all regions of the world. Mr. Cagatay highlighted the work done, conferences held, projects developed, appointments made during the past 12 months. A special focus was on FClreverse and the launch of lslamic Factoring Chapter with the International lslamic TradeFinance Corporation (ITFC).The Chairman closed his address by highlighting the priority of the Executive Committee on Education and strengthening communication through regional directors.



Group picture of participants with ICC Bangladesh Assistant Manager Md. Shakayet Hossain (5th from left) at FCI 51st Annual Meeting held in Vietnam during 10-11 June.

Netherlands Ambassador visited ICC Bangladesh

H. E. Mr. Harry Verweij, Ambassador of the Kingdom of the Netherlands visited ICC Bangladesh on 4 April. He was briefed by ICC Bangladesh President Mahbubur Rahman about ICC and ICC Bangladesh activities. The Netherland Ambassador thanked the President for inviting him and giving him the opportunity to know about ICC activities. They also discussed about trade and investment between Bangladesh and the Netherlands. Dutch envoy said there are a lot of positive and impressive things in Bangladesh and

those need to be branded to improve the country's image. "The brand productivity, economic growth and warm and welcoming people."



ICC Bangladesh President Mahbubur Rahman (2nd from right) is seen with Netherlands Ambassador H. E. Mr. Harry Verweij at ICCB Secretariat during his visit on 4 April. Also seen in the picture from left to right ICCB General Manager Ajay Bihari Saha, ICCB Secretary General Ataur Rahman & ICCB Deputy General Manager Syeda Shahnewaz Lotika.

Bangladesh must be rejuvenated and upgraded. There is so much positive to tell of this amazing country -- economic vibrancy, diversification, Mentioning that the Netherlands is a major destination for Bangladesh's exports, especially garments, he lauded Bangladeshi factories for making much progress after the Rana Plaza disaster in 2013. However, he said more needed to be done.

The Netherlands' development cooperation with Bangladesh helps to improve living conditions of the poor, particularly in three areas: water, sexual and reproductive health and rights and food security. Other priority is labour conditions in the Ready Made Garments (RMG) sector. Activities align with national policy and development plans.

The Embassy of the Kingdom of the Netherlands in Bangladesh creates partnerships, and complements technical assistance with investment funds from international financial institutes (IFI). Furthermore, the Embassy continues to promote and broker Dutch contracts with IFIs, especially in the water sector.

Meeting with Nordic Ambassadors

H. E. Ms. Winnie Estrup Petersen, Ambassador of Denmark; H. E. Ms. Sidsel Bleken, Ambassador of the Royal Norway and H. E. Ms. Charlotta Schlyter, Ambassador of Sweden to Bangladesh visited ICC Bangladesh on 5 May.

ICC Bangladesh President Mahbubur Rahman briefed the Ambassadors about ICC activities and discussed about bilateral relations of Bangladesh with the three countries. He also informed them about organizing a Conference in Dhaka in December to Celebrate ICC Global Centenary and Silver Jubilee of ICC Bangladesh.

The meeting was also attended by ICC Bangladesh Vice President Rokia Afzal Rahman, Executive Board Members Aftab ul Islam, Anwar-Ul-Alam Chowdhury (Parvez) and Md. Fazlul Hoque; BIAC CEO Muhammad A (Rumee) Ali; ICC Bangladesh Secretary General Ataur Rahman and BIAC Director H. A. Azad.

Bangladesh and Denmark enjoy excellent bilateral relations, which is characterised by friendly feelings and empathy, as is well reflected in the economic co-operation between the two countries in various sectors of our development. The common



ICC Bangladesh President Mahbubur Rahman (middle) briefing Nordic Ambassadors H. E. Ms. Winnie Estrup Petersen, Ambassador of Denmark (4th from right); H. E. Ms. Sidsel Bleken, Ambassador of the Royal Norway (5th from right) and and H. E. Ms. Charlotta Schlyter, Ambassador of Sweden (6th from right) during their visit on 5 May. Also seen in the picture ICCB Vice President Rokia A. Rahman, ICCB Executive Board Members : Anwar-Ul-Alam Chowdhury (Parvez), Md. Fazlul Hoque, Bangladesh International Arbitration Centre CEO Muhammad A. (Rumee) Ali, Shasha Denims Chairman Parvin Mahmud and ICCB Secretary General Ataur Rahman among others.

perceptions on almost all global issues have brought the two countries closer.

Danish companies are investing in different industrial sectors in Bangladesh such as shipping, textile, light engineering and also in ICT sectors under DANIDA's business-to-business promotion programme and through joint-ventures. More than 70 Danish companies have so far established their business in Bangladesh in the form of either Foreign Direct Investment or Joint Venture or setting liaison office in Bangladesh. Bangladesh is listed as the 'priority' country in the Danish Government's priorities for the Danish Development Cooperation.

Norway has one of the world's strongest economies. High priority is given to knowledge development, innovation, technology and maintaining a sustainable business sector. Norway is a world leader in the oil and gas, energy, maritime and seafood sectors. Companies in other sectors are also making their mark. Medtech, FinTech, Edtech and other technology clusters are flourishing.

Norwegian technology clusters, and centres of expertise innovation can provide foreign companies with specialist knowledge, relevant networks and potential partners. It is easy to set up a business in Norway.

Norway's involvement in Bangladesh has traditionally been based on development cooperation. But over the years with Bangladesh's economic growth, aid has been replaced by an increased emphasis on trade and business. The largest Norwegian player in Bangladesh is Telenor that owns 55.8 percent of Grameenphone, the country's largest mobile operator with over 70 million customers.

In the textile industry, the Varner group is the most important Norwegian player. Norwegian software company Cefalo has its own office in Dhaka. Bergen Engines (Rolls Royce Power Systems) has increased its business activity in Bangladesh. Other Norwegian companies in Bangladesh are Jotun Group, composite manufacturer Poly Concrete, which supplies to the building industry, FireSafe and Hexagon.

Sweden and Bangladesh are strong supporters of multilateral cooperation, international law, including human rights law and a strong United Nations system including the UN Security Council. The two governments intend to deepen collaboration in United Nations affairs, i.e., in the areas of peace-keeping, peace-building, women's active participation in peace processes, peace and security and UN reform.

The Ambassador thanked ICC Bangladesh President for inviting them and giving the opportunity to exchange views with ICC Bangladesh Executive Board Members.

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ICC ACADEMY

ICC ACADEMY ONLINE CERTIFICATION PROGRAMMES-ORGANIZED BY ICC BANGLADESH

Trade finance

- Global Trade Certificate (GTC)
- Certified Trade Finance Professional (CTFP)

International business

- Export/Import Certificate (EIC)
- Bill of Lading Certificate (NBL)
- Free Trade Agreement Certificate (FTAC)
- E-Invoicing Solutions Certificate (ESC)
- Microfinance Associate Certificate (MAC)
- Incoterms ® 2020 Certificate (INCO)

Regulation and compliance

- Ethical Marketing and Advertising (EMA)

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Images from the Gallery



ICC Bangladesh President Mahbubur Rahman is presenting ICCB publications to Dr. Andrea Hauptmann, Senior Global Consultant on Trade Finance, Raiffeisen Bank International AG, Austria and Founder Member of the ICC Guarantee Task Force, Member of the URDG Drafting Group and Executive Committee of the ICC Banking Commission.



ICC Bangladesh Secretary General Ataur Rahman (extreme left) is seen with Mr. David Morrish, Relationship Director, Trade & Transaction Banking Qualifications, LIBF (extreme right) & Mr. Daniel KOK, General Manager, ICC Academy at Beijing.



Group picture of participants with CCCI President Mr. Mahbubul Alam (6th from right, sitting back) & ICCB Secretary General Ataur Rahman (5th from right, sitting back) at ICC Workshops on Trade Finance and Best Practices in Demand Guarantees was held Chattogram on 16 April.

ICC HQs News

5 ways refugee integration creates opportunities for business and society

Both ICC and UNHCR envision a world, where business works for everyone, every day, everywhere. Today, ICC and UNHCR are working to identify areas for future collaboration, including investment opportunities for economies and populations impacted by the refugee crisis. A first initiative will be launched in Cox's Bazar, Bangladesh this year. ICC will also continue to work with its global network of over 45 million companies to ensure that the world's most vulnerable people are protected.

On World Refugee Day, ICC is highlighting the private sector contributions that are helping to integrate refugees into workforces worldwide, including a new ICC partnership with the UN Refugee Agency (UNHCR) to enhance business engagement in the international response to the global refugee crisis.

Despite economic gains in the past century, many people worldwide have been left behind. Most notably, refugees and internally displaced populations are growing around the world, which has resulted in changing economic, political, and social fabric of communities around the world. Recent statistics from the United Nations Refugee Agency (UNHCR) cite an unprecedented 70.8 million people around the world forced from home, [including] 25.9 million refugees, over half of whom are under the age of 18.

Refugees and internally displaced persons suffer from overbearing challenges on a daily basis, including language barriers, lack of resources, unfamiliar legal systems, and limited access to capital. Despite dire conditions, there is however a potential for refugees to gain employment and positively contribute to the global economy. According to a collaborative report published by the Centre for Policy Development and Open Political Economy Network, it is estimated that the boost to the economy from launching 1,000 new refugee businesses each year in Australia could yield up to US$1 billion in annual economic and fiscal gains within 10 years.



First marked in 2001, World Refugee Day is held every year on 20 June to raise awareness and assist refugees who were forced to flee from their homes and their way of life. Each year, World Refugee Day brings people together from all over the world to address the difficulties faced by refugees everywhere.

The private sector has an enormous capacity to empower refugees as full participants in the global economy. As economic actors, policy influencers, employers and innovators, business has the tools and capacity to contribute to win-win solutions that support the integration of refugees into the workforce and bring value to society as a whole.

As the world business organisation, the International Chamber of Commerce (ICC) has launched a partnership with the UN Refugee Agency (UNHCR) to enhance business engagement in the international response to the global refugee crisis.

Here are 5 ways refugee integration creates opportunities for business and society:

Entrepreneurship

Supporting refugee-owned businesses can offer many opportunities for companies, e.g. as avenues for product distribution to new places and customers.

Employment

Refugee entrepreneurs can become employers in the long run and contribute to the further integration of refugees. A recent study, conducted by the American-based Brookings Institution, found more than 10,000 Syrian owned businesses in Turkey, each employing 9.4 people on average.

Diversity

Hiring refugees diversifies the workforce. McKinsey & Company found that ethnic and cultural diversity correlate with profitability.

Skills

Evidence shows that refugees bring unique skills and experiences that companies may lack, which support entrepreneurial success.

Attractivity

Companies that support refugees are more attractive to potential employees. A majority of millennials (55.4%) believe host countries should "try to include refugees in the national workforce, according to the World Economic Forum".

ICC brings voice of global business to WTO e-commerce negotiations

The International Chamber of Commerce (ICC) is bringing the voice of business at the World Trade Organization's (WTO) negotiations for the use of electronic commerce (e-commerce). ICC Permanent Representative to the United Nations in Geneva, Crispin Conroy, on 16 June presented recommendations from the global business community during the first round of WTO negotiations on the trade-related aspects of e-commerce.



In January 2019, 77 WTO Member States announced the creation of plurilateral negotiations to establish rules for electronic commerce (e-commerce). As the world business organization, ICC has called upon its global network to form a working group on e-commerce to bring the perspective of business, especially MSMEs, to the negotiating table.

The ICC Working Group on E-commerce is composed of more than 80 active member companies and trade associations worldwide. The Working Group spans firms across all industries participating in or affected by the digital economy, including content creators, e-commerce platforms, express shippers and payment providers.

Introducing: A Day in the Life of the Incoterms® Rules

As the International Chamber of Commerce (ICC) prepares for the launch of Incoterms® 2020, a new in-depth series will explore how the Incoterms® rules make business work for everyone, every day, everywhere.

Since the publication of the first edition in 1936, the Incoterms® rules have established clear precedents for business operating within the rules-based international trade system. Despite economic, political and technological changes to our world over the past eight decades, the Incoterms® rules remain relevant to business, governments and individuals everywhere.

The Incoterms® rules are a collection of three letter acronyms that outline the responsibilities and duties of importers and exporters. Some of the most commonly used Incoterms® rules, like FCA ("Free Carrier"), DAP ("Delivered at Place") and CIP ("Carriage and Insurance Paid To"), hold universal meaning for buyers and sellers around the world.

Incoterms 2020 by the International Chamber of Commerce (ICC)

Each day, millions of employees around the world use the Incoterms® rules to do their jobs. While the Incoterms® rules are essential for importers and exporters, they are just as important for those working in financial services, government and academia too. Whether you own a small business in Africa or work for a shipping company in Europe, the Incoterms® rules can influence your position and corresponding responsibilities.

In preparation for the release of Incoterms® 2020, ICC has launched "A Day in the Life of the Incoterms® rules" to tell the stories of Incoterms® rules users from around the world. Over the next few weeks, we will publish interviews with Incoterms® users from multinational corporations, micro-small-, and medium-sized enterprises (MSMEs), importers, exporters, bankers, chambers of commerce, law firms and more. By presenting the perspective of users, ICC will demonstrate the daily importance of the Incoterms® rules, as well as their global reach.

Business' engagement in climate action: Article 6 sets stage for greater ambition

Delegates from more than 190 countries meet in Bonn from 17-27 June to continue negotiations over the implementation of Article 6 of the Paris Agreement. Article 6 provides a policy foundation for trading in emissions reductions between states, a critical element for business in the drive to achieve net zero emissions by the second half of the century.

Parties were unable to find agreement on Article 6 at COP24, resulting in the absence of its rules from the Katowice Climate Package. Instead, they forwarded negotiating texts to Bonn that will serve as a starting point for discussions, led by Paul Watkinson (France), Chair of the UNFCCC's Subsidiary Body for Science and Technical Advice (SBSTA).

"We believe the business community's ability to deliver

IETA CLIMATE CHALLENGES MARKET SOLUTIONS

ambitious targets with large scale investments depends on strong, clear rules on market mechanisms," said

Dirk Forrister, IETA's President and CEO. "With clarity on Article 6, they can invest with confidence in the vast opportunities for reductions and removals that are spread around the globe – and trade together to achieve net zero emissions."

"Article 6 is crucial to all businesses, big and small, from all sectors of the economy and from all countries" said Majda Dabaghi, Director of Inclusive and Green Growth at the International Chamber of Commerce (ICC). "Our members – 45 million businesses from over 100 countries – are eagerly awaiting clarity on Article 6 rules, which are essential to fully engage the private sector in the decarbonisation challenge"

Mr Forrister added: "We need clear guidance on how to account for transfers of emissions reductions, on the type of projects that can earn reductions and on measurement and verification rules. Absent that guidance, the private sector will not have the clarity it needs to deploy the billions – even trillions in capital expenditure that are needed."

ICC and IETA are among the signatories of a declaration on the need to promote robust accounting rules for international carbon markets, which was released at COP24.

"The declaration is more relevant than ever, in light of the COP24 outcome, and we urge Parties to work constructively to ensure a good outcome at COP25 in Santiago," explained Ms Dabaghi.

Negotiators will meet for two weeks in Bonn. The outcomes of the talks will be forwarded for final decision at the 25th Conference of Parties in December in Santiago, Chile.

11th World Chambers Congress concludes in Rio

The 11th World Chambers of Congress drew to end in Rio de Janeiro on 15 June following three days of engagement on key issues affecting chambers and their respective business communities. A highlight of the chamber calendar, the Congress brought together over 1,000 delegates.



Here are three key takeaways from day three.

1. A sustainable future for all

United Nations Special Envoy for the 2019 Climate Action Summit, Luis Alfonso de Alba, called on chamber and business leaders to join policymakers in the fight against climate change during day three opening plenary on the Sustainable Developments Goals. Mr de Alba said that there was now wide recognition that no one stakeholder could address issues alone and that collaborations and partnerships with the private sector and other stakeholders was key. "There are risks ahead but there are also great opportunities," he said. Addressing the root cause of challenges rather than treating symptoms, enabling policy frameworks for innovation and investments, a rethinking of business models and engagement with the UN were all highlighted as ways to secure a more peaceful and prosperous future for generations to come.

2.) Skills for the future

Rethinking education was the focus of a second plenary session asking how chambers can play a leading role in developing a dynamic and effective global workforce. Tania Cosentino, CEO of Microsoft Brazil said education is at the core of Microsoft´s development, with special emphasis on the Sustainable Development Goals. The consensus among panel participants was that with limited visibility on what the jobs of the future would be, development of skills for life-long learning such as problem-solving, collaboration, adaptation and creativity were essential.

3.) Thinking beyond banks

Despite being the last session of an intensive three-day gathering, it was a full room for our session looking at alternative finance. The session featured inspirational startup case studies and examined how chambers can engage with next-generation entrepreneurs and companies. "As a company, we have a commitment to financial inclusion," said Mastercard General Counsel Tim Murphy who said there was a role for ICC and chambers to bring business to the table to communicate private sector messages for creating appropriate regulation.

4.) Chamber innovation celebrated

Winners of the 2019 World Chambers Competition were announced during the Congress concluding Gala Dinner. Of 74 entries from 29 countries, 16 finalists were in Rio to present their initiatives to Congress delegates during dedicated workshops covering the three Coçpetition categories: Best Education and Training Project, Best SME and Entrepreneurship Development Project and Best Unconventional Project. Find out who our winners were here.

5.) SeeYouInDubai!

A festive closing ceremony, featuring performances by Brazilain roots dance troop, Jinga Tropical, saw the official handover of the Congress from Rio to Dubai. Hassan Al Hashemi, Chair of the World Chambers Congress organising committee of Dubai Chamber, presented a video giving a glimpse into what delegates of the 12th World Chambers Congress can expect in 2021.

ICC Trade Register affirms trade finance's decade-long low-risk profile

The International Chamber of Commerce (ICC) Banking Commission has released its 2018 Trade Register report – again highlighting the low risk nature of trade finance in comparison to other asset classes. In 2018, global trade reached a new peak of US$18.5 trillion, underpinning a trade finance revenue pool of US$48 billion. ICC Trade Register data confirms default rates from 2008-2018 are low across all products and regions surveyed.

For the first time, payables finance and non-OECD Export Credit Agency-backed export finance products are included in the Trade Register. This year's report captures a full decade of trade finance-related data – containing over US$12 trillion of exposures from 24 million transactions across six products and 25 banks worldwide.

Results indicate that default rates from 2008-2018 are low across all products and regions, averaging 0.37% for Import Letters of Credit (L/Cs), 0.05% for Export L/Cs, 0.76% for Loans for Import/Export, and 0.47% for Performance Guarantees (when weighted by obligors). The results extend the decline in risk seen in 2016 into 2017, likely driven by strong GDP growth and the general de-risking approach taken by banks with regards to their balance sheets.



As in previous years, the report was conducted with the support from both Global Credit Data (GCD) and Boston Consulting Group (BCG). BCG, for its part, contributed a strategic perspective to the paper, including insights from their 2019 Trade Finance Model.

Meanwhile, ICC worked alongside GCD to advance the Trade Register's scope and methodology. Leveraging GCD's experience, the project now uses automatic data validation at point-of-entry – adding to the reliability of data and simplifying the data collection process for member banks.

This year's data set also includes non-OECD Export Credit Agency-backed export finance and, given its growing and now longstanding significance across all markets, supply chain finance (SCF).

Going forward, the ICC Trade Register will continue to build bank participation, data quality, product scope and the types of risk examined, to best serve the trade finance community, and – importantly – its member banks who invest significant time and resources to support the project.

Krishnan Ramadurai, Chair of the ICC Trade Register Project, adds: "The ability to act as a uniform source of data for Banks will help the Trade Register to further strengthen its fundamental role in putting advocacy messages to the Basel Committee and other regulatory bodies."

ICC Arbitration figures reveal new record for awards in 2018

A total 842 cases were administered by the International Court of Arbitration of the International Chamber of Commerce in 2018 – the second highest total of registered cases ever – according to the latest figures released by ICC on 11 June.



Worldwide, 2,282 parties were involved in ICC Arbitration cases from 135 countries in 2018. Newly registered cases in 2018 represented an aggregate value of US$ 36 billion, with an average amount of US$ 45 million in dispute. The aggregate value of all pending disputes before the Court at the end of the year was US$ 203 billion, with an average value of $131 million and a median value of US$ 10 million. With the exception of 2016, which included 135 related small-claim cases arising from a single collective dispute, these statistics represent a new record for ICC Arbitration cases.

The top five countries with parties represented in cases are the United States (210), France (139), Brazil (117), Spain (110), and Germany (95). New arrivals to the top 10 countries' ranking for 2018 included Turkey and the United Arab Emirates. The United Arab Emirates represented the eighth-highest number of parties in 2018 with 69. Meanwhile, Turkey climbed into the 2018 top 10 for the first time with 62 parties.

Following a banner year in 2017, ICC has once again set a new record for approved draft awards (599) in 2018. Since 2009, the ICC Court has

approved over 500 draft awards twice before in 2011 and in 2017.

The annual statistics also confirm the benefits of ICC's regional case management offices in Hong Kong, New York, Sao Paulo and Singapore. Regions where ICC maintains a case management office recorded growth for newly registered cases in 2018. As a result, Brazil now ranks third place in the world behind France and United States. Singapore, where ICC opened a case management office in April 2018, experienced an increase from 23 participating parties in 2017 to 34 parties in 2018.

ICC Court of Arbitration President Alexis Mourre said: "These statistics confirm that ICC is the world's premium arbitral institution, its unrivalled global reach and its unique experience in resolving high-value, cross-border, and complex multi-party disputes."

Global Dialogue on Trade publishes recommendations from first round of debates

The International Chamber of Commerce published recommendations from the first round of the Global Dialogue on Trade to contribute to the on-going intergovernmental approach to reforming the World Trade Organization and multilateral trade.

In October 2018, International Chamber of Commerce (ICC) Secretary General John W.H. Denton AO and World Trade Organization (WTO) Director General Roberto Azevedo launched the Global Dialogue on Trade (GDoT) to facilitate open discussions between stakeholders from business, multilateral organisations and academia.

ICC received about 70 submitted themes for discussion from participants around the world. After careful consideration, ICC selected three topics of discussion facing the global trade system today: how to deal with trade distorting practices,



how to take account of the growing importance of e-commerce to global trade, what is the role for plurilaterals and other negotiating tools. Since the platform's launch, representatives from more than 50 businesses, 14 think tanks, and 6 multilateral organisations participated in the first round of debates.

Over the course of five months, stakeholders from around the world participated in lively exchanges on the future of global rules-based trading system.

The first set of debates, which concluded in March 2019, led to the following 10 recommendations for the creation of a trusted model of open trade and free enterprise that will work for everyone, every day, and everywhere.

5 ways ICC celebrated turning 100

Celebrations took place in Paris in the last week of May, beginning a year of activities to mark 100 years of the International Chamber of Commerce. Centenary events are set to take place in each region of the world, concluding in Mexico in March 2020.



Here are five ICC@100 highlights:

1. ICC Centenary Summit

A celebratory ICC Centenary Summit took place on 28 May gathering corporate, political and civil society leaders to discuss private sector contributions to address global challenges, including world trade reform, climate change, rising inequality, digital inclusion and long-term market incentives.

The Summit opened with a video highlighting the work of the organization over the past 100 years speakers included ICC Chair Paul Polman, World Trade Organization Director-General Roberto Azevêdo, UNICEF Deputy Executive Director of Charlotte Petri Gornitzka, OECD Secretary General Angel Gurría, United Nations Environment International Resource Panel Co-Chair Janez Potocnik, Deputy Minister for Foreign Trade and International Affairs Government of Brazil Marcos Troyjo and President of the Constitutional Council of the French Republic Laurent Fabius, Former Trade Minister of the Republic of Indonesia Mari Pangestu and Chief Executive Officer of Perlin. net Dorjee Sun.

In his welcome remarks to Summit participants ICC Secretary General John W.H. Denton AO said: "How we respond to…challenges of our time will determine the mark we, as one ICC leave on this century."

2. ICC Declaration on the next century of global business

During the Summit ICC issued a business declaration on behalf of

45 million companies worldwide. The Declaration sets out a vision to shape the future of global business for the next century, mirroring the declaration issued 100 years ago by ICC's "Merchant of Peace" founders. It sets out guiding principles for ICC as a purpose driven international organisation, working with renewed purpose to make business work for everyone, every day, everywhere.

By way of the declaration, ICC commits to using the full extent of its resources and global network to tackle 21st century challenges, including working to preserve and modernise the global trading system and mobilizing business to keep the global temperature increase below 1.5 degrees Celsius.

3. Inaugural Knowledge Solutions Assembly

Held on the eve of the ICC Centenary Summit, ICC's first ever Knowledge Solutions Assembly bringing together ICC members and Knowledge Solutions staff the Assembly unveiled ICC's work programme for achieving real change at scale on current and emerging issues from protecting the planet to ensuring decent work and economic opportunity for all.

"ICC and the global business community can—and must—do more as a force for good in the world," said ICC Secretary General John W.H. Denton AO. We will respond to this imperative with brave and bold action to meet the ambition of our renewed purpose to enable business to secure peace, prosperity and opportunity for all.

4. A party to remember

An after Summit cocktail reception featured addresses from former ICC Chairs Marcus Wallenberg, Chairman of SEB and Victor Fung, Chairman of Fung Group. Adding to the celebratory ambiance, staff members gave a live performance of the ICC@100 flash mob dance, recorded earlier in the month, to entertain guests!

5. Knowledge sharing with colleagues

Colleagues from ICC national committees around the world took the opportunity to share knowledge and experiences at dedicated working sessions held at ICC Global Headquarters on 29th May. Discussions focused around ICC's new work programme as well as upcoming activities.

The sessions also unveiled winners of ICC's National Committee Initiative of the Year Award. ICC Brazil was recognized as the global winner for its participation in the development of an Artificial Intelligence tool for Trade Negotiations.

ICC issues guidance on VAT implementation to ensure efficiency for business and tax administrations

The International Chamber of Commerce (ICC) has published guidance on international best practices for Value Added Tax (VAT) implementation.

As the world business organization, the International Chamber of Commerce (ICC) promotes international trade, responsible business conduct, and a global approach to regulation. In today's interconnected global economy, value added tax (VAT) has become an increasingly important source of revenue for countries worldwide.

With more and more countries implementing or reforming existing VAT regimes, ICC has published the ICC International Best Practices and Guidance on Value Added Tax Implementation to provide a common roadmap for tax administrations and business before, during, and after VAT implementation.

Above all, the ICC guidance stipulates that an efficient VAT regime ensures certainty, neutrality, simplicity, and cost effectiveness for both business and tax administrations. The consistency of national VAT laws with regional and global VAT regimes can help facilitate cross-border transactions and foster economic growth. By adhering to consistent standards, countries will safeguard VAT revenues for tax administrations and ensure a level playing field for business operating within their borders.

The first part of the ICC guidance outlines general recommendations for government representatives involved in the design and implementation of VAT regimes. In particular, ICC calls upon government representatives to establish a collaborative partnership between tax administrations and business.

This collaborative partnership involves establishing an ongoing dialogue between stakeholders working together throughout the whole design and implementation phase. ICC recommends strong communication measures, such as public consultations, as well as question and answer sections related to VAT regimes on tax administration websites.

The ICC guidance also outlines key features associated with efficient VAT regimes, such as VAT refunds, VAT exemptions, registration for non-established entities, and free trade zones. With regard to importers and exporters, the ICC guidance provides specific recommendations for effective VAT processing. In particular, "the import of goods should be subject to postponed accounting with payment on the VAT return, rather than at the point of entry," according to the ICC guidance. Other key features of an efficient VAT regime include registration for non-established entities and specific considerations for digital services.

After considering the role of government, the ICC guidance also offers a VAT implementation roadmap for business representatives. From the perspective of business, the ICC guidance stresses that project planning, especially budgetary considerations, must be given early attention in order to secure the appropriate resources for VAT implementation.

ICC emphasises that proactive business engagement and involvement from the outset is essential. Based upon the nature of a transaction-based tax, VAT regime has a significant effect on organisations – all business functions are impacted. As part of the preparation process, the ICC guidance recommends that business conducts a detailed review of incoming and outgoing business flows, considers the legal implications of long-term contracts, and reviews employee benefits. By considering these aspects, business can adequately prepare for the implementation of VAT regime and institute a project plan. Given the wide organisational impact of VAT, the ICC guidance recommends that business create a well-defined step-by-step project plan to ensure adherence and avoid disruption.

ICC considers VAT implementation to be a journey. There are many unknowns when the journey first begins, therefore preparations must start early in time to overcome later challenges and complexities. As more countries continue to consider VAT regimes, ICC will continue to review and update this guidance to provide government and business representatives with helpful recommendations for before, during, and after implementation.

ICC issues declaration on the next century of global business

On behalf of 45 million companies worldwide, the International Chamber of Commerce has issued a declaration setting out a vision to shape the future of global business for the next century. Mirroring the declaration issued 100 years ago by ICC's "Merchant of Peace" founders, the declaration sets out guiding principles for ICC as a purpose driven international organisation, working with renewed purpose to make business work for everyone, every day, everywhere.

Issued upon conclusion of the world business organization's Centenary Summit in Paris, the declaration endorses Intergovernmental Panel on Climate Change findings on the urgent need to keep the global temperature increase below 1.5 degrees Celsius, and underscores the urgent need for policy frameworks that support alignment of business operations with this target.

Embracing ICC's renewed purpose to enable business worldwide to secure peace, prosperity and opportunity for all and commits to forging solutions for the future in the face of other global challenges including digital disruptions and rising inequality.

"In the years ahead, these disruptions will become increasingly pronounced in the absence of concerted action by global leaders to mitigate negative outcomes and drive collective solutions," the declaration states. The declaration consigns ICC to using the full extent of its resources and global network to tackle 21st century challenges by:

Continuing to provide effective alternative dispute resolution methods to support global ommerce. Mobilise business behind the 1.5°C target and work towards the additional climate goal of net-zero emissions in many countries by 2050. Bolster trust in digital technologies and collaborate with governments to design new global governance models conducive to a thriving and unified digital ecosystem and promote a human-centric evolution of emerging technologies, such as artificial intelligence. Support private sector leaders to meet the calls of shareholders, governments and the public for a more inclusive and responsible capitalist model.

Ahead of Summit, ICC launched a new work programme to fulfill commitments set out in the Centenary Declaration. Leveraging ICC's global membership in over 100 countries, ICC will execute the work programme through five newly created and versatile knowledge hubs deploying five pivotal campaigns to enable business worldwide to secure peace, prosperity and opportunity for all.

ICC joins fashion industry to make sustainability everyone's business

The International Chamber of Commerce (ICC) participated at the 2019 Copenhagen Fashion Summit on 15-16 May to encourage fashion brands to implement sustainable and equitable business practices.

As a Permanent Observer to the United Nations, ICC is committed to ensuring that business consumption and production patterns align with the UN Sustainability and Development Goals (SDGs) set forth by the UN 2030 Charter. In December 2018, ICC became a signatory of the UN Climate Change (UNFCCC) Fashion Industry Charter for Climate Action, which aims to address the climate impact of the fashion sector's global supply chain.

By recognising this need for change, ICC joined global brands at the 2019 Copenhagen Fashion Summit to address the social, environmental, and ethical issues



facing the fashion industry's global supply chain, including climate change, energy efficiency, the circular economy, labour conditions, and overconsumption. The event attracted 1300 guests and 78 speakers presented on topics from executive leadership to policy and investment strategies.

During a keynote address, Paul Polman, Chair of ICC, called for the fashion industry to implement sustainable and equitable business models to promote social and environmental change.

Mr Polman's address touched upon several business-led initiatives aimed at improving sustainability, including circular models of production and the acceleration of new technologies.

At the core of Mr Polman's address was the need for courageous leadership across the fashion industry. "If we don't change the measures of what we call success, we simply won't get there. We all have a role to play, we cannot be bystanders," he said.

To implement the SDGs across the global fashion supply chain, leaders will need to be bold and implement radical changes to their existing business models.

ICC leads tax certainty discussions at Belt and Road Initiative Forum

Christian Kaeser, head of the International Chamber of Commerce [ICC]'s Taxation Commission, drew attention to the importance of tax certainty for business at the Belt and Road Initiative Tax Administration Cooperation Forum.

As part of the first Conference of the Belt and Road Initiative Tax Administration Cooperation Forum (BRITACOF), Dr Christian Kaeser, head of ICC's Taxation Commission and Global Head of Tax at Siemens, discussed the importance of tax certainty for multinational enterprises operating within Belt & Road Initiative jurisdictions.

As the host of the event, the People Republic of China's State Tax Administration (STA, formerly SAT) invited member countries, business, and international organisations to participate in discussions on tax initiatives attached to the Belt & Road Initiative. The forum gathered national tax administrators from countries participating in the Belt & Road Initiative, including Italy, the Czech Republic, Iran, Suriname, and Rwanda.

During his keynote presentation on tax certainty, Dr. Kaeser presented many of the findings from ICC's report on tax challenges relating to the Belt and Road Initiative, which was recently submitted to SAT. "Tax certainty is a fundamental factor in attracting investment and thus inducing economic growth," stressed Dr Kaeser in his keynote presentation to the forum. "Complicated, inconsistent, and hard-to-apply tax rules create barriers to trade," he said.

ICC welcomes the opportunity to identify potential tax challenges from the perspective of business for those considering investing in countries associated with the Belt & Road Initiative. In particular, the Belt & Road Initiative provides opportunities to stimulate global economic growth, especially in the area of tax coordination. From Dr. Kaeser's perspective, tax cooperation among participating members of the Belt & Road Initiative is a welcome development. "To avoid inconsistencies among national governments, more coordination among governments is required," he said.

Dr Kaeser's presentation also emphasised the importance of tax administrations being guided by the written rule of law, rather than assessing taxes based on other parameters. By following the rule of law, national tax systems will prevent double taxation, unfair competition, and uncertainty for business.

ICC's participation in BRITACOF comes at a critical moment for the Belt & Road Initiative, as China convenes heads of state from around the world to discuss the project's progression.

Sustainable transformation: ICC Banking Commission Annual Meeting concludes in Beijing

From the introduction of alternative trade finance providers to the growing interest in blockchain, the banking industry continues to undergo change. The ICC Banking Commission Annual Meeting concluded with in-depth discussions on the latest policy and regulatory changes affecting the industry. Panels covered the latest on Basel IV, the e-compatibility of ICC rules, and the impact of emerging technologies on banking procedures.

Belt and Road Initiative presents opportunities within Asia and globally

Kicking off the last day of the Annual Meeting, Olivier Paul, Head of Policy at the ICC Banking Commission, moderated a panel covering all things related to China's Belt and Road Initiative, including its importance for regional and global trade. Following a brief overview of the national strategic ambitions of the Belt and Road Initiative, the panel explored wider opportunities for banks, multilaterals, ECAs and governments.



Blockchain consortia – the future of trade finance?

The final day of this year's Annual Meeting included a blockchain panel, which analysed the importance of collaboration between technology companies and banks. The panel concluded this would require a blockchain consortia to enable cooperation between all stages of the trade finance ecosystem.

Led by David Bischof, Senior Policy Manager at ICC Banking Commission, the discussion explored how banks and business can work together to help improve the trade finance sector as a whole. The panel concluded that the adoption of a common regulatory framework is a critical step for blockchain providers moving forward. In order for blockchain to become an integral part of the international trade system, leaders from across the banking sector will need to come together to develop common rules and regulations.

New rules for digital trade finance

The afternoon sessions featured discussions on making trade finance processes and rules fit for the digital age.

David Bischof presented updated findings from the ICC Working Group on Digitalisation in Trade Finance, including the e-compatibility of ICC rules and standards for digital connectivity. The final votes on the revised Uniform Customs and Practice for Documentary Credits (eUCP) and Electronic Presentation for Collections (eURC) were also presented. Based upon electronic voting results, the revised eUCP received 100% approval with two countries abstaining. Meanwhile, the first ever eURC received a 97.5% approval (on a weighted basis) with only one county voting 'no' and two countries abstaining.

Following Mr Bischof's presentation, Chris Southworth, Secretary General of ICC United Kingdom, presented an update of the ICC Digital Roadmap. Launched last year at the ICC Banking Commission Technical Meeting in Tbilisi, this project aims to identify and support innovation and standardisation of rules for digital trade finance.

Sustainability in trade finance

Finally, one of the last panels of the day focused on the topic of sustainability. As the trade finance sector continues to consider the importance of sustainability, this session examined how banks can participate in the emerging "green revolution". The panel also provided insight from ICC's Sustainable Trade Finance Working Group and updating the audience on industry-wide progress regarding sustainable trade finance.

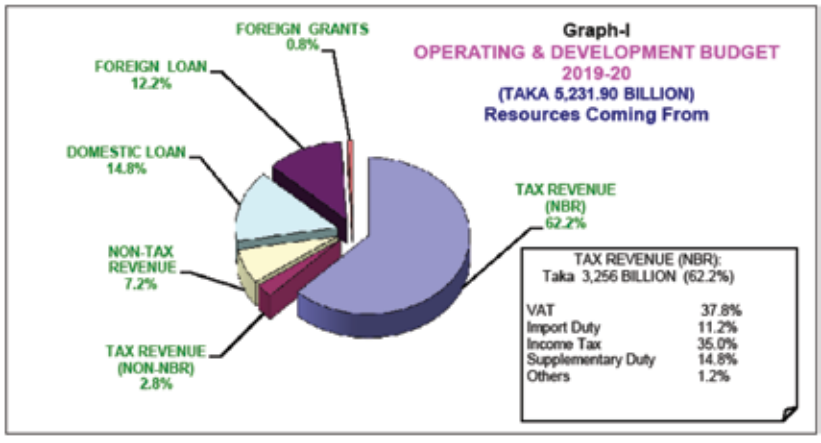
As banks face increased expectations from their stakeholders, the Working Group is developing a set of guidelines applicable to trade finance and supply chain finance transactions. With a core mission of integrating environmental due diligence into trade finance transactions, the working group is conducting a pilot focusing on agricultural commodities.

In turn, the IFC's Global Map of Environmental & Social Risk in Agro-commodity Production (GMAP) was launched at this year's Annual Meeting – enabling users to conduct rapid environmental and social due diligence associated with trade and short-term finance. This tool now includes freshly integrated data from IFC's Sustainability Standards Map tool, allowing users to identify the applicable certification schemes that cover the risks identified with a combination of an agro-commodity and its country of sourcing.

Bangladesh Economy

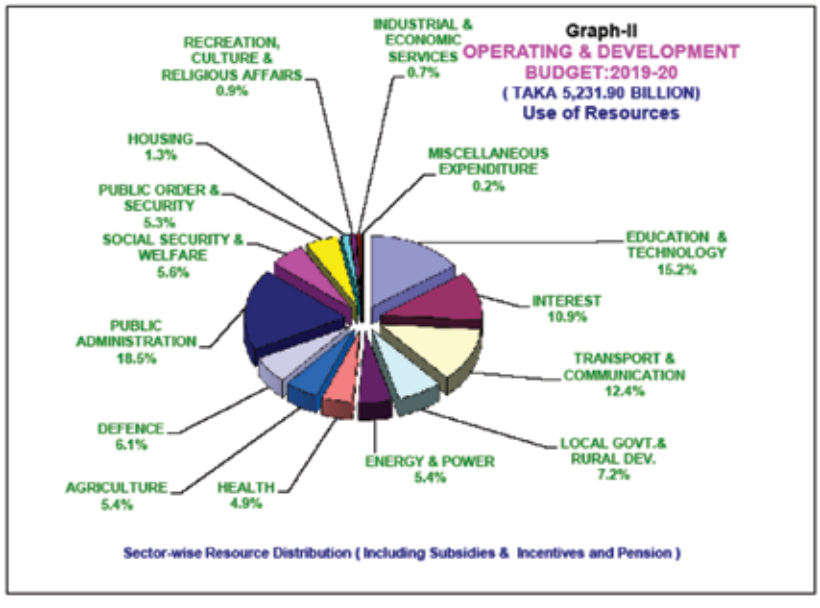
Parliament passed Tk. 5231.90 billion national budget for FY20

Parliament on 30 June passed Tk. 5231.90 billion national budget for FY20 themed as "Bangladesh on a Pathway to Prosperity: Time is Ours, Time for Bangladesh." Finance Minister AHM Mustafa Kamal placed the Appropriations Bill, 2019 seeking a budgetary allocation of Tk. 6424.78 billion whhich was unanimously passed by voice vote.



Finance Minister AHM Mustafa Kamal on June 13 placed Tk. 5231.90 billion largest-ever budget for FY20 with a focus on developing communications infrastructure and human resources and achieve the 8.2 percent GDP growth.

The finance minister proposed allocating, from the annual development programme, 27.4 percent for human resource (education, health and related others), 26 percent for communication (roads, rails, bridges, and related other communications), 21.5 percent for the overall agriculture sector (agriculture, rural development, water resources, and related others), 13.8 percent for power and energy sector and 11.3 percent for other sectors.



Allocation proposed for the social infrastructure sector in the proposed budget is Tk 1434.29 billion, and Tk. 1646.03 billion for physical infrastructure sector of which Tk. 662.34 billion will go to overall agricultural and rural development, Tk 613.60 billion to overall communications, and Tk 280.51 billion to power and energy.

The overall budget deficit will be Tk 1453.80 billion, which is 5 percent of GDP like the previous year. In financing the deficit, Tk 680.16 billion will come from external sources and Tk. 773.63 billion from domestic sources. Of the financing from domestic sources, Tk 473.64 billion will come from the banking system and Tk 300.00 billion from savings certificates and other non-bank sources.

The total revenue collection has been estimated to be Tk 3778.10 billion where the National Board Revenue (NBR) will contribute Tk 3256.60



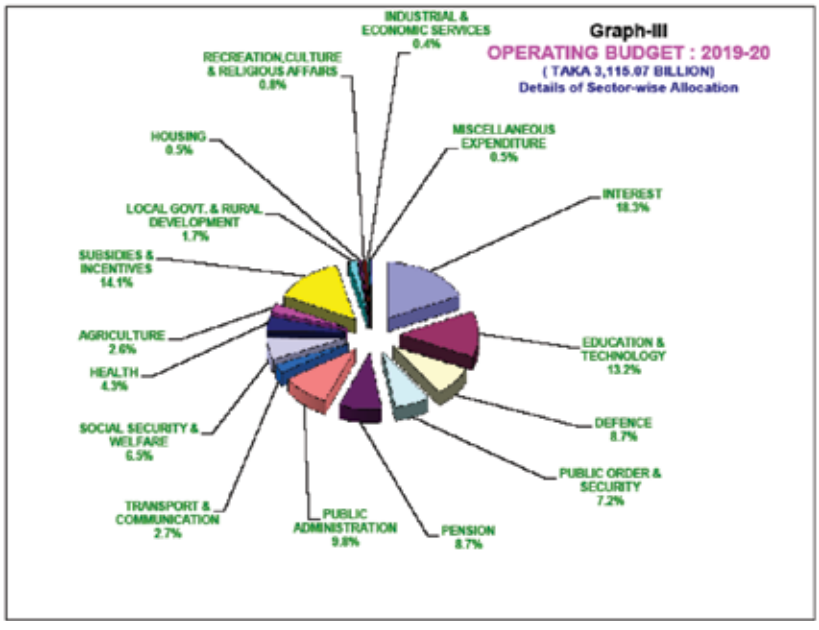
billion tax revenue from non-NBR sources have been estimated at Tk 145.00 billion. Besides, non-tax revenue is estimated to be Tk. 377.10 billion.

The total allocation for operating and other expenditures is Tk 3204.69 billion, and allocation for the annual development program is Tk. 2027.21 billion while Tk 1billion has been proposed to provide startup capital to promote all types of startup enterprizes among youths.

A total of Tk 1236.41 billion has been proposed for general services, which is 23.63 percent of total allocation. Tk. 332.02 billion is proposed for public-private partnerships (PPP), financial assistance to different industries, subsidies and equity investments in nationalized corporations, banks, and financial institutions.

The budget also proposed to introduce insurance for the expatriate Bangladeshi workers and their families as they often face financial losses and risks due to accidents and various other causes. For the sake of a strong capital market which is required for any strong economy, the Finance Minister proposed to make tax free dividend income from the listed companies' upto Tk. 50,000.

With a view to promoting business and investment, augmenting export and creating employments, proposed



the tax holiday facility to continue and also to include some potential manufacturing sectors such as agricultural machinery; furniture; home appliance - rice cooker, blender, washing machine etc.; mobile handset; toys; leather and leathergoods; LED television; plastic recycling.

Along with the standard VAT rate of 15 percent, there will be reduced rates of 5 percent, 7.5 percent and 10 percent for specific goods and services. As a special measure, considering the sensitivity of the product, the rate of VAT at the trading stage of pharmaceutical and petroleum products shall be 2.4 percent and 2 percent respectively.

A total of Tk 794.86 billion was allocated in the proposed budget for the education and technology sector, which was 15.2 percent of the Tk 5231.90 billion budget.

Bangladesh fastest-growing economy in Asia-Pacific : ADB

Bangladesh registered the fastest growth rate in the Asia-Pacific economies comprised of 45 countries, according to Asian Development Bank (ADB). In the outgoing FY2018-19, the ADB said Bangladesh attained 7.9% growth which was fastest since 1974. The bank predicted that the growth will be 8% in the FY2019 and FY2020, terming it a new record. "Bangladesh will continue to be the fastest growing economy in the Asia-Pacific," the bank said in its Asian Development Outlook (ADO).

ADB Country Director for its Bangladesh resident mission Manmohan Parkash handed over the ADO to Prime Minister Sheikh Hasina at her Sangsad Bhaban office on June 19. The ADO, the annual

ADB
Asian Development Bank

publication of the ADB, evaluates and forecasts economic performance of the 45 Asian and Pacific countries. It said the growth will be moderate across most of developing Asia – 5.7% in 2019 and 5.6% in 2020 from 6.2% in 2017 and 5.9% in 2018. South Asia will see buck trend of slowing growth in Asia – 6.8% in 2019 and 6.9% in 2020.

The ADO said the key attributors of this growth are strong leadership, good governance, stable government and continued political calm, sound macroeconomic policy and right development priorities. The drivers of the growth have been identified as higher public sector investment, stronger consumption demand, revival in exports, improved power supply and higher growth in private sector credit.

The ADO pointed out that Bangladesh has favourable trade prospects despite a weaker global growth while exports and remittances are likely to increase further. It also mentioned that strong public investment was due to continued policy support and expeditious implementation of large infrastructure projects and higher tax collection with expanded tax base.

It said Bangladesh's banking sector reforms will attract higher private investment which will support the growth.

Prime Minister Sheikh Hasina said the government is gradually advancing the country's economy in a measured way. "We've done our analysis before formulating the budget this year also," she reiterated.

She said the government is setting up 100 economic zones in the country where investors from across the globe can set up their industries.

Manmohan Parkash highly appreciated the government's economic plan under the leadership of Prime Minister Sheikh Hasina, saying all of its development programs are people-centric.

Bangladesh highest recipient of ADB loan

Bangladesh was the third highest recipient of loans from the Asian Development Bank (ADB) last year, in further testament to the development partners' enhanced opinion of the country, according to The Daily Star published on 6 May. Of the $21.58 billion pledged by the multilateral lender, $2.20 billion went to Bangladesh, dwarfed only by the amounts received by India ($3.52 billion) and China ($2.62 billion), the two largest economies of the region.

The amount is the highest yet for Bangladesh from the ADB, which typically commits in the neighbourhood of $1.5 billion every year. In 2017 Pakistan was the third highest recipient of the ADB's loans at $2.10 billion, but last year it dropped to $1.08 billion. The ADB also arranges co-financing with other bilateral or multilateral development partners and in 2018 it arranged $35.81 billion for the Asia-Pacific nations, of which $4.48 billion went to Bangladesh -- the highest.

"If an economy is growing at 7-8 percent the whole world will come and invest," said Hun Kim, ADB's director general for South Asia operations. So, funding will never be an impediment to Bangladesh's growth ambitions, he said, adding that the ADB was willing to lend more provided the country was able to utilise it nimbly, effectively and with tangible end products.

The ADB offers mainly two kinds of loans. One of them carries concessional interest rate of about 2 percent and is of 25 years' tenure with a five-year grace period. The other is at competitive rates connected to the LIBOR. Between 2019 and 2021, the bank is planning to lend $8.1 billion, which is 65.31 percent more than in the previous three years. About two-thirds of the 2019–2021 lending programme focuses on developing and improving infrastructure.

Priority infrastructure support will go towards expanding power generation capacity, improving power transmission and distribution networks, supporting regional power interconnections, strengthening road, railway, and port connectivity; and improving urban infrastructure and services, water supply and sanitation.

The programme will also pay attention to ensuring high-quality education and skills development with a renewed focus on science, technology and innovation; developing economic corridors and improving rural market connectivity and agribusiness infrastructure and flood and riverbank erosion management.

Lengthy internal business processes often delay project approvals, while the limited capacity of the country's few executing and implementing agencies often leads to delays in project implementation, said the ADB documents. In 2018, the ADB conducted special initiatives to help strengthen the implementation capacity of the government, finance project preparatory works to improve project readiness and enhance technical design covering environment, land acquisition and involuntary resettlement.

The ADB's new procurement policy and regulations, rolled out and operationalised in 2017, are helping ensure faster procurement and consultant recruitment as well as simpler and more effective fiduciary systems throughout the project cycle, the documents said.

The ADB has been a development partner of Bangladesh since 1973, and established its first field office in Dhaka in 1982. Since 1973, the ADB has committed a total of $22.9 billion and financed 282 projects in the country.

Bangladesh second fastest growing economy: IMF

Bangladesh is among the three fastest growing economies in the world, according to the International Monetary Fund (IMF) in yet another thumping endorsement of the country's extraordinary growth momentum, according to The Daily Star published on 11 April. The economy will grow at 7.3 percent this year, which will be second highest in the world, as per the IMF report 'World Economic Outlook, April 2019: Growth Slowdown, Precarious Recovery' revealed on June 9.

Neighbouring India will also grow at the same pace as Bangladesh but Rwanda will grow the fastest at 7.8 percent. The three countries would be the only ones in the world to log in more than 7 percent growth this year. The IMF's projection comes on the heels of the World Bank's and the Asian Development Bank's.

The World Bank, which does not use calendar year in its projections like its counterpart IMF, said Bangladesh would be among the five fastest growing economies in the world this fiscal year with its 7.3 percent growth.

The Asian Development Bank tipped Bangladesh to log in the fastest economic growth in the Asia-Pacific region in fiscal 2019-20. This fiscal year, the economy will grow at 8 percent.

The two multilateral lenders' projections for this fiscal year, however, are lower than the prediction of the government: 8.13 percent. The IMF projected that Bangladesh will see less inflationary pressure and an improvement in its external position this year. Inflation will be 5.4 percent this year, which was 5.6 percent last year.

Current account deficit was rising in the last two consecutive years. The negative balance was 2.1 percent of GDP in 2017 and 2.8 percent in 2018. In 2019, the negative balance will narrow to 1.9 percent of the GDP, the IMF report said.

Among other South Asian economies, Bhutan will grow at 4.8 percent, the Maldives 6.3 percent, Nepal 6.5 percent, Sri Lanka 3.5 percent and Pakistan 2.9 percent this year. The world economy will slow down to 3.3 percent from 3.6 percent last year.

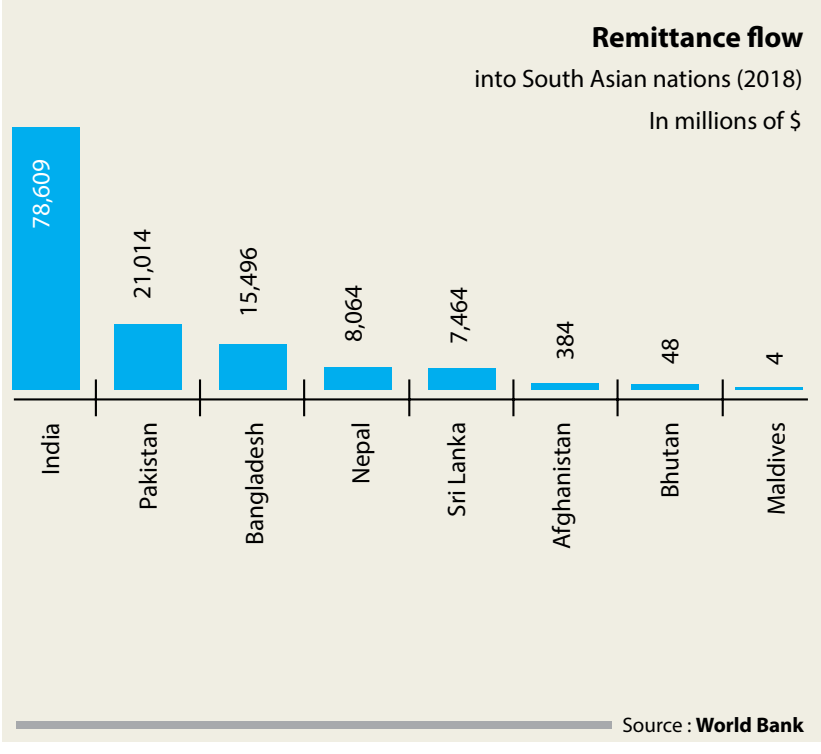
Inward remittance : Bangladesh 3rd in South Asia, 11th globally: World Bank

Bangladesh received $15.5 billion in remittance last year, up more than 15 percent year-on-year, according to the World Bank. "In Bangladesh, remittances showed a brisk uptick in 2018," says the World Bank's latest Migration and Development Brief. The annual receipt for Bangladesh is up from the $13.5 billion which migrant workers sent in 2017.

Bangladesh was the third highest recipient of remittance in South Asia in 2018, after India and Pakistan and 11th highest recipient globally. India retained its position as the world's top recipient of remittances with its diaspora sending $79 billion back home in 2018.

Last year, Bangladesh's remittance income hit an all-time high, giving a breather to the country's ongoing foreign exchange crisis. Remittance is one of the main drivers of the country's economic growth, accounting for 5.4 percent of the gross domestic product in the year. The ongoing depreciating trend of the taka against the US dollar, a strong stance taken by the central bank to fight illegal money transfers and the good commission offered by banks to remitters were the main reasons behind the spike.

Among the countries, the top remittance recipients after India were China ($67b), Mexico ($36b), the Philippines ($34b), Egypt ($29b), France ($26b), Nigeria ($24b), Pakistan ($21b), Germany ($17b),



and Vietnam ($16b). Remittances to South Asia grew 12 percent to $131 billion in 2018, outpacing the 6 percent growth in 2017.

The report says the increase was driven by stronger economic conditions in the US and a pick-up in oil prices, which had a positive impact on outward remittances from some Gulf Cooperation Council countries. The GCC consists of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. Remittances grew by more than 14 percent in India and 7 percent in Pakistan.

In 2019, remittance flows to low and middle-income countries are expected to reach $550 billion, to become their largest source of external financing, said the report. Global remittances, which include flows to high-income countries, reached $689 billion in 2018, up from $633 billion in 2017. The WB said the global average cost of sending $200 remained high, at around 7 percent in the first quarter of 2019.

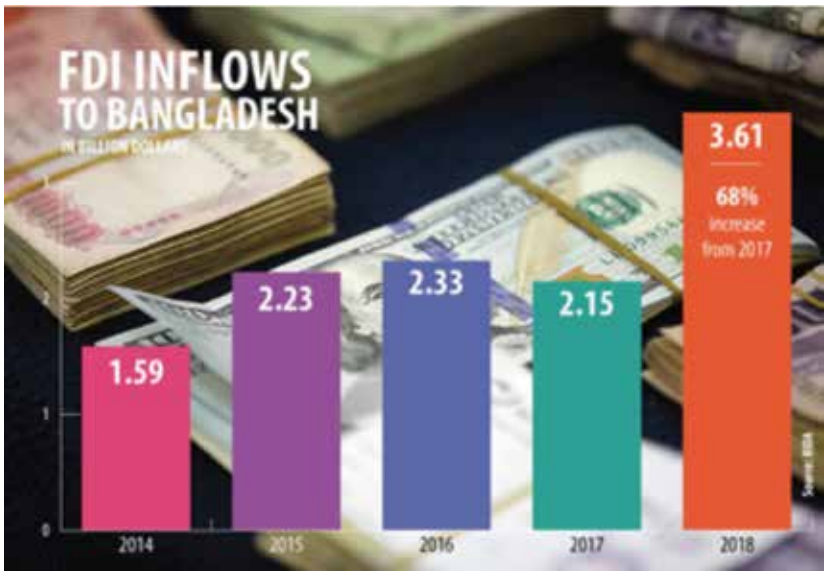
Reducing remittance costs to 3 percent by 2030 is a global target under Sustainable Development Goal 10.7. Remittance costs across many African corridors and small islands in the Pacific remain above 10 percent.

On ways to lower remittance costs, Dilip Ratha, lead author of the brief, says remittances are on track to become the largest source of external financing in developing countries. He, however, says the high costs of money transfers reduce the benefits of migration. "Renegotiating exclusive partnerships and letting new players operate through national post offices, banks, and telecommunications companies will increase competition and lower remittance prices." Michal Rutkowski, senior director of the social protection and jobs global practice at the WB, says millions of low-skilled migrant workers are vulnerable to recruitment malpractices, including exorbitant recruitment costs.

The WB and the International Labour Organization are collaborating to develop indicators for worker-paid recruitment costs, to support the SDG of promoting safe, orderly, and regular migration.

Highest foreign investment in 2018

Bangladesh received a record $3.61 billion in 2018 as Foreign Direct Investment (FDI), up by 67.94% more than in 2017. While China became the leading investor in the country with $1.03 billion, the United States, traditionally the top investor, dropped to fourth with only $174 million in FDI for 2018 in Bangladesh.



The Netherlands invested the second largest amount of $692 million, and the United Kingdom was the third highest at $371 million. Disclosing the data at a press briefing on May 9, Bangladesh Investment Development Authority (BIDA) Executive Chairman, Kazi M Aminul Islam, also said that Bangladesh received $2.15 billion as FDI in 2017.

He said the power sector alone had attracted investments worth $1.01 billion, where China contributed $834 million, followed by $730 million in the food sector, and $430 million in the textile sector.

Regarding the downtrend of US FDI in Bangladesh, BIDA Executive Director said "The US government has cut tax rates for businesses in the US, and that has encouraged them to invest in their own country." The government of Bangladesh over the past few years has taken various initiatives, such as policy reforms, removing infrastructural deficiencies and creating a positive business environment to encourage more investment, and that has paid off.

BIDA chief added "Factors such as sound economic growth, a young talented workforce, and the infrastructural development necessary to attract investments are visible in Bangladesh. So foreign investors have poured funds here, giving FDI a sharp rise, despite global slowdown."

The increase in FDI is a result of policy reforms and the introduction of a one-stop service (OSS) for investors, which is already in operation. "Currently, a total of 22 services are being provided by the

OSS," he said. The government, as part of its reforms, enacted the One-Stop Service Act 2017 to facilitate services and reduce the cost of doing business for both foreign and domestic investors.

BIDA Executive Director also said "Beyond these, political stability, an expanded domestic market and a booming economy linked to global economies have played a role." The government has taken on mega projects such as Padma Bridge, Rooppur Nuclear Power Plant, and LNG terminals, to improve the 'doing business' ranking. These also worked as incentives for investors, he added. In addition, BIDA had earlier suggested the National Board of Revenue (NBR) provide tax policy support for the manufacturing sector, which has drawn investor' attention, said the BIDA chief.

According to BIDA data, equity investment has increased by 108.6% to $1.12 billion, which was $539 million, while reinvestment has increased by 2.32% to 1.30 billion. Clearly, investor confidence in Bangladesh has improved. On top of that, intra-company loans have also increased for the same period by 254%, from $333.24 million to $1.18 billion.

Businesses as well as experts have said that initiatives to establish 100 Special Economic Zones (SEZs) by 2030 also gave FDI a great boost, with investors already having started production in some of the zones. Over the past year, a good number of foreign companies, such as Honda, invested in SEZs and have even started production.

In November 2018, Japanese automobile giant Honda started manufacturing at Abdul Monem Economic Zone (AMEZ) in Munshiganj. The company set up a plant on 25 acres of land and invested Tk230 crore. To retain this momentum, experts have suggested finishing the construction work and setting up of SEZs as soon as possible to maintain investor confidence.

Bangladeshis to be richer than Indians by 2030: StanChart Bank

Standard Chartered Bank estimate that Bangladeshis will be better off than their neighbouring Indians on a per capita basis by 2030. The 2020s are set to be the Asian decade, with the continent dominating an exclusive list of economies expected to sustain growth rates of around 7 percent.

India, Bangladesh, Vietnam, Myanmar and the Philippines should all meet that benchmark, according to a research note on May 11from Madhur Jha, Standard Chartered's India-based head of thematic research, and Global Chief Economist David Mann. Their research projects GDP per capita in Bangladesh surging to $5,700 in 2030 (from $1600 in 2018). At the same time, India's GDP per capita is projected to be slightly lower at $5,400 (from $1900 in 2018).

Ethiopia and Côte d'Ivoire are also likely to reach the 7% growth pace, which typically means a doubling of gross domestic product every 10 years. That'll be a boon to per-capita incomes, with Vietnam's soaring to $10,400 in 2030 from about $2,500 last year, they estimate.

The South Asian members of the group should be GDP standouts as they will together account for about one-fifth of the world's population by 2030, Standard Chartered reckons. The demographic dividend will be a boon for India, while Bangladesh's investments in health and education should juice productivity.

The Asian dominance of the list is a change from 2010, when the bank first started tracking the economies it expected to grow by around 7%. Back then, there were 10 members evenly split between Asia and Africa: China, India, Indonesia, Bangladesh, Vietnam, Nigeria, Ethiopia, Tanzania, Uganda, and Mozambique.

China is a notable absence from the latest ranking after being a member of the club for almost four decades — reflecting both a slowdown in economic growth and a progression toward higher per-capita incomes that makes faster growth rates more difficult to sustain. Standard Chartered estimates the world's No. 2 economy will keep up a 5.5% economic growth pace in the 2020s.

Sub-Saharan African countries also have faded, which the analysts attribute to "waning reform momentum, despite a slowdown in commodity prices." While faster economic growth isn't a panacea — think income inequality, crime, pollution — it tends to come with a lot of positive knock-on effects, Jha and Mann wrote.

"Faster growth not only helps to lift people more quickly out of absolute poverty, but is also usually accompanied by better health and education, as well as a wider range of — and better access to — goods and services," they say in the report. "Higher incomes resulting from faster growth also usually reduce socio-political instability and make it easier to introduce structural reforms, creating a virtuous cycle."

In addition, 7% club members tend to have savings and investment rates of at least 20-25% of GDP, according to the report.

Bangladesh rating outlook stable: Standard & Poor's

Standard & Poor's, a global credit rating company, has reaffirmed a stable outlook for Bangladesh. The US-based financial services company assigned "BB-" long-term and "B" short-term sovereign credit ratings on the country. "The stable outlook reflects our expectation that Bangladesh's solid growth path will continue raising average income and prevail over risks to external metrics over the next 12 months," it said.

Bangladesh received the same rating and outlook from S&P since it first rated the country in 2010. "The ratings on Bangladesh reflect the country's low economic development and limited fiscal flexibility owing to a combination of constrained revenue-generation capacity, high debt-servicing costs, and heavy spending to improve its basic infrastructure and government services," S&P said.

It identified that the country's administrative and institutional weaknesses that represent additional rating constraints. "We weigh these factors against a sound external position, reflecting support from substantial donor engagement, large remittances by Bangladesh citizens outside back to the country, and a globally competitive garment sector."

Bangladesh faces the vulnerabilities of a low-middle-income economy, fiscal constraints, and heavy development needs, but benefits from low external debt and resilient economic growth, it warns. The ratings may be raised if the government implements fiscal measures that strengthen future fiscal performances.

"This could happen if persistent fiscal slippages cause net general government debt to rise to, and is sustained at, levels above 30 percent of GDP. We may also lower the ratings if the external profile worsens materially, possibly due to significantly weakened export demand."

On the political front, one of the rating agencies in the world, S&P said Bangladesh's political landscape constrains the effectiveness of institutions and impedes sound policymaking. However, the economy continues to sustain high, steady economic growth supported by a competitive garment sector, it said.



The agency stated that given a weak institutional setting, infrastructure deficiencies, and difficult business environment, Bangladesh's foreign direct investment has remained persistently low.

S&P said the low economic development, as represented by per capita GDP of $1,900 for 2019, has been one of Bangladesh's main rating constraints. "This income level offers a weak and narrow revenue base, in turn limiting the fiscal and monetary flexibility needed to respond to exogenous shocks."

Despite the low income level and numerous structural impediments, particularly in infrastructure, S&P said, Bangladesh's real per capita GDP growth of about 5.9 percent over 2013-2022 indicates consistently strong real economic growth.

On revenue and interest, it commented that Bangladesh's narrow revenue base and high interest costs reflect structural weaknesses in its fiscal profile. "Garment exports and worker remittances are key anchors of Bangladesh's strong external position but face risks from global factors and maturing of construction boom in host countries," said the agency. Bangladesh tends to run moderate fiscal deficits, it said forecasting the change in net general government debt will average 4.2 percent of GDP annually over fiscal 2019-2022. Although the government's debt burden is low, its high interest expense at 20 percent of revenue limits fiscal flexibility.

The rating agency projects net general government debt at 25 percent of GDP as of the end of the fiscal year on June 30, 2019. Referring to the government's increasing use of a costlier national savings certificates scheme rather than commercial borrowings, it predicts the country's debt-servicing ratio to remain well above 15 percent for 2019-2022.

On new VAT law expected to be introduced in the coming fiscal year, it said, "The government has outlined numerous initiatives to expand the tax base, most notably the plan to reform the complicated VAT system. We do not expect significant revenue increases from the new initiatives."

About the banking sector, the S&P said, "We assess a limited risk related to contingent liabilities from financial institutions. The banking sector remains small with assets less than 100 percent of GDP, which informs our view of the contingent risk it poses." It classified Bangladesh's banking sector in group '9' under its Banking Industry Credit Risk Assessment (with '1' being the highest assessment and '10' being the lowest).

Although the private sector banks are in better shape, significant risks reside in state-owned commercial banks, it said. Bangladesh's low external borrowings will remain key credit-supporting factors, noted the agency.

Bangladesh has highest number of green garment factories

Ten more garment factories received the top billing from the United States Green Building Council (USGBC) to take the total to 24, the highest in the world, in a heartening development for Bangladesh's apparel sector.

Of the 24 platinum-rated LEED (Leadership in Energy and Environmental Design) factories in Bangladesh, six are amongst the top 10 in the world. "In every consideration, Bangladesh has the highest number of green garment factories in the world," said the USGBC. Overall, the total number of LEED-certified garment factories in Bangladesh is 90, including the 24 platinum rated buildings, according to the USGBC.



Although the buyers do not pay any extra money for green buildings, such initiative helps a lot in branding of the country or the company.

Energypac to set up steel manufacturing industry 'Mirsarai Economic Zone'

Energypac Power Generation Limited (EPGL), a subsidiary of Energypac, on June 11 signed an agreement with Bangladesh Economic Zones Authority (BEZA) to set up a steel manufacturing industry in Mirsarai Economic Zone in Chattogram. As per the agreement, BEZA will provide some 33 acres of land to the EPGL under a provision of lease to facilitate the project which will mainly produce shipping containers.

BEZA will lease EPGL a piece of land at Bangabandhu Industrial City, Mirsarai Economic Zone for Energypac Steel Limited — a project which will draw a total investment of Tk 3,989 million from EPGL, said a press release of Energypac. It mentioned that once completed, Energypac Steel Ltd. will specialise in steel processing and manufacturing shipping containers, enhancing the capacity of Energypac alongside bringing in further excellence in steel engineering.

BEZA Executive Chairman (Secretary) Paban Chowdhury, BEZA executive members Md Harunur Rashid and Mohammed Ayub and Chairman of EPGL Engineer Rabiul Alam were present at the signing ceremony at BEZA Office. Mohammed Ayub and Engineer Robiul Alam signed the agreement on behalf of their respective organisations.

Talking about the project, Robiul said, "As a local player, Energypac has already made a good investment in the country's energy and engineering sector, opening up new business opportunities and creating employment. "We believe, this is a timely investment which has immense possibilities as Bangladesh is setting examples in maintaining consistent economic growth over the past decade."

He thanked the BEZA authority for the land allocation and overall support to the local business house.

Summit-Mitsubishi and GE $ 3 billion investment in power sector

Mitsubishi Corporation Natural Gas Group's group CEO Jun Nishizawa and Summit Group founder chairman Muhammed Aziz Khan have met with Prime Minister Sheikh Hasina and appraised her about the progress of the Summit-Mitsubishi and GE's investment of $ 3 billion in Bangladesh, during business breakfast meeting in Tokyo recently. They also discussed about other power and energy projects being pursued by Summit and Mitsubishi. Jun Nishizawa said, 'We are happy to have successfully partnered in



Bangladesh's second FSRU terminal with Summit Group. Mitsubishi has a track-record and is keen to invest into gas-to-power project in Bangladesh with our partner Summit Group in order to contribute to the country's growing energy demand'. The scope of Summit, Mitsubishi and GE's $ 3 billion investment project includes four units of 600 MW combined cycle power plants (total generating capacity of 2,400 MW), two units of on-shore LNG terminal with total of 380,000 m³ capacity, oil terminals with 100,000 MT capacity and another 300 MW HFO-based power plant.

Summit will be the majority owner of the project while Mitsubishi and GE will be owning the remaining. The project is designed to be completed by 2023 beginning from 2019. With implementation of this project in 2023, Summit will be doubling its generation capacity.

Blending centre by Global printing ink supplier Siegwerk in Bangladesh

Siegwerk, a leading global supplier of printing inks for packaging applications and labels, has announced plans for a new blending centre in Dhaka. The centre is expected to start operation in the fourth quarter of 2019. With this expansion, the company strengthens its domestic business in the country while extending its position across the overall Asian region.

"We have established a good customer base with sustainable growth in Bangladesh. We now want to get closer to our customers supporting them more effectively with individually formulated ink solutions which match their local printing requirements," the statement Siegwerk India CEO Ashish Pradhan as saying.

Going forward, the centre will blend solvent and water-based inks, as well as UV and conventional offset inks directly in Bangladesh. Siegwerk, based in Siegburg near Cologne, Germany, is one of the leading international manufacturers of printing inks and individual solutions for packaging, labels, and catalogues with more than 180 years of experience

Mitsubishi to invest $100m to assemble cars in Bangladesh

Japanese automaker giant Mitsubishi has decided to invest $100 million in Bangladesh to produce its branded vehicles. Ryujiro Kobashi, vice president of Mitsubishi Motors, revealed the information after a meeting with Commerce Minister Tipu Munshi at the minister's secretariat office in Dhaka on May 16, according to The Daily Star published on 17 May.

The company will invest the sum at the Mirsarai Economic Zone in Chattogram, initially for assembling cars, the commerce ministry said in a statement. The company will gradually upgrade the assembly plant to a full car manufacturing plant at the zone, the statement said. Kobashi sought policy supports from the government to set up the plant.

"Mitsubishi Motors wants to support the motorisation and industrialisation of Bangladesh. I am visiting Bangladesh to discuss the issue with the government of Bangladesh," said Kobashi. He was speaking after a meeting with Kazi M Aminul Islam, executive chairman of the Bangladesh Investment Development Authority, at the latter's office in the city.

The delegation's other member Junichi Sabanai, general manager of the production engineering division, was present. The use of motor vehicles in Bangladesh has been growing fast with the pace of the country's steady economic growth and political stability. Now 70 cars hit the streets every day and the number will double by 2021, as per a recent market analysis of Subaru Bangladesh.

Regarding the interest of Mitsubishi, Islam told The Daily Star: "The market size for automobiles in Bangladesh is going to catch up to its rapid economic growth and higher income of its people." The message is clear: Mitsubishi wants to expand its share in the automobile market which will build up the confidence of foreign investors to invest in Bangladesh, he said.

"Added to our overall stability, high profitability and flexible labour market, Bangladesh is offering the best incentives," said Islam. He said every year 23 lakh young Bangladeshis enter the job market and the government wants them to be introduced to high-value and technology-based manufacturing.

The Mitsubishi Motors delegation, accompanied by the Bida, visited the Mirsarai Economic Zone on Wednesday and stopped by Pragati Industries in Sitakunda, where Mitsubishi's "Pajero Sport" is

assembled. The visiting team also met National Board of Revenue Chairman Md Mosharraf Hossain Bhuiyan and Bangladesh Economic Zones Authority Executive Chairman Paban Chowdhury to discuss investment modalities for the development of an automotive industry in Bangladesh.

Dubai's Nimai Capital to invest $45m in Bangladesh

Nimai Capital Ltd, a Dubai-based financial institution that promotes financial inclusion in South Asia and Africa, is going to invest $45 million in Bangladesh's financial services sector, according to The Daily Star published on 24 April. Recently, the firm has entered into a strategic alliance with Victoria Commercial Bank of Kenya to manage a unique private equity fund. The $150 million Nimai Emerging Financial Services Fund is focused on financial services in the two poorest parts in the world. Nimai Capital is planning to invest the fund into actively managed and well-diversified portfolio of financial services opportunities and aims to improve the lives of at least 1.7 million underserved customers, the firm said in a statement.

"We see a great opportunity in Bangladesh's financial services market and we believe we can add value by bringing equity and value creation strategies, which will help Bangladeshi financial services raise its bar," CA Pankaj Mundra, a co-founder and managing partner at Nimai Capital, told The Daily Star, in an email correspondence.

He said its strategic location in the Middle East would enable Diaspora banking, its key strategy to serve the underserved non-resident Bangladeshis working in the region through future portfolio companies in Bangladesh. The firm has been operating in Bangladesh since 2011 advising financial institutions and corporates on project and trade finance. Currently, it is managing a new private equity fund as well.

The initial target geographies of the Nimai Emerging Financial Services Fund will be Bangladesh, Sri Lanka, Nepal, India, Kenya, Tanzania, and Ghana. "While there is a strong need to develop financial services across all countries in Africa and Asia, but these markets have been specifically chosen based on the existing presence and experience in these markets," it said.

Chinese firm to invest $33m in agro-processing sector: Envoy

A Chinese company is going to invest US$ 33 million in Bangladesh's agro-processing sector, Chinese Ambassador in Dhaka Zhang Zuo said on May 16. He came up with the remarks during a meeting with Agriculture Minister Dr Abdur Razzaque at the secretariat. Zhang said the Chinese firm will set up three agricultural processing industries in Bangladesh.

Praising Bangladesh for its development in health, education and economic sectors, he said China will import agricultural products from here. The Chinese envoy also said his country will work with Bangladesh to curb terrorism and militancy. He said China wants a solution to the current Rohingya crisis.



Meanwhile, the agriculture minister said the government is working to turn the country into a developed one by 2041, including modernising agriculture sector to ensure quality food and nutrition for all. Replying to a query, he said, "Farmers are not getting fair prices of their produces. The government is working with utmost importance to ensure fair prices of paddy. We're also thinking exporting rice."

Zheng Tianzhuo, Director of the political section of the Chinese Embassy in Dhaka, and Hu Zhiying, attaché of the political section, were present at the meeting.

Source : UNB

Daelim energy to invest $16m in power sector

Focusing on Independent Power Market in Bangladesh, Daelim Energy, a Korean firm will invest USD 16 million as part of a joint-venture partnership of 49 percent stake with Energypac for implementing 115MW HFO-fired power plant at Thakurgaon.

"Incessant supply of power and energy is prerequisite for progress of economy. The importance of energy is even more supplementary in the context of Bangladesh. So, we signed an agreement to develop more power projects in the country," Chairman

of Energypac Power Venture Ltd (EPVL) Humayun Rashid said. The EPVL, a subsidiary of Energypac,



signed the joint-venture agreement with UAE-based EMA Power Investment Ltd. to bring USD 16 million foreign direct investment (FDI) in the country's booming power sector.

Sangwoo (Sean) Kim, Vice Chairman and CEO of Daelim Energy & amp; Daelim Industrial Co. and Humayun Rashid, Chairman of EVPL, along with Rezwanul Kabeer, Managing Director of EPV Thakurgaon Ltd. signed the agreement on behalf of their respective organizations.

The EMA Power Investment Ltd. is also a joint venture between South Korean giant Daelim Energy and the IDB Infrastructure Fund II managed by ASMA Capital, according to a release.

Among others, top officials from Daelim Energy, ASMA Capital, EPVL and EPGL were also present at the ceremony.

2 Bangladeshis on Forbes Asia under 30 list

Pathao co-founder Hussain Elius and cartoonist Morshed Abdulla Al have made it onto the Forbes under 30 list for Asia. Picked from over 2,000 entries, heavily researched by a team of reporters and vetted by an A-list of judges, Forbes presented in 30th edition of Forbes Under 30 Asia list released on 2 April.

Elius, 29, was listed in two categories— Consumer Technology and Big Money Startups, while 25-year-old Morshed was named in the category for Media, Marketing and Advertising 2019. Elius, along with Shifat Adnan, co-founded Pathao, a leading ride-sharing, on-demand logistics and food delivery platform in Bangladesh. Pathao's motorbike and car-hailing service currently serves five million riders across five cities in Bangladesh, and in Kathmandu, Nepal. Elius envisions Pathao as the country's "super app" and is inspired by one of his key investors, Indonesia's Go-Jek. Pathao has raised over US$12.8 million from four rounds of funding and is valued at over $100 million.

On the other hand, Morshed—who goes under the pen name Morshed Mishu—began transforming tragic and shocking images from wars into joyful art from the beginning of 2018. With his art, the Bangladeshi cartoonist hoped to show how beautiful the world would be without violence or war. After his work went viral, Mishu was awarded the "Global Happiness Challenge" project and he was hired as a cartoonist for newspapers across Bangladesh. Currently, he is the assistant editor at Unmad, a Dhaka-based satire magazine, and the founder of Morshed Mishu's Illustration.



In its fourth year, the Forbes 30 Under 30 Asia list features a group of young leaders and visionaries spread across 23 countries in the region. Representing 23 countries and territories in the Asia-Pacific region, some 300 entrepreneurs and game-changers stood out for the right reasons. From innovating in technology and disrupting age-old industries to demonstrating immense talent and dominating the world stage, this group of young stars shines in more ways than one.

Valerejobs.com launches online jobs for women

Valere Enterprise, an IT and engineering firm of Bangladesh launched 'Valerejobs.com' on May 4 at a local hotel in the capital introducing a global platform for regular jobs and an online freelancing jobs mainly for women. The global platform uses a smart resume to help candidates analyze their core competencies and soft skills to evaluate their strength and areas of excellence, said a press release.



In addition the platform provides its clients multiple benefits as it aims to promote a merit based system, that can effectively muster technology and form an efficient global society that can face the challenges of the 4th industrial revolution.

Rokia Afzal Rahman, president of the Bangladesh Federation of Women Entrepreneurs and vice president of the International Chamber of Commerce Bangladesh, attend the launching ceremony as chief guest. She stressed the need for women to actively participate in freelancing opportunities online.

Syed Almas Kabir, president of the Bangladesh Association of Software & Information Services, was also present.

Regional News

Chill in global economy prompts G20 call for trade truce

The risk that global economic growth could slow more than expected spurred a call on April 12 from top finance officials for countries to overcome trade differences and opt for multilateral cooperation and "timely policy action."



Policymakers from the Group of 20 industrialized countries are worried that the weakness evident in key economies could spread, especially if elevated trade tensions, such as those between the United States and China, escalate further. "The balance of risks remains skewed to the downside," Japanese Finance Minister Taro Aso said at a news conference following a meeting of G20 finance ministers and central bankers. "We recognize the risk that growth prospects might deteriorate if weakening in key economies feed into each other."

Aso's remarks dovetail with those of other officials gathered in Washington for the spring meetings of the World Bank and International Monetary Fund, many of whom fret that self-inflicted wounds from protectionist trade policies are to blame for the weakness. The week's proceedings kicked off with another downgrade of global growth estimates from the IMF.

Bank of Japan Governor Haruhiko Kuroda emphasized the need for countries to take steps to foster a more dynamic global economy. "There was a shared understanding among the G20 members that each country needs to take timely policy action," Kuroda said at the news conference. As the chair country of this year's G20 proceedings, Japan wants to deepen talks on global imbalances - an effort to divert Washington's attention from bilateral trade imbalances and stave off U.S. pressure to negotiate two-way trade deals.

German Finance Minister Olaf Scholz, speaking at an event on the sidelines of the meetings in Washington, said the rules-based order of multilateralism is increasingly under threat and leaders must uphold international cooperation. Scholz called on the United States to overcome trade differences with Europe, which erupted again when U.S. President Donald Trump threatened to impose tariffs on $11 billion worth of European Union products, including commercial aircraft. Scholz's consternation is understandable given the global downshift in growth is most evident at the moment in Europe, where the outlook has been further clouded by the uncertainty over Britain's departure from the European Union. An internal European Central Bank model presented to policymakers indicates euro zone growth was just above 0.2 percent in the first three months of the year and could be somewhat weaker in the second quarter.

The Trump administration was also at odds with other IMF stakeholders on the need to boost the global lender's resources and update its governance, although it does support extending a portion of the IMF's $254 billion crisis fund. Treasury Secretary Steven Mnuchin repeated the U.S. opposition to increasing overall funding and shareholding quotas, likely meaning the effort to lift IMF funding and reshuffle voting rights was a dead issue at the meetings. The voting quotas were last altered nearly a decade ago.

The IMF's last quota increase was agreed in 2010, boosting the shareholding and influence of major emerging markets including China and Brazil. The IMF has current total lending capacity of about $1 trillion, including the New Arrangements to Borrow crisis fund that was greatly expanded in 2009 at the depths of the last financial crisis. That fund is set to expire in November 2022. Mnuchin said it was important for the IMF to maintain sufficient financial resources to respond to potential crises.

British finance minister Philip Hammond expressed concern the lack of a funding boost could hamper the IMF's ability to step in to help Venezuela respond to its worsening humanitarian and economic crisis. Oil-rich Venezuela is embroiled in political and economic turmoil as socialist President Nicolas Maduro battles to retain power in the face of U.S. and Western powers' backing of opposition leader Juan Guaido.

IMF and World Bank shareholders, meanwhile, are still undecided on whether to recognize Guaido as the South American nation's leader.

China pledges open economy at EU summit

At EU-China summit in Brussels China said it would push further to open its economy and deepen ties with the EU, which has grown increasingly wary of Beijing's influence in Europe. EU Council president Donald Tusk hailed Beijing's new commitments as a "breakthrough" with both sides committed to globalisation and pursuing international rules.



The annual meeting brings together China's number two leader and the EU's top officials and serves as a litmus test of the state of ties between Europe and the Asian giant. This year's meeting comes at a sensitive time, a month after the European Commission, the EU's executive arm, branded Beijing "a systemic rival" in a special 10-point report that stressed China's unwillingness to play fair on trade.

It also lands amid big questions over Huawei, the Chinese high-tech giant that Washington wants the European Union to ban due to the firm's alleged ties to Chinese state security.

"On the basis of mutual respect and equality, we had intense discussions and reached a substantive joint statement," China's Prime Minister Li Keqiang said after the talks. "It sets in clear terms both the direction and concrete goals for both sides." The joint declaration was only agreed after frantic last-minute haggling, but it narrowly avoids the diplomatic dust-up seen two years ago when China refused to sign on to a statement due to a spat over trade.

In seven-page document that spans security, diplomacy and trade issues, both sides committed to "broader and more facilitated, non-discriminatory market access," in wording the Europeans saw as a concession from the Chinese on freeing their economy. The EU is increasingly unhappy that markets in Europe are wide open to Chinese companies, while the equivalent is not the case in China.

"We are insisting that European firms in China should enjoy the same rights as Chinese firms in Europe," European Commission head Jean-Claude Juncker told a conference just minutes before also meeting with Prime Minister Li. The declaration also said China and the EU would press on with efforts to reform at the World Trade Organization (WTO), including on strengthening rules against state subsidies for industry, a key concern of China critics. "This is a breakthrough. For the first time China has agreed to engage with Europe on this key WTO reform," Tusk said after the talks, adding that both sides would discuss progress on the issue at the next summit.

The annual meeting comes as Brussels is trying to beef up its approach to the Asian giant on trade matters and security. A major concern is China's ambitious "Belt and Road Initiative" (BRI), a massive network of transport and trade links stretching from Asia to Europe. EU powers such as France and Germany are growing ever more uneasy with the project after populist-led Italy joined the scheme, becoming the first G7 member to do so. Italy's move ran against the Commission's 10-point plan proposing a more assertive relationship with Beijing.

It also underlined Europe's struggles to maintain unity among its 28 members when it comes to China, allowing the superpower to pursue one-on-one deals, especially with countries hungry for investment such as Italy, Greece and eastern Europe. After Brussels, Li was heading to Croatia for a so-called 16+1 summit that offers a chance for Europe's former communist countries to meet alone with Beijing, in a gathering that has ruffled feathers in the rest of Europe.

But more powerful EU states also go out on their own with China. In 2018, China was the EU's largest importer and the second largest destination for European exports. The Chinese trade balance is largely in surplus with the bloc at 184 billion euros ($207 billion), according to Commission figures.

China's policy stimulus may worsen economic distortions: OECD

China's stimulus measures will shore up economic growth this year and next but may undermine the country's drive to control debt and worsen structural distortions over the medium term, the OECD said in a report on 16 April. Beijing has stepped up fiscal stimulus to prevent a sharper slowdown in the world's

second-largest economy, which is being squeezed by weaker domestic demand and a trade war with the United States. Local governments will be allowed to issue 2.15 trillion yuan ($320.60 billion) worth of special purpose bonds in 2019 to fund infrastructure projects, a jump of 59 percent from last year.

But S&P Global Ratings estimated last year that local governments were already sitting on hidden debt that could be as high as 40 trillion yuan. "Infrastructure stimulus could lift growth over the projection horizon, but it could lead to a further build-up of imbalances and capital misallocation, and thereby weaker growth in the medium term," the OECD said in its latest survey on China's economy.

China's corporate debt has fallen to about 160 percent of gross domestic product (GDP) due to a multi-year clampdown on riskier types of financing and debt, but the level was still higher than in other major economies, the OECD said. The government in March announced tax and fee cuts of 2 trillion yuan for companies this year, which will lift its budget deficit to 2.8 percent of GDP this year from 2.6 percent in 2018. China's fiscal stimulus could be as high as 4.25 percent of GDP this year, up from 2.94 percent in 2018, the OECD added.

Easier monetary policy should help reduce the risk of liquidity strains which could put further pressure on businesses, said Ludger Schuknecht, deputy secretary-general of the OECD. But he said Beijing should prevent any policy "overshooting". Fiscal policy should aim to support the economy while avoiding any side-effects, he added.

New bank loans rebounded more than expected in March, and totaled a record 5.8 trillion yuan for the quarter, as policymakers pushed lenders to support struggling smaller, private companies, which are seen as higher credit risks than state-controlled firms. But there are concerns that looser lending standards may fuel a further rise in bad loans as well as inefficient investment and speculation, particularly in the property market.

Average new home prices in China's 70 major cities rose 0.6 percent, quickening from a 0.5 percent gain in February, according to Reuters calculation of data released by the National Bureau of Statistics (NBS). Home prices in China are expected to rise more this year than predicted just a few months ago, a recent Reuters poll showed, as the government urges banks to increase lending and lower interest rates to support the economy.

The People's Bank of China (PBOC) has already slashed banks' reserve requirement ratio (RRR) five times over the past year and is widely expected to ease policy further in coming quarters to spur lending and reduce borrowing costs. But top officials have repeatedly vowed not to open the floodgates in an economy already saddled with piles of debt - a legacy of massive stimulus during the global financial crisis in 2008-09 and subsequent downturns.

China's economic growth is likely to slow to 6.2 percent this year - the weakest pace in nearly 30 years, and growth is expected to cool further to 6.0 percent in 2020, the OECD said. The economy expanded 6.6 percent in 2018. In March, the OECD cut its 2019 growth forecast from 6.3 percent. The OECD's outlook on China's economy was in line with a Reuters poll.

Growth of China's exports of goods and services could slow to 4.5 percent this year from 5.1 percent in 2018, amid trade frictions with the United States, the OECD predicted. China's current account may swing to a deficit of 0.1 percent of GDP this year from a small surplus in 2018, amid its rebalancing towards domestic demand, the OECD added.

Coming soon to China: the car of the future



Global automakers are positioning for a brave new world of on-demand transport that will require a car of the future—hyper-connected, autonomous, and shared—and China may become the concept's laboratory, according to AFP.

With ride-hailing services booming and car-sharing not far behind, the need for vehicles tailored to these and other evolving mobility solutions is one of the hottest topics among global automakers gathered for this week's Shanghai Auto Show. Nearly all agree that there is no better proving ground than China: its gigantic cities are desperate for answers to gridlock and its population is noted for its ready embrace of high-tech new services.

To take advantage of this, manufacturers are competing not only to sell conventional and electric vehicles in the world's biggest auto market, but also to develop new technologies and even specific interiors designed for the on-demand world. "We cannot just develop electric cars. They will have to be smart, interconnected and of course shared," Zhao Guoqing, vice president of Chinese auto giant Great Wall Motors, said on the auto show's sidelines.

The eagerness of Chinese travellers to hail rides with a smartphone click has unleashed a colossal market: on-demand transport reached $28 billion in turnover in China last year, or about half of global volume, and is expected to double by 2022, according to data firm Statista.Didi accounts for about 90 percent of the Chinese market. The on-demand potential is bringing automakers and service providers together.

Last year, Didi unveiled an alliance of Chinese and foreign manufacturers including Renault, Toyota and Volkswagen, dedicated to exploring ways forward.

€1 billion to facilitate access to finance for young EU farmers

The European Commission and the European Investment Bank (EIB) launched 29 April a €1 billion loans package targeting specifically young farmers. In 2017, 27 percent of the loan applications submitted to banks by EU young farmers were rejected, compared to only 9 percent for other farms.

Agriculture and rural development Commissioner Phil Hogan said: "Access to finance is crucial and too often an obstacle for young people wanting to join the profession. With 11 percent of European farmers under the age of 40 years old, supporting young farmers in the sector is a priority for the European Commission and the post-2020 Common Agricultural Policy. I am pleased to see this new joint initiative up and running."

EIB Vice-President responsible for agriculture and bioeconomy, Andrew McDowell commented: "The agricultural sector is the backbone of the EU economy and has a key role to play not just in producing healthy food but also to battle climate change and preserve the environment. With this new initiative, the EIB is looking towards the future of the sector and addressing an important market gap, the lack of access to finance of farmers, especially the next generation of farmers.



This programme loan will also support growth and competitiveness in the agriculture/ bioeconomy sector, by preserving and creating employment in the rural and coastal regions."

The programme will be managed at Member State level by banks and leasing companies operating across the EU.

Participating banks should match the amount committed by the EIB, therefore bringing the total amount to a potential €2 billion, and priority should be given to young farmers.

Fighting graft boosts tax revenues: IMF

Reducing corruption allows governments to collect more in taxes, according to a study published on 4 April by the International Monetary Fund. The global crisis lender estimates that, among advanced economies, those that best combat graft collect on average 4.5 percent more in tax revenue as a share of GDP than those most beset by corruption.

Allowing corruption also results in lower public spending on education and health, said the authors of the report released, noting that this was particularly acute among low-income and emerging economies. Commonplace corruption is hardest to eradicate, entrapping cities and even countries in pervasive venality, the report added.

"A public official will be more tempted to accept a bribe when 'everyone' takes bribes," the report found, noting that the reverse was also true. As instances of corruption grow scarce, the temptation to accept a bribe weakens as officials increasingly fear being caught. "Thus, escaping the trap of high corruption is difficult," the report's authors say, citing Georgia, Liberia and Rwanda as having made progress over a relatively short period.

Georgia had been ranked among the most corrupt nations in the world until 2003. But by 2008 combating graft there had boosted tax revenues to 25 percent of Gross Domestic Product from 12 percent, according to the report.

From European dream to global giant: Airbus marks half century

Fifty years ago at the Paris air show, France's transport minister and Germany's economy minister signed an agreement that would change aviation history.

The year was 1969 and Europe needed a smaller, lighter and more cost-effective passenger aircraft than American rivals. Five years later, the A300B2 was born, a short-to-medium range plane with two engines, despite safety concerns in an era when three engines was the standard minimum.

Fast-forward to 2019, Airbus is celebrated as a success of European cooperation, one of two kings of global civil aviation along with Boeing. Around the world, an Airbus takes off or lands every two seconds. It now produces passenger planes ranging in size up to the A380 jumbo jet, helicopters, fighter jets and is even involved in space exploration.

Its story has been marked by setbacks, political turbulence and production problems but Airbus management believes it can confidently look forward to the next half century. Airbus produces half of the world's large commercial aircraft and has thriving helicopter, defence and space businesses.

The firm delivered its last thousand planes in just 30 months. But in the early days, it took nearly twenty years to produce a thousand aircraft. It faced criticism for developments like fly-by-wire controls, which improve handling, and flight envelope protection, which stop the plane performing manoeuvres outside its performance limits.

Apart from technological advances, cracking America was a key ingredient in creating the global giant. The A300 made a strong impression on Frank Borman, the former Apollo astronaut who headed Eastern Air Lines and championed the idea of buying more economical planes.

In 1984, Airbus launched the A320, a single-aisle, medium-haul aircraft to challenge Boeing, which until then had dominated the largest segment in the civil aviation market. The aircraft paved the way for the more fuel efficient A320neo which has become the backbone of the company, strengthening its hold on the key market segment after Boeing's 737 MAX planes were grounded after two deadly crashes in March and October.



Despite a failed deal with British defence firm BAE Systems in 2012, Airbus' partnership with Canadian Bombadier's C Series programme in 2018 enhanced its position as a global force. France and Germany still hold 11 percent stakes in Airbus through holding companies with a smaller 4 percent stake held by the Spanish government. The rest of the shares are traded on the stock exchange.

But production hasn't always run smoothly. The firm announced in January it would scrap production of its A380 passenger giant by 2021 due to lack of orders. The double decker jet earned plaudits from passengers but failed to win over enough airlines to justify its massive costs.

Key clients have also hit trouble as some airlines hit financial difficulty with Europe's third biggest low-cost airline Norwegian saying it was further delaying deliveries of Airbus and Boeing 737 MAX planes it had ordered. The company in April reported a slump in first quarter net profits which fell 86 percent from the same period in 2018 at 40 million euros ($45 million).

Airbus is also under investigation in France, Britain and the United States after disclosing transaction irregularities in 2016, while US President Donald Trump has threatened the European Union with new tariffs if it does not end subsidies to Airbus. But analysts see Airbus as having an opportunity to profit from the booming airline market, particularly in Asia, and from the global grounding of Boeing's 737 MAX series plane after two recent deadly crashes involving the popular new airliner.

Global economy cooling, coordinated stimulus may be needed: IMF

The global economy is slowing more than expected and a sharp downturn could require world leaders to coordinate stimulus measures, the International Monetary Fund said on 9 April as it cut its forecast for world economic growth this year. The global lender's semi-annual World Economic Report pointed to the U.S.-China trade war and a potentially disorderly British exit from the European Union as key risks and warned that chances of further cuts to the outlook were high. Some major economies, including China and Germany, might need to take short-term actions, the IMF said. "This is a delicate moment for the global economy," IMF chief economist Gita Gopinath said in a news conference to discuss the report. Governments may need to open their pocketbooks at the same time "across economies" if the slowdown becomes more

serious, Gopinath said, adding that loose monetary policy might also be needed.

The comments provided an eerie warning to the global officials gathering in Washington this week for the spring meetings of the IMF and World Bank. The world engaged in coordinated fiscal stimulus to counter the 2008 financial crisis. In its third downgrade since October, the IMF said the global economy will likely grow 3.3% this year, the slowest expansion since 2016. The forecast cut 0.2 percentage point from the IMF's outlook in January. The projected growth rate for next year was unchanged at 3.6%.

More than two-thirds of the expected slowdown in 2019 stems from troubles in rich nations, including members of the EU. "In this context, avoiding policy missteps that could harm economic activity should be the main priority," the IMF said in its report. One potential misstep lies in Britain's indecision over how to leave the EU. Despite looming deadlines, London has not decided how it will try to shield its economy during the exit process.

The IMF's new forecast assumes an orderly "Brexit," but the Fund said a chaotic process could shave more than 0.2 percentage point from global growth in 2019. It said the Bank of England should be "cautious" on its interest rate policy, an apparent tip to wait before hiking borrowing costs. The EU's economic growth is already slowing substantially, though the IMF said it still expects the slowdown in Europe and some emerging market economies will give way to a re-acceleration in growth during the second half of 2019.

The outlook for Germany, one of the main drivers of European growth, suffered from weaker demand for its exports, softer consumer spending and new emissions standards that have depressed car sales. Germany may have to quickly turn to fiscal stimulus measures, the IMF said, also calling on the European Central Bank to keep stimulating the regional economy. The IMF also cut Japan's growth outlook following a string of natural disasters.

The U.S. economy, while seen outperforming other rich nations' economies, also got a downgrade on signs that a fiscal stimulus fueled by tax cuts was producing less activity than previously expected.

U.S. Treasury yields slid on concerns about the global economic outlook, which also weighed on U.S. stocks. The Dow Jones Industrial Average index fell 0.7% and the S&P 500 and the Nasdaq Composite both closed about 0.6% lower as the growth forecasts and renewed trade worries sparked by new U.S. tariff threats on European aircraft and food products weighed on sentiment.

U.S. Treasury Secretary Steven Mnuchin disputed the IMF's assessment that U.S. growth was slowing and told lawmakers he was not concerned about a recent inversion of the Treasury yield curve - often a harbinger of recession. "There's no question that growth outside of the United States, whether it be Europe or China, has slowed significantly," Mnuchin told a U.S. House Financial Services Committee hearing. "From everything we see, we see for the next few years still strong, robust U.S. growth."

The IMF said it supported the U.S. Federal Reserve's decision to pause its rate-hiking cycle, which the global lender said would support the U.S. and world economies this year by easing financial conditions. The IMF raised its forecast for U.S. growth in 2020 by a tenth of a percentage point to 1.9%.

The global lender said it was slightly boosting its outlook for Chinese growth this year - to 6.3% - in part because an expected escalation in the U.S.-China trade war had not materialized. Still, America's ongoing tensions with China and other major trading partners continue to cloud the global economy.

U.S. tariffs on Chinese imports are hitting Chinese growth and also weighing on Latin America and other parts of the world dependent on Chinese demand for commodities. The IMF cut its 2019 growth forecasts for Canada and Latin America as well as for the Middle East and North African countries.

China was trying to rebalance its massive economy away from investment and exports when U.S. President Donald Trump ordered higher tariffs on Chinese imports beginning in 2018. China responded with retaliatory tariffs on U.S. goods. In an ominous sign, the IMF said Beijing might need to unleash fiscal stimulus "to avoid a sharp near-term growth slowdown that could derail the overarching reform agenda."

Gopinath, the IMF chief economist, said the Chinese economy was showing some tentative signs of recovered growth, which she described as "green shoots."

Major New UN Report Calls for Overhaul of Global Financial System

Sixty-plus international organizations, led by the United Nations and including the International Monetary Fund, the World Bank Group and World Trade Organization, jointly sounded the alarm on 4 April in a new report, warning that unless national and international financial systems are revamped, the world's governments will fail to keep their promises on such critical issues as combatting climate change and eradicating poverty by 2030.

In their 2019 Financing for Sustainable Development Report, the international organizations find

some good news: investment has gained strength in some countries and interest in sustainable investing is growing, with 75 per cent of individual investors showing interest in how their investments affect the world.

And yet, greenhouse gas emissions grew 1.3 per cent in 2017; investment in many countries is falling; and 30 developing countries are now at high risk or already in debt distress. At the same time, global growth is expected to have peaked at around 3 per cent. Changing the current trajectory in financing sustainable development is not just about raising additional investment, says the report. Achieving global goals depends on supportive financial systems, and conducive global and national policy environments.

Yet the report warns that creating favorable conditions is becoming more challenging. Rapid changes in technology, geopolitics, and climate are remaking our economies and societies, and existing national and multilateral institutions — which had helped lift billions out of poverty — are now struggling to adapt. Confidence in the multilateral system has been undermined, in part because it has failed to deliver returns equitably, with most people in the world living in countries with increasing inequality.

"Trust in the multilateral system itself is eroding, in part because we are not delivering inclusive and sustainable growth for all," said António Guterres, Secretary-General of the United Nations, in his foreword to the report. "Our shared challenge is to make the international trading and financial systems fit for purpose to advance sustainable development and promote fair globalization."



The international agencies recommend concrete steps to overhaul the global institutional architecture and make the global economy and global finance more sustainable, including:

- supporting a shift towards long-term investment horizons with sustainability risks central to investment decisions;
- revisiting mechanisms for sovereign debt restructuring to respond to more complex debt instruments and a more diverse creditor landscape;
- revamping the multilateral trading system;
- addressing challenges to tax systems that inhibit countries from mobilizing adequate resources in an increasingly digitalized world economy; and
- addressing growing market concentration that extends across borders, with impacts on inequality.

At the national level, the report puts forward a roadmap for countries to revamp their public and private financial systems to mobilize resources for sustainable investment. It introduces tools for countries to align financing policies with national sustainable development strategies and priorities.

One example of the opportunities and challenges the report discusses is in new technologies and fintech (digitally enabled innovation in the financial sector). With more than half a billion people gaining access to financial services in recent years, the appeal of fintech is clear. But as new players enter and rapidly change the financing marketplace, regulators struggle to keep pace. As fintech grows in importance, activities outside the regulatory framework, if left unsupervised, may put financial stability at risk.

Fintech's promise can pay off with regulatory approaches that address these concerns, but these need to be implemented without stifling innovation. To this end, the report emphasizes the importance of discussions between fintech companies, financial institutions and regulators. It finds that regulatory attention will need to shift to financial activities and their underlying risks, no matter the entity that engages in them, rather than by institutional type.

How Europe is faring on renewable energy targets

The European Union's use of renewable energy -- such as hydropower, wind and solar -- reached 17.5 percent in 2017, keeping it on track for a target of 20 percent by 2020. Each member state has its own renewable energy goal, based on its situation and potential, ranging from 10 to 49 percent. While 11 countries in the bloc have already surpassed their targets, others are lagging behind, according to EU statistics authority Eurostat. With the target for 2030 at 32 percent, Eurostat says: "While the EU as a whole is on course to meet its 2020 targets, some member states will need to make additional efforts to meet their obligations." Europe's renewable energy leaders are Nordic countries: Sweden, Finland and Denmark. Since 2012 more than half of the total energy consumed in Sweden has come from renewable sources, according to the International Energy Agency.

This is due in large part to hydroelectric power, which provides more than 40 percent of the country's electricity output. Swedes heat themselves mainly with biofuels. Denmark -- a small, flat country long dependent on energy imports -- now gets 43 percent of its electricity from wind power after investment starting

in the late 1970s when it began phasing out coal plants.



Luxembourg and the Netherlands are the EU countries with the lowest consumption of renewables, reaching 6.4 percent and 6.6 percent respectively. Despite its investment in offshore wind farms, the Netherlands is the furthest from reaching its targets. Yet, with a part of the country lying below sea level, it is particularly vulnerable to the consequences of climate change.

In 2015 the Netherlands was one of the first countries to rule on a climate case, with a court ordering the state to reduce national greenhouse gas emissions by at least 25 percent by 2020. Inspired by the Dutch decision, four environmental NGOs in March sued the French government for failing to uphold its commitments on fighting climate change.

In 2017 France reached 16.3 percent of energy consumption from renewables, compared to its 23 percent target for 2020. Wood and hydropower are the main sources of green energy in France, ahead of biofuels. France has long preferred investment in nuclear power, from which it gets more than 70 percent of its electricity. The government has committed to closing 14 nuclear reactors by 2035 and shutting down four still-active coal power plants by 2022, on condition that it can guarantee secure electricity supplies.

Germany's renewable energy, which comes mainly from wind and solar power, reached just 15.5 percent in 2017, while its 2020 objective is set at 18 percent. Coal remains the cornerstone of its energy policy, in part due to the government's decision in 2011 to shut down all nuclear plants by 2022.

Coal accounts for 37 percent of Germany's electricity production and more than 30 percent of its heating. Europe's biggest economy intends to progressively phase out coal in order to respect its commitment to reducing polluting emissions. A new framework law on protecting the climate is expected in 2019.

IMF, World Bank urge caution with China loans

The rising influence of lending by China to developing nations is increasingly under the spotlight amid concerns the growing debt burden and onerous conditions could sow the seeds of a crisis. The global development lenders, the International Monetary Fund and World Bank, are calling for more transparency about loan amounts and terms, and cautioning governments against relying too much on debt.

At the Spring meetings of the institutions on April 11, newly-installed World Bank President David Malpass warned that "17 African countries are already at high risk of debt distress, and that number is just growing as the new contracts come in and aren't sufficiently transparent." And IMF n chief Christine Lagarde said the high debt levels and number of lenders, who do not all conform to international norms, also complicate any future efforts to restructure a country's debt.

"Both the bank and the IMF are working together in order to bring about more transparency and be better able to identify debt out there, terms and conditions, volumes and maturities," she said at a news briefing. "We are constantly encouraging both borrowers and lenders to align as much as possible with the debt principles" set by international organizations such as the Paris Club and Group of 20.

An IMF report warned that rising debt levels around the world government and corporate borrowing poses a risk to the global economy.

And Lagarde said, "It's clear that any debt restructuring programs going forward in the years to come will be more complicated than debt restructuring programs that were conducted 10 years ago, simply because of the multiplicity of lenders, and the fact that not all public debt is offered by members of the Paris Club."

The G20 has called on the two Washington-based lenders to collect data on debt to get a better handle on the amounts and loan conditions.

Chinese Loans: Kenya Secures $666m to Build Data Centre

The federal government of Kenya on 26 April announced it has secured another US$666 million in funding from the world's second-largest economy China to build a data centre in a tech city presently under construction and a highway in Nairobi, the presidential office said. The country and most African nations are turning to China in recent years for funds, technology and equipment to develop the necessary infrastructures needed to grow their economies despite calls for checks from citizens and global experts. According to the presidency's office, the new funding is a low-interest rate with a partnership deal with private

firms. The tech city is located at about an hour drive from Nairobi in the city called Konza. Huawei, Chinese telecoms giant is expected to handle the Konza project at a cost of 17.5 billion shillings, according to a statement released from President Uhuru Kenyatta's office.



The remaining amount, 50 billion shillings, will be used to build a highway linking the main airport with the suburbs. Also to be constructed by China Road and Bridge Corporation. Critics, however, accused the president of saddling future generations with loan burdens by borrowing too much from China.

The president, who was attending the second Belt and Road Forum in Beijing, said borrowing to build infrastructure will spur economic growth.

Trump, Xi urged to reach a trade deal

US President Donald Trump and Chinese President Xi Jinping have been urged to reach a trade deal or risk setting the global economy on a downward path as world leaders gathered in Japan for the G20 summit. Russian President Vladimir Putin, Indian Prime Minister Narendra Modi and European President Jean-Claude Juncker piled pressure on the two superpowers to settle their differences when they meet on the sidelines of the Osaka summit. Many other leaders of the world's top 20 economies also voiced concern over trade tensions and the risk they pose to global growth, but were at loggerheads on key issues such as World Trade Organization (WTO) reform, Japanese and Russian delegates said. Host Shinzo Abe, the Japanese prime minister, appealed for unity among the bickering world leaders.

Trump has adopted a belligerent position ahead of the meeting, saying that China was desperate to reach a deal because its economy was "going down the tubes". Xi hit back by saying that some developed countries were taking protectionist measures that are leading to trade conflicts and economic blockade - calling them the biggest risk of the increase in instability in the global economy.

German Chancellor Angela Merkel said she hoped the US and China would make some progress towards defusing their trade dispute at the meeting. Putin echoed Xi's concerns at the same meeting, saying in a thinly veiled attack on the US that attempts to weaken the role of the World Trade Organisation – as Trump has suggested he wants to do – were "counter-productive".

The current situation in the global economy was worrying, he added, as global trade was feeling the effect of "protectionism and politically motivated restrictions". Trump is not the only leader facing a pushback from his counterparts.

European Union Council President Donald Tusk blasted Putin for saying in an interview with the Financial Times newspaper that liberalism was "obsolete" and conflicts with the "overwhelming majority" in many countries, reported AP. Tusk told reporters that such comments suggest a belief that "freedoms are obsolete, that the rule of law is obsolete and that human rights are obsolete."

Trump sardonically asked his Russian counterpart to please not meddle in US elections, appearing to make light of a scandal that led to an investigation of his campaign's contact with the Kremlin during 2016 elections. "Don't meddle in the election, please," Trump said with a smile, waging his finger playfully at Putin as the pair held talks on the sidelines of the G20.



Turkey's Arçelik to buy 57% stake in Singer Bangladesh

Turkey's leading appliance maker Arçelik is to buy 57% stake in the Singer Bangladesh Limited, a leading home appliance manufacturer and retailer in Bangladesh. Arçelik will pay $75 million for a majority stake of the company currently owned by Netherlands-based Retail Holdings.

Arçelik and Retail Holdings NV on 5 April announced they signed an agreement under which Ardutch BV—a wholly owned subsidiary of Arçelik—would acquire Retail Holdings BV, which owns 57% of Singer Bangladesh shares. Retail Holdings Chairman, President and CEO, Stephen H Goodman, said: "Singer Bangladesh's business will benefit significantly from the sale as Arçelik is a much larger and financially stronger company with a commitment to, and a world-wide reputation in the home appliance sector.

"Following the sale, Singer Bangladesh will continue to have a royalty-bearing licence from SVP Worldwide—owner of the Singer trademark—to use 'Singer' in the company name and the 'Singer' brand on its stores, products, and services," Goodman added. With an extensive product portfolio consisting of refrigerators, washing machines, televisions, and air conditioners, Singer Bangladesh has the largest retail distribution network in the Bangladeshi appliance market.

Singer Bangladesh has 1,507 employees and reported revenues of $164 million in 2018, and their net profits after taxes were approximately $11 million. According to DSE data, Singer Bangladesh, which was listed on the Dhaka bourse in 1983, has recommended 30% stock dividends for the year ended on December 31, 2018. In 2017, the company disbursed 100% cash dividends.

Singer Bangladesh's paid-up capital is Tk76.69 crore, authorized capital is Tk100 crore, and the total number of its securities is 76,694,491. The sponsor-directors own 57% stake in the company, while institutional investors own 15.45%, foreign investors 7.30%, and the general public owns 20.25%. Furthermore, Singer Bangladesh is the largest retailer of consumer durables, with 385 stores and 720 wholesale dealers in the country.

Founded in 1955, Arçelik has operations in the durable consumer goods industry with production, marketing, and after-sales services. Arçelik offers products and services in 146 countries with 30,000 employees, 21 different production facilities in eight countries—Turkey, Romania, Russia, China, South Africa, Thailand, Pakistan, and India.

Additionally, it has 34 sales and marketing companies all over the world, and 12 brands—Arçelik, Beko, Grundig, Blomberg, ElektraBregenz, Arctic, Leisure, Flavel, Defy, Dawlance, Voltas Beko, and Altus.

US oil giant Chevron says will acquire Anadarko for $33b

Chevron announced on April 12 it will acquire smaller US rival Anadarko for $33 billion in a deal that strengthens the oil giant's exploration and production holdings in its home market. The cash-and-stock transaction is centered on Anadarko's properties in the Permian Basin in Texas and the Gulf of Mexico, two areas where Chevron is already a big player and where economies of scale can help drive value with suppliers and in key drilling and production operations.

Anadarko also has a handful of overseas ventures, including a major liquefied natural gas project in Mozambique that Chevron said would help bolster one of Chevron's major global businesses. "This transaction builds strength on strength for Chevron," said Chevron Chief Executive Mike Wirth. "The combination of Anadarko's premier, high-quality assets with our advantaged portfolio strengthens our leading position in the Permian, builds on our deepwater Gulf of Mexico capabilities and will grow our LNG business."

For Chevron, the second-biggest US oil company after Exxon Mobil, the takeover of Anadarko marks its biggest deal since its purchase of Texaco, which closed in 2001. In another transaction, Chevron in 2005 bought Unocal for $18.3 billion after raising the price during a high-profile bidding war with China's CNOOC that drew interest from lawmakers in Washington

The acquisition is composed of 75 percent stock and 25 percent cash, with Anadarko shareholders receiving 0.39 shares of Chevron and $16.25 in cash for each Anadarko share held. By combining the companies, Chevron expects to cull $1 billion in costs. The oil giant will also "high grade" its portfolio and sell off some $15 billion to $20 billion of assets.

In 2018, Chevron had $42.4 billion in revenues and pumped 3.1 million barrels oil-equivalent per day, above the level of most members of the Organization of the Petroleum Exporting Countries.

Wealth gap widens in Paris region: study

Rising property prices have widened the gap between the rich and poor in the Paris region where the number of people living in poverty has also increased, according to a study published on June 3. The Institute for Urban Planning and Development (IAU) found increasing gentrification in the historic heart of Paris as poverty concentrates in the suburbs or satellite towns of the region.

The Ile de France, with Paris at its centre, accounts for 30 percent of the national economy and is also home to the biggest immigrant population, where poverty concentrates. A total of 15.9 percent of people lived below the poverty line in 2015 - one percentage point higher than the national average -- up from 12.3 percent nine years earlier, the study said.

Average income fell in 44 areas of the capital region between 2001-2015 in places such as Grigny, Clichy-sous-Bois and Aubervilliers where both unemployment and the foreign-born population has increased, the study said. In contrast, the highly qualified and managerial class occupies central Paris and its wealthy western suburbs.

"Wealth is more noticeable and more concentrated than poverty," said Mariette Sagot, the report's author. "The wealthy tend to stick together more so than the poor". The main driver of rising inequality is property prices, which have increased 50 percent in Paris over the last decade.

"Social differentiation is mainly a reflection of the housing market," said Martin Omhovere, director of the institute's housing department. Social housing is "the only way poorer households can live in the centre". Poverty in the suburbs was highlighted in "Les Miserables", which featured at the Cannes film festival last month.

French actor-director Ladj Ly, shot the film in a social housing project in a northeast Paris suburb where nation-wide riots broke out in 2005. "This a film is a warning cry," Ly said at the festival, urging President Emmanuel Macron to watch. Macron has faced seven months of protests by France's "yellow vests", who accuse him and his government of increasing inequalities through pro-business policies.



The centrist leader has made tackling high unemployment his main priority, seeing it as the biggest source of inequality. In 2015, Prime Minister Manuel Valls warned of "apartheid" in Paris, drawing attention to the wealthy, mostly white centre and the immigrant-heavy and poorer areas that ring the capital. The region's poorest location, Seine-Saint-Denis, boasts a number of sites for the 2024 Paris Olympics, in a bid to regenerate areas with high crime and unemployment.

Reforms and transparency needed for Belt and Road success: World Bank

China's global Belt and Road Initiative could boost economies and reduce poverty rates in dozens of developing countries, but risks environmental damage, debt and corruption if improvements aren't made, the World Bank said on 19 June. President Xi Jinping's signature foreign policy aims to reinvent the ancient Silk Road to connect Asia to Europe and Africa through massive investments in maritime, road and rail projects with hundreds of billions of dollars in financing from Chinese banks. Critics, however, say the six-year-old BRI is a plan to boost Beijing's global influence, riddled with opaque deals favouring Chinese companies, and will saddle nations with debt and environmental damage.

The World Bank's "Belt and Road Economics" report said the project has "the potential to substantially improve trade, foreign investment, and living conditions", but only if China and corridor countries make policy reforms to improve transparency, expand trade and mitigate against environmental and corruption risks.

While trade will "increase sharply, if unevenly" for economies along the routes, the "potential gains come with considerable risks", according to Ceyla Pazarbasioglu, World Bank vice president. The report estimated that the BRI would boost trade by 2.8 to 9.7 percent for participating countries and between 1.7 and 6.2 percent for the world.

However, the study found that around a quarter of those economies already have high debt levels and for some them, "medium-term vulnerabilities could increase". The report said large infrastructure projects are "inherently risky," as they can create corruption and failures in public procurement. This has caused the US, India and some European nations to look at the project with suspicion.

The World Bank study found Chinese firms account for the majority of BRI contracts, although "limited data" was available. According to one estimate, it said more than 60 percent of Chinese-funded BRI projects are allocated to Chinese companies.

WTO News

Research vital in making the balanced case for trade and the trading system : DG Azevêdo

Director-General Roberto Azevêdo, in opening the seventh annual WTO/ World Bank/IMF Trade Conference at the WTO headquarters on 24 June, said research is vital to make the case for the multilateral trading system as governments reassess policies and opportunities to renew cooperation arise. This is what he said:

It's great to have you all here. It is always a pleasure to bring together trade experts from the WTO, the World Bank and the IMF. My thanks to the organizers and the presenters for making this event possible. This is a very positive initiative. It is a great platform to share ongoing research projects, discuss current policy issues, and identify areas of future collaboration between our organizations.

The last time we hosted this event at the WTO was in June 2015. And the general mood in the trade debate was much different back then. We had recently delivered the Trade Facilitation Agreement, the first multilateral deal in the history of the WTO. We were working hard to implement that deal and get the necessary ratifications for it to enter into force.

We were also advancing longstanding discussions at the WTO, paving the way for our Ministerial Conference in Nairobi. As you may know, that conference delivered the biggest reform in agriculture trade in the last two decades. There was a renewed momentum in multilateral trade cooperation.

Today, we are faced with a very different landscape. Trade tensions are on the rise. Trade growth is declining. At the same time, the 4th industrial revolution and the after effects of the 2008 crisis are compelling governments to reassess their policies in a number of areas. We have seen stresses from global imbalances, government interventions, and divergent views on the role of trade for economic development bring trade and trade policy back to the forefront of global policy debates.



All of this turbulence is reflected at the WTO. We face a wide range of challenges, both economic and systemic – which demand a response. But I also believe that this is a once-in-a-generation opportunity to renew cooperation in global trade. We are seeing a lot of activity at the WTO. Members are engaged in a debate about WTO reform to ensure that the organization can remain responsive to the challenges of today's economy.

The most pressing issue remains the impasse in the dispute settlement mechanism, including the AB nominations. On a more positive side, we are seeing a proliferation of ideas being put forward to improve our regular work. Some members are putting a significant focus on this area, looking particularly at how to improve transparency among the membership's trade policies.

WTO members are also discussing how to make progress on a number of fronts. This includes some longstanding themes like agriculture and fisheries subsidies.

Groups of members have also launched so called "joint initiatives" to work on a number of other issues. They include: electronic commerce, small and medium enterprises, facilitation of investments, the economic empowerment of women, and domestic regulation in services.

Not all WTO members are part of these initiatives. But each of them already has more than 70 members and they are open to anyone who wants to join or simply participate in the discussions.

Members are seeing this as a way of ensuring the trading system is ready for the economy of the 21st century. The system needs to be more efficient, more effective and more responsive to today's challenges. Of course, one way in which we can strengthen the system is by making the case for trade, with strong evidence and data. Economic research is vital here.

It helps to showcase why a rules-based trading system is essential for growth and development. It helps to highlight the ways trade brings concrete economic benefits to people. It also helps to showcase areas where trade is not playing its full part, thereby offering policymakers important food for thought. And of course we must also acknowledge the challenges that trade can bring – in the context of its broader benefits.

A balanced, informed debate is a fundamental condition for effective and responsive policymaking. Events like this can make a huge contribution to this conversation.

They help us to be more coherent and consistent in economic policy making. They support a better understanding of the interactions between different policy areas. And I think that presenting work and sharing ideas in forums like this can spark new thinking in ways we simply can't predict. So I hope it will be a very fruitful day. And in all

our discussions, I think we should strive to keep this work relevant and ensure that it connects to the challenges we face in the global trade community. We are also looking into ways to improve the way we monitor trade restrictive measures, going beyond the number of measures implemented and their trade coverage, but also looking at their scale and intensity.

Finally, as we seek to rise to the current challenges, the ongoing cooperation between our organizations is more important than ever. Our three organisations are dedicated to creating a stronger and more stable global framework — so that people around the world can lead better and healthier lives.

Of course, the strength of the arguments we use depends on the necessary research, ideas and evidence — much of which comes from the brain power in this room.

WTO report shows trade restrictions among G20 continuing at historic high levels

The WTO's 21st Monitoring Report on G20 trade measures issued on 24 June shows that the trade coverage of new import-restrictive measures introduced during the period (October 2018 to May 2019) was more than 3.5 times the average since May 2012 when the report started including trade coverage figures. The report found that trade coverage of USD 335.9 billion during the period is the second highest figure on record, after the USD 480.9 billion reported in the previous period. Together, these two periods represent a dramatic spike in the trade coverage of import-restrictive measures, leading WTO Director-General Roberto Azevêdo to call on G20 economies to work together urgently to ease trade tensions.

"This report provides further evidence that the turbulence generated by current trade tensions is continuing, with trade flows being hit by new trade restrictions on a historically high level. The stable trend that we saw for almost a decade since the financial crisis has been replaced with a steep increase in the size and scale of trade-restrictive measures over the last year. This will have consequences in increased uncertainty, lower investment and weaker trade growth.

"These findings should be of serious concern for the whole international community. We urgently need to see leadership from the G20 to ease trade tensions and follow through on their commitment to trade and to the rules-based international trading system."

The Report shows that turbulence in global trade continued during the period. The previous period saw a record level of new restrictive measures introduced. Most of these measures remain in place and have now been added to by a series of new measures in the current period which are also of a historically high level. In addition, several significant trade-restrictive measures are being considered for potential later implementation. This further compounds the challenges and uncertainty faced by governments, businesses and consumers in the current global economic environment.



In terms of numbers, G20 economies implemented 20 new trade-restrictive measures between mid-October 2018 and mid-May 2019, including tariff increases, import bans and new customs procedures for exports. While fewer measures were introduced during this review period than in previous periods, the scale of those measures is much increased in terms of their trade coverage and the level of tariffs imposed.

A total of 29 new measures aimed at facilitating trade, including eliminating or reducing import tariffs, export duties and eliminating or simplifying customs procedures for exports were also applied by G20 economies.

The trade coverage of the import-facilitating measures implemented during the review period is estimated at USD 397.2 billion, which is 1.8 times higher than in the previous G20 Report. At four new trade-facilitating measures per month, this is the lowest monthly average registered since 2012.

For the first time since the beginning of the trade monitoring exercise, the number of initiations of trade remedy investigations by G20 economies is equal to the number of trade remedy actions terminated.

Initiations of anti-dumping investigations continue to be the most frequent trade remedy action, accounting for more than three-quarters of all initiations.

G20 trade ministers renew commitment to WTO reform with "sense of urgency"

Director-General Roberto Azevêdo participated in the G20 Ministerial Meeting on Trade and Digital Economy on 8-9 June in Tsukuba, Japan, which resulted in a commitment by ministers to "work constructively with other WTO Members to undertake necessary WTO reform with a sense of urgency, including in the lead-up to the Twelfth WTO Ministerial Conference". The ministerial statement released at the end of the meeting also highlighted the contribution that trade and the WTO make to "productivity, innovation, job creation and development" and underlined a number of areas where further action is needed, including "regarding the functioning of the dispute settlement system consistent with the rules as negotiated by the WTO Members".



Addressing the meeting, the Director-General said:

"Whether it be efforts to strengthen committee structures and notifications, to advance new negotiating approaches, or to find ways to deliver on issues like fisheries subsidies and agriculture, all relate in one way or another to the broad issue of WTO reform. It is important to recognise that through the discussions and negotiations that have started in Geneva, members are already responding to the call for reform. I often hear that members want a WTO that functions well and that is effective in its task. That is why we need to support and further nurture these discussions.

"It is only six months since G20 leaders called for "necessary reforms" of the WTO. So it is encouraging that there is already so much activity. We should advance wherever and whenever we can.

"I welcome the emphasis that Japan's G20 Presidency is giving to digital issues, as they are clearly a major feature of the 21st century economy. I'm happy that ministers are discussing these topics in the WTO – particularly e-commerce, whether on the multilateral track or within groups of interested members."

The G20 Ministerial Statement on Trade and Digital Economy, issued at the close of the meeting, includes the following text under the heading "Dialogue on Trade Developments":

"We continued our dialogue to mitigate risks and enhance confidence among exporters and investors, as we committed to do in Mar del Plata last year. We affirmed the need to handle trade tensions and to foster mutually beneficial trade relations. We strive to realize a free, fair, non-discriminatory, transparent, predictable and stable trade and investment environment, to keep our markets open. International trade is important for productivity, innovation, job creation and development. We recognize the contributions that the WTO has made to this end. We agree that action is necessary to improve the functioning of the WTO. We recognize our business community's call for the G20 to continue supporting the multilateral trading system."

The statement also includes a section on "WTO reform and Recent Developments in Bilateral and Regional Trade Agreements", which reads as follows:

"Building on the G20 Leaders' declaration in Buenos Aires, we will work constructively with other WTO Members to undertake necessary WTO reform with a sense of urgency, including in the lead-up to the Twelfth WTO Ministerial Conference.

"We recognize the importance of transparency of the WTO Members' trade related policies. We note ongoing initiatives on transparency and notifications with this purpose in mind. We confirm our commitment to fulfilling our existing notification obligations.

"We also note ongoing initiatives to strengthen the activities of the WTO regular committees and bodies in order to make the WTO function more effectively.

"We confirm the importance of the role of the WTO in generating opportunities and addressing various challenges. We reiterate our support for the work to agree on comprehensive and effective disciplines on fisheries subsidies as mandated in MC11. We also note some ongoing initiatives for updating WTO rules.

"We reaffirm the importance of the Work Programme on electronic commerce.

"We note the ongoing discussion under the Joint Statement Initiative on electronic commerce.

"Participants in the respective Joint Statement Initiatives under the WTO welcome the ongoing discussion and confirm their commitment to achieve progress.

"In order to share the benefits of digitalization worldwide, we recognize that there is a need to enhance investment in infrastructure focusing on ICT, including in developing countries, to facilitate their participation in the digital economy. We also acknowledge the need for capacity building for women, youth and MSMEs to benefit more from digitalization. To this end, we will continue our effort to harness and enhance the potential of trade and the digital economy.

"We recognize the complementary roles of bilateral and regional free trade agreements that are WTO-consistent.

"We agree that action is necessary regarding the functioning of the dispute settlement system consistent with the rules as negotiated by the WTO Members."

A system of rules-based trade is essential for growth and development : DG Azevêdo

In an address to the French National Assembly in Paris on 21 May 2019, Director-General Roberto Azevêdo said that the multilateral trading system has proven to be essential for supporting growth and development globally. He acknowledged France's vocal support for the trading system and stressed the importance of maintaining and strengthening the system so that it can continue to respond effectively to the challenges of today's world. He concluded: "We have an opportunity to make some essential changes to the trading system. … It is in the interests of everybody that we preserve and strengthen this essential public good." This is what he said:

France is a hugely important member of the multilateral trading system. President Macron, and previous French leaders, have been very vocal in support of multilateralism in general, and the multilateral trading system in particular. So I am pleased to have the opportunity to strengthen that partnership today at the Assemblée Nationale.

Parliamentarians play a particularly important role in our work. You support us through your advocacy on trade issues, through debating and ratifying WTO agreements, and through the pressure that you apply to your governments to engage on the key issues. And of course, you help connect the WTO as an organization to your constituents – to the people you represent. This is a very important link. It helps to ensure inclusivity in the global trading system, so that we can ensure that the benefits of trade reach everyone.

In my view, a rules-based framework for global trade is essential to that end. I will address some of the current challenges in global trade in a moment, but first I want to say a few words about the trading system itself, and why it is so important. The multilateral trading system, rooted in mutually-agreed rules and practices, provides stability and predictability in trading relations.

This helps to ensure that trade can flow as freely and openly as possible. It also ensures that this happens in a way that fully respects the space needed for the implementation of legitimate public policies. At its root, today's system was a response to the economic chaos of the 1930s. Escalating protectionism, rival trade blocs and competitive currency devaluations fueled huge economic insecurity.



After the war a concerted effort was made to avoid making the same mistakes again. Governments pursued greater international cooperation to fuel economic recovery and ensure political stability. The initial plan was to create an International Trade Organization – alongside the International Monetary Fund and World Bank. However, the creation of an 'International Trade Organization' proved too ambitious and the more limited General Agreement on Tariffs and Trade was established.

It was only much later that this original vision was realized. It was in 1995, when the World Trade Organization was created to replace the GATT. France was actively involved in all this. The country was a founding member of the GATT, and also of the WTO. Today, the WTO is the only organization dealing with trade rules at the global level. It now has 164 members, accounting for around 98% of global trade.

In a nutshell, the WTO provides the constitution for global trade, establishing shared principles which underpin trading practices around the world. It is a platform for discussion and debate on wider trade issues. Members have access to information, not just about national trade policies, but about international trade relations as well,

through the WTO's transparency and surveillance mechanisms.

Members also use WTO councils, committees and working groups to coordinate and debate policies and head-off conflicts. And when solutions cannot be found, members can call on the WTO's Dispute Settlement System to help ensure that trade disputes do not spiral into larger conflicts.

This system ensures that trade disputes are solved according to an objective and well established set of procedures that are equally applied to everybody. In this way, the system provides an essential mechanism to avoid unilateral actions and to depoliticise trade differences. Through all of this work, the system has proven to be essential for growth and development globally, helping to lift one billion people from extreme poverty since 1990. This system has also provided stability and predictability in global trade – holding firm even during the financial crisis.

When the crisis hit in 2008, we did not see a repeat of the 1930s. Protectionism was largely contained, limiting the economic harm. Members knew their commitments, and where the red lines were, thanks in part to this shared system of rules. This is why people say: if the WTO did not exist, you would have to invent it.

I am clear that trade and the trading system deliver tremendous economic gains – for developed and developing countries alike. But when I say that "trade" brings these benefits, I am not talking about untrammelled free trade. Free trade is not a magic potion that, by itself, cures all economic afflictions. What is essential is that we maintain a system of rules-based trade.

If the WTO was a free trade agreement it would have been written on a single piece of paper instead of the thousands of pages that make up our rules and commitments. And these are not rules given from on high.

These are agreements and commitments that governments negotiate with each other and enter into freely, on the basis of shared interest. And they help to ensure that other important governance principles can work hand-in-hand with trade policies.

There are a number of very lively trade issues and challenges before us today. Clearly tensions remain high. A recent WTO report shows that last year new restrictive measures were imposed on around 580 billion dollars of trade. That is over seven times the level of the year before. New measures have been introduced since that report was issued.

UN's Guterres underscores importance of revitalizing multilateral trade cooperation

A rules-based, non-discriminatory and equitable trading system is not only in the interest of all trading partners but is essential to preserving the interests of the poorest and most vulnerable economies, United Nations Secretary-General António Guterres told WTO members on 10 May. Speaking at a special session of the WTO's General Council, Secretary-General Guterres, alongside Director-General Roberto Azevêdo and General Council Chair Sunanta Kangvalkulkij, said members need to work to restore the spirit of international cooperation and "buttress this unique institution that has safeguarded international trading relationships over the past 70 years".



Trade's contribution to economic growth and sustainable development is "undeniable," the UN Secretary-General told members. But escalating trade tensions over the past year "threaten growth in international trade and the very foundation of the rules-based multilateral trading system," he warned. "It is worth highlighting that when trade tensions rise, there are no winners, only losers, especially among developing countries."

Secretary-General Guterres welcomed ongoing efforts by members to strengthen and update various aspects of the WTO system to better address challenges posed by new economic realities and new technologies - namely digitalization - and better deliver on trade negotiations, greater transparency and effective dispute resolution.

He stressed that WTO reform efforts should be guided by the imperatives of the UN's Sustainable Development Goals (SDGs). In this context, Guterres welcomed various initiatives already under way at the WTO to address different areas of relevance to the SDGs, such as eliminating harmful fishery subsidies, helping developing countries access generic medicines at more affordable prices, and improving transparency on agricultural subsidies in order to enhance efforts to achieve food security and follow more sustainable agricultural practices.

In his welcoming remarks, WTO Director-General Roberto Azevêdo highlighted the importance of

multilateral cooperation as a "powerful force for good, supporting economic growth, development, stability and peace". "Yet, at this crucial moment, the multilateral system also faces huge challenges. The question is being asked about the effectiveness of global cooperation in its current form. We see this reflected in the WTO."

DG Azevêdo noted that some see reform of the WTO as an essential step in resolving those tensions. "It is certainly clear that we have an opportunity now to renew and strengthen trade multilateralism for some years to come. And I think in the interests of all our members, we must seize it."

General Council Chair Sunanta Kangvalkulkij said the visit of Mr Guterres was a momentous occasion for the WTO and "sends an important signal to the world about our firm commitment to multilateral cooperation, in support of our shared objectives of economic growth, stability, poverty reduction, and sustainable development".

"Multilateralism is a public good – and though it may not always be easily accomplished, it is essential that we protect it for the peace and prosperity of all, now and in the future," she added.

WTO members consider six regional trade agreements

WTO members reviewed six regional trade agreements (RTAs) at a meeting of the Committee on RTAs on 1 April 2019. The new chair of the Committee, Ambassador Carlos Mario Foradori of Argentina, presided at this first Committee meeting of 2019.

The Committee is important to the functioning of the WTO, Ambassador Foradori said, adding that he would hold consultations to appoint a vice-chair to add greater momentum to the work of the Committee. The chair said he aims to help resolve the Committee's longstanding issues, noting later in the meeting the backlog of RTA notifications and considerations.

The Committee considered the Closer Economic Partnership Arrangement Between Hong Kong, China and Macao, China, which immediately liberalized all bilateral trade in goods on 1 January 2018. The two parties also improved the coverage and the depth of their commitments on trade in services. Hong Kong, China said the Agreement provides the framework for economic cooperation conducive for long-term economic growth of the two parties. Macao, China added that Hong Kong, China was a key trade and investment partner and that the Agreement would contribute positively to their bilateral relationship.

As for the Chile-Thailand Free Trade Agreement, Chile will eliminate duties on all imports from Thailand while Thailand will do the same on 99% of tariff lines by 2023. Both countries will also liberalize a number of services sectors. Chile said bilateral trade has expanded and Thailand has become a main destination for Chilean exports to Southeast Asia under the Agreement, which entered into force on 5 November 2015. Thailand said it strongly believes bilateral trade will continue to grow over the years.



The Committee also reviewed the China-Georgia Free Trade Agreement, under which Georgia will liberalize 96.4% of tariff lines on imports from China while China will liberalize 93.7%. Georgia noted that negotiations for the Agreement, which entered into force on 1 January 2018, took seven months and that it was the only country in the Eurasian region to have a preferential agreement with China. The Agreement brings together the economies of the two countries despite their differing development models and size, Georgia said. China said the Agreement was the first FTA that was initiated and concluded after the Belt and Road Initiative was launched.

The Georgia-European Free Trade Association (EFTA) Free Trade Agreement, meanwhile, entered into force on 1 September 2017 for Georgia with Iceland and Norway and on 1 May 2018 with Liechtenstein and Switzerland. It

liberalized around 90% of trade in goods among the parties, including significant agricultural liberalization. The parties' commitments on trade in services broadly match their existing services commitments at the WTO, with some improvements in certain sub-sectors. Moreover, the Agreement includes provisions on intellectual property, government procurement, competition and trade and sustainable development. Switzerland on behalf of the EFTA states said it was indeed a comprehensive and modern trade agreement.

Members also considered the accession of Panama to the Central American Common Market (CACM). Panama's accession to the Central American Common Market in 2013 paved the way for it to eliminate duties on at least 95% of trade from the other parties in different years between 2013 and 2028. With the objective to achieve a common commercial policy, Panama also adopted the Central American common external tariff on 30% of lines. Guatemala, speaking for itself and Costa Rica, El Salvador, Honduras, Nicaragua and Panama said the CACM's objective is to increase the competitiveness of the region. The accession of Panama is highly significant for the region, Guatemala said, as it improves access for Central American traders, and fosters investment.

As for the Accession of Ecuador to the Trade Agreement between the European Union, Colombia and Peru, the EU said the Agreement is tailored to the development needs of Ecuador and that already remarkable results of trade expansion and enhanced trade facilitation have been observed under the Agreement. Ecuador said non-oil exports have increased under the Agreement while its industries have enjoyed better access to imports of EU machinery and parts. Ecuador joined the Agreement between the European Union and Colombia and Peru covering goods and services in 2017. The EU and Ecuador will eliminate all duties on around 97% of lines by 2027 and 2034 respectively. The Agreement also improves the services commitments of both parties in a number of sectors.

Members took the opportunity to ask questions and comment on the RTAs under consideration. Some of the RTAs, it was noted, went deeper than existing WTO rules in the areas of domestic regulation, customs procedures, trade facilitation and e-commerce.

The chair told members that the list of RTAs currently in force but that have not been notified to the WTO has grown to 83, with the addition of four more RTAs since the last Committee meeting in November 2018. The chair further noted that factual presentations for 19 RTAs involving only WTO members and those for a further 28 RTAs involving non-members remain pending, counting goods and services agreements separately.

The United States said members should take the list seriously while the EU and China also underlined the importance of improving members' compliance with transparency obligations. Parties to the Gulf Cooperation Council customs union and the Latin American Integration Association (LAIA) were asked again by the US and EU to respond to questions about pending work concerning their respective RTAs.

Philippines submits request for observer status in WTO Committee on Government Procurement

Ambassador Manuel A. J. Teehankee, Philippine Permanent Representative to the WTO, delivered to WTO Director-General Roberto Azevêdo on 6 May the request of the Philippine government to become an observer in the Committee on Government Procurement.

The Agreement on Government Procurement (GPA) is a plurilateral agreement within the WTO's legal framework which provides rules and guidance on the conduct of international trade in the area of government procurement among its 20 signatories (comprising 48 WTO members). Any WTO member or observer interested in the Agreement can request observer status in the Committee on Government Procurement. Currently, 32 WTO members and observers hold this status.

