ICC BANGLADESH
INTERNATIONAL CHAMBER OF COMMERCE
The world business organization

27 Years of ICC in Bangladesh 1994-2021

NEWS BULLETIN

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A Quarterly Newsletter of ICC Bangladesh | Volume 24 > Issue 95 | July - September 2021

বাংলাদেশের সুবর্ণজয়ন্তী Bangladesh 50

Role of Businesses in Development

About ICC Bangladesh

International Chamber of Commerce (ICC), The world business organization, with its headquarters in Paris, celebrated its Centenary world over in 2019. ICC, with physical presence in more than 100 countries, represents 45 million companies and more than 1 billion workers worldwide. One in every three worker depend on ICC Members for their livelihood.

ICC was founded in 1919 in the aftermath of the First World War when no world system of rules governed trade, investment, finance or commercial relations. ICC's founders, referred to as "The Merchants of Peace", acted on their conviction that building stronger trade relations between nations would reduce the risk of war and armed conflict. ICC, is the largest and the only private sector non-sovereign organization, which was granted Status of a Permanent Observer at the General Assembly of the United Nations in December 2016.

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

Bangladesh National Committee of ICC, founded in 1994, is comprised of trade organizations, national and trans-national corporations, who represent almost 80% Bangladesh economy.

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

- 10-11 November 2000: ICC Asia Conference on "Investment in Developing Countries: Increasing Opportunities" organized in Dhaka was inaugurated by the Prime Minister of Bangladesh and attended by a number of high profile dignitaries including the Thai Deputy Prime Minister & WTO Director General Designate, ADB President, UN-ESCAP Executive Secretary and Chinese Vice Minister for Foreign Trade & Economic Cooperation. More than 250 participants from 24 countries participated in this event.
- 17-18 January 2004: International Conference on "Global Economic Governance and Challenges of Multilateralism" was held in Dhaka, coinciding with 10th Anniversary of ICC Bangladesh. The Conference was inaugurated by the Prime Minister of Bangladesh and Thai Prime Minister was the Keynote Speaker. WTO Director General, EU Commissioner for Trade, UNESCAP Executive Secretary, Governor of Japan Bank for International Cooperation, six Ministers from three continents, Bangladesh Ministers, ICC Chairman, ICC Vice Chairman, ICC Secretary General and more than 500 participants from 38 countries attended this event.
- 27-28 September 2005: Regional Seminar on "Capital Market Development: Asian Experience". The Seminar held in Dhaka was inaugurated by the President of the People's Republic of Bangladesh and attended by Chairmen/CEOs of securities & exchange commissions, stock exchanges, capital market operators, financial institutions and investors from 15 Asian countries.
- 13 April 2010: Conference on "Energy for Growth" was held in Dhaka coinciding with the 15 years of ICC's presence in Bangladesh. The Conference was inaugurated by the Finance Minister of Bangladesh and attended by ICC Global Chairman, Minister for Commerce of Bangladesh, Minister for Development Cooperation of Denmark and Adviser to the Bangladesh Prime Minister for Energy & Mineral Resources. Some 800 delegates from home and abroad including energy experts and international financiers from Australia, China, Denmark, India, Germany, Japan, Singapore, Switzerland, UK and USA attended the event.
- 25-26 October 2014: International Conference on "Global Economic Recovery: Asian Perspective", was in held in Dhaka coinciding with the 20 years of ICC's presence in Bangladesh. The Conference was inaugurated by the President of the People's Republic of Bangladesh. Minister for Finance & Minister for Commerce of Bangladesh, UNCTAD Secretary General, Ministers from Myanmar and Nepal; ICC Vice Chairman; ICC Secretary General; ICC Research Foundation Chairman; Director of ICC National Committees and more than 500 participants attended this event.
- 8-9 February 2017 : The first ever "UNESCAP Asia Pacific Business Forum: Regional Integration to Achieve Sustainable Development" was organized by ICC Bangladesh jointly with UNESCAP under the patronage of the Ministry of Commerce, Government of Bangladesh. The Forum was inaugurated by the Hon'ble President of the People's Republic of Bangladesh. Ministers from Bangladesh, Sri Lanka, Nepal, UNESCAP Under Secretary General, UNCTAD Secretary General, business leaders and some 600 delegates from home and abroad attended the Forum.
- 10-12 December 2019 :"The Asia Pacific Conference on Financing inclusive and Sustainable Development" was organized by ICC Bangladesh jointly with UNESCAP, ADB and LIBF (The London Institute of Banking & Finance) under the patronage of the Financial Institutions Division (FID), Ministry of Finance, Government of Bangladesh to celebrate 100 years of ICC and 25 years of ICC Bangladesh. The Hon'ble President of the People's Republic of Bangladesh inaugurated the Conference. Video Messages from UN Secretary General Mr. António Guterres and 8th former United Nations Secretary General Mr. Ban-Ki moon were also played during the inauguration. Ministers from Bangladesh, Cambodia, Maldives and Sri Lanka, Under-Secretary-General of the United Nations and Executive Secretary of ESCAP, Central Bank Governors, Business Leaders, Policy Makers, Experts and some 800 delegates from home and 30 foreign countries attended the Conference.

As part of its activities, ICC Bangladesh has been organizing Workshops/ Seminars on International Trade Finance, mainly for bankers, within Bangladesh and in various countries. Since 2014, the National Committee has organized workshops in Kuala Lumpur (April 2014); in Colombo (February 2015); in Kunming (August 2015); in Yangon (November 2015); in Hanoi (April 2016); in Bangkok (December 2017) and in Phnom Penh (April 2018).

The National Committee also arranged participation of Bankers from Bangladesh at ICC Annual Banking Meetings held in Singapore (April 2015), in Jakarta (April 2017) and in Beijing (April 2019). Besides, ICC Bangladesh arranged participation of Bankers at ICC Austria Global Trade Conference held in Vienna in May 2017, June 2018 and May 2019, FCI Annual Meeting in Vietnam (June 2019), ICC Academy 8th Supply Chain Summit in Singapore (February 2019), International Financial Crime Forum in Kuala Lumpur (July 2019) and World Conference on Banking Institutions (WCBI) organized by London Institute of Banking and Finance (LIBF) in London (September 2019).

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

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

International Chamber of Commerce

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ICC BANGLADESH
The world business organization

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Editor's Note

Role of Businesses in Economic Development

Businesses are the driving force for any economy, be it capitalistic or socialistic. Success of businesses can drive the growth of a country, help achieve overall sustainable development and create employment opportunities. Entrepreneurs are frequently thought of as national assets to be cultivated, motivated and remunerated to the greatest possible extent. They have the ability to change the way we live and work at local, national and international levels.

Over the past five decades, Bangladesh, has transformed itself from being a "Basket Case" to one of the fastest growing economies in the world. Before the onset of the COVID-19, the economy was growing rapidly, recording an annual expansion in the range of 7- 8% for sometimes.

After the partition of India and Pakistan in 1947, then East Pakistan, now Bangladesh, was not an ideal place for Bangladeshi entrepreneurs to do business/establish industries as the West Pakistanis (now Pakistan) were in complete control of the country and the economy. Bangladeshis were mainly in the mid and lower level service. However, some of our leading businessmen have made it possible to show the world that Bangladeshis are capable of becoming successful entrepreneurs.

Late Abul Kasem Khan from Chattogram, a district judge in 1934, was probably the first Bangladeshi to enter into business leaving a job. He established various types of industries and formed A.K. Khan Group in 1945. There were only a few business entities owned by local entrepreneurs during the British era. Of them the oldest was the family trading business of Late Anwar Hossain (since 1834) and Founding Chairman of Transcom Group Late Latifur Rahman's family (having a tea estate since 1885).

Since 1947 till the independence of Bangladesh in 1971, only a few small industries, tea gardens and two commercial banks and a small number of Jute & Textile Mills were owned by Bangladeshis. After independence all industries, banks and big commercial entities were nationalized.

However, the change in government policies in mid-70s for adopting privatisation, export liberalisation and import-substitution created the opportunity for enthusiastic businessmen to begin their entrepreneurial journey. ICC Bangladesh President & Chairman of ETBL Holdings Mahbubur Rahman along with Transcom Group Chairman Latifur Rahman, Square Group Chairman Samson H. Chowhdury, Anwar Group Chairman Anwar Hossain, Apex Group Chairman Syed Manzur Elahi and a few other business leaders contributed towards the change in policy decision of the government; for privatization.

In less than 40 years, the garment industry of the country has emerged as one of the nation's success stories in recent decades. It is the second-largest RMG exporter globally earning over $35 billion a year from exports. A number of pharmaceutical companies have also started exporting medicines to 119 developed and developing countries. The country also exports leather products, handicrafts, agro-products, ocean going vessels, software etc. The total yearly export earning was US$ 38.76b in FY21.

Bangladesh achieved lower middle-income country status in 2015 and is on track to leave the United Nations' Least Developed Countries' list. With a GDP of over $305 billion, Bangladesh currently is the world's 41st largest economy and forecasts suggest that the size of the economy could be doubled in not too distant future. Now besides impressive GDP growth, per capita income has also risen steadily (US$ 2,227). Its poverty slashing performance is among the best in the world. The country has achieved near self-sufficiency in food production. The share of Industry in GDP was 28.79% in 2020 and the share of SMEs in GDP is estimated at about 25%.

The private sector is responsible for 90% of jobs in the developing world. In Bangladesh "private sector which already accounts for more than 70% of all investment, supported by a strong financial sector, will need to play an important role in spurring the recovery so the country can grow, export and create quality jobs," according to Alfonso Garcia Mora, IFC's vice president for Asia and Pacific.

The Businesses played the leading role in achieving the success. ICC Bangladesh remembers with gratitude the Business Legendaries including those who have passed away for their visionary leadership and farsightedness in creating corporate culture and making the Bangladesh economy one of the fastest growing in the world.

WE DEEPLY MOURN



Alhaj Anwar Hossain
(1938-2021)

ICC Bangladesh is deeply shocked and grieved at the sad demise of the founder Chairman of Anwar Group of Industries and former Member of Parliament, a well-known industrialist and businessman, Anwar Hossain on Tuesday, 17 August 2021. Inna lillahi wainnailayhi raji'un.

Born in 1938 in a family with a legacy of business in Lalbagh, old part of Dhaka, Mr. Anwar Hossain lost his father at the age of six. He began his journey in business arena when he was 12. His started his business as a cloth trader with a small amount of money given by his mother as the primary capital of the business.

Mr. Hossain's focus was on creating as many jobs as possible. So, he targeted investing in heavy industries. In 1956, he set up Sunshine Cable and Rubber Industry, the first Bengali-controlled industry in Pakistan. Later he quit the business leaving it in the hands of his uncle and brothers.

In 1966, he set up his own factory, Anwar Silk Mills, in Tongi to make banarasi saris. He produced "Mala Sari" which was an instant hit. Since then, he never looked back. Mala sari created such a buzz in the markets that almost all women in the country used to wear it. There was a time when wedding ceremonies would not be completed had not the Mala sari been given to the brides.

Today, Anwar group of industries consists of Anwar Textile, Ispat, Cement, Cements Sheet, Polymer, Galvanizing, Jute, Real Estate, Infrastructure, Financial Division, Furniture & home Decoration and Automobiles sectors. Anwar group consists of 18 companies, over 14,000 employees and its annual turnover 45,000 crore.

Mr. Anwar Hossain was one of the 12 founding Members of City Bank Limited and served for four terms as Chairman of the Bank. He was also founder Chairman of Bangladesh Finance and Investment Company Ltd and founder director of City General Insurance Company Limited.

Mr. Hossain served as Chairman of the Dhaka Chamber of Commerce and Industry (DCCI) Foundation. He was also Director of DCCI during the years 1976-78, 1982-83, 1984-85, and 1989-90. He was served as a trustee of Dhaka Improvement Trust (DIT), which is now RAJUK, from 1983 to 1987.

Mr. Anwar Hossain won the Bangladesh Most Promising Brand Award in Real Estate Sector in 2019; Excellence in HR through Technology Award by World HRD Congress in 2019, The Bizz Award 2019; Lifetime Achievement Award by Don Sumdany Facilitation & Consultancy in 2016; Illustrious Son of Dhaka Award by Dhaka Chamber of Commerce and Industry, Presented by H.E. Sheikh Hasina, M.P., Prime Minister of Bangladesh in 2016; The Best of Bangladesh in Business Award by Dhaka Chamber of Commerce and Industry in 2012; DHL- Daily Star Business Personality of the Year 2011; Sher-E-Bangla Memorial Award 2002 by Bangladesh Youthfront and Mawlana Bhashani National Award 1992.

May Allah rest his soul in peace in heaven.

ICC Bangladesh News

ICC Bangladesh Annual Council held
Bangladesh's impressive development did not benefit everyone equally

Bangladesh's journey in the post-independence period was tough. Bangladesh inherited a war-hit poor economy in 1971. Despite limited resources, Bangladesh has made spectacular economic progress over the last five decades. The GDP growth rate has reached an impressive record level. Per capita income has also risen steadily. Its poverty slashing performance is among the best in the world. The country has achieved near self-sufficiency in food production for its population of 170 million. The country now even shoulders the burden of the world's largest refugee population of over one million Rohingya fleeing persecution in neighboring Myanmar, said ICCB President Mahbubur Rahman while presenting the Executive Board Report of ICC Bangladesh for 2020 in its Annual Council held virtually in Dhaka on 11 July.

According to experts in Bangladesh not everyone has benefited equally from the nation's impressive growth and development because of rising income and wealth inequality. Another challenge is the heavy concentration of economic activity in big cities like Dhaka and Chattogram, resulting in a huge rural-urban divide and increased urban poverty. The biggest challenge for Bangladesh is how the country ensures that the fruits of growth and development reach people at the bottom of the economic pyramid, the Report stated.

The Executive Report, which was adopted by the Council, provided a brief review of the key economic performances of the World, Asia Pacific Region and Bangladesh during 2020, the outlook for 2021 and the challenges ahead. The Report also provides a summary of the main activities of ICC Bangladesh during the year and the Audited Statement of Accounts for the year ending 31st December 2020.

ICC Bangladesh President said that COVID-19 created not only a global economic crisis but loss of millions of life globally. This has led to steep recessions in many countries. It has also had devastating effects on women, the young, the poor, people employed informally, and those working in contact-intensive sectors. The recent upsurge of pandemic wave in India, which started in March 2021, has caused unprecedented and alarming infection and death. The Indian virus has also spread in the neighbouring countries including Bangladesh as well in UK.

The Report mentioned that vaccine producing countries are reluctant to allow production of vaccines in other countries. ICC Paris has been trying to impress upon the G-7 countries to make vaccines available free of cost to the poor countries of Asia and Africa. However, Group of Seven leaders are pledging to donate hundreds of millions of doses of COVID-19 vaccines to poorer countries around the world. But the question is against 7.9 billion people in the world the quantity is how much significant?

Bangladesh's GDP growth rate was -5.48% in 1971 and increased to 8.15% in 2019. As the Covid-19 pandemic hit the economy like the rest of the world, the GDP stood at 5.2% in 2020. Bangladesh's per capita income was $134 when it became independent and in 2020 it reached to $2064. It has become an exemplary export powerhouse. Today, Bangladesh is one of the fastest growing economyin the world, said Mr. Mahbubur Rahman.

According to World Bank the collapse in global economic activity in 2020 is estimated to be less severe than previously projected, mainly due to shallower contractions in advanced economies and a more robust recovery in China. In contrast, disruptions to activities in the majority of other emerging market and developing economies were more acute than expected. The World Bank Global Economic



Prospects 2021 projected that following a collapse last year caused by the COVID-19 pandemic, global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below pre-pandemic projections. Global growth is projected to moderate to 3.8 percent in 2022, weighed down by the pandemic's lasting damage to potential growth. Although global economic output is recovering from the collapse triggered by COVID-19, it will remain below pre-pandemic trends for a prolonged period. The pandemic has exacerbated the risks associated with a decade-long wave of global debt accumulation. It is also likely to steepen the long-expected slowdown in potential growth over the next decade.

The Executive Board Report mentioned that considering the large uncertainty surrounding the outlook, policymakers should prioritize policies that would be prudent, regardless of the state of the world that prevails—for instance, strengthening social protection with wider eligibility for unemployment insurance to cover the self-employed and informally employed; ensuring adequate resources for health care, early childhood development programs, education, and vocational training; and investing in green infrastructure to hasten the transition to lower carbon dependence.Strong international cooperation is vital for achieving these objectives and ensuring that emerging market economies and low-income developing countries continue to narrow the gap between their living standards and those of high-income countries. On the health care front, this means ensuring adequate worldwide vaccine production and universal distribution at affordable prices—including through sufficient funding for the COVAX facility—so that all countries can quickly and decisively beat back the pandemic.

According to WTO, prospects for a quick recovery in world trade have improved as merchandise trade expanded more rapidly than expected in the second half of last year. According to new estimates from the WTO, the volume of world merchandise trade is expected to increase by 8.0% in 2021 after having fallen 5.3% in 2020, continuing its rebound from the pandemic-induced collapse that bottomed out in the second quarter of last year. Trade policy restraint by WTO members prevented protectionism from strangling world trade. As WTO monitoring has documented, many restrictive trade measures imposed at the start of the pandemic were rolled back, and new liberalising measures were introduced. Despite continuing challenges, notably around vaccine trade, the multilateral trading system kept trade flowing and prevented worse outcomes, as members were restrained by commitments and economic self-interest.

The Asian Development Outlook, April 2021 stated that growth is gaining momentum across developing Asia, but renewed COVID-19 outbreaks show the pandemic is still a threat. Even so, the region's economic revival is underway, supported by a healthy global recovery and progress on vaccines. Outbreaks continue to reappear, both globally and in the region, due partly to the emergence and spread of coronavirus variants. The easing of containment measures and increased mobility since the second half of 2020 may pause or partially reverse in some regional economies. South Asia will have developing Asia's fastest growth this year after suffering the region's sharpest contraction in 2020. Aggregate output is forecast to expand by 9.5% in 2021, with growth tapering to 6.6% in 2022. This largely reflects the performance of India, which will rebound from an 8.0% contraction in fiscal year 2020 and grow by 11% and 7% in this and the following fiscal year, the Report mentioned.

ICC Bangladesh President said that Bangladesh, which weathered the pandemic better than most economies in the sub-region, will continue to grow strongly as exports pick up. Bhutan's economy is projected to contract by 3.4% in fiscal year 2021, because of continued strict border restrictions, but growth is forecast at 3.7% in the next fiscal year. Sri Lanka's challenging macroeconomic situation will likely moderate growth in 2022.

The Executive Board Report stated that the COVID-19 pandemic has severely disrupted education. Schools were closed to varying degrees across developing Asia—in a quarter of the region's economies, schools were closed for 200–300 days. Only a handful of economies managed to keep schools open continuously. Remote learning

Bangladesh's GDP Growth rate by Bangladesh Govt., World Bank, IMF & ADB during FY 2019-FY 2022

GDP Growth	2019	2020	2021	2022(p)
Bangladesh Govt.	8.20	5.24	6.1	7.2
World Bank	8.2	2.4	3.6	5.1
IMF	8.0	2.0	5.0	7.5
ADB	8.2	5.2	6.8	7.2

strategies were deployed in most economies to keep students learning. But many students are constrained by access to resources like computers and the internet. This has limited their ability to learn when at home. In a more optimistic scenario for the effectiveness of remote learning during the COVID-19 pandemic, total losses are equivalent to $0.8 trillion (3.6% of 2020 GDP). But a pessimistic scenario puts the losses at $1.8 trillion (7.6% of GDP). Learning and earning losses will rise the longer that schools remain closed. Policies can be adopted to help mitigate the potential damage and ensure that education systems emerge from this pandemic better than they were before.



Over the past five decades, Bangladesh has transformed itself from being an economic "Basket Case" to one of the fastest growing economies in the world. Before the onset of the coronavirus pandemic, the economy was growing rapidly, recording an annual expansion in the range of 8% for years. Bangladesh achieved lower middle-income country status in 2015. With a GDP of over $305 billion, Bangladesh currently is the world's 41st largest economy and forecasts suggest that the size of the economy could double by 2030. The garment industry emerged as one of the nation's success stories in recent decades. It is the second-largest globally, only next to China, and rakes in over $35 billion a year from exports. Remittances also play a major role in the economy, with Bangladeshi workers employed abroad transferring nearly $22 billion in 2020, said Mr. Rahman.

Referring to a recent study, the Executive Board Report mentioned that a staggering 96% of micro, small and medium enterprises (MSMEs) in Bangladesh lost income during the Covid-19 pandemic. MSMEs in the country reported a median loss in business of 82% during the "national holidays" and customer footfall reduced by an average of 67%. However, Bangladesh, which weathered the pandemic better than most economies in the sub-region, will continue to grow strongly as exports pick up.

According to the World Bank latest report, Bangladesh's resolving longer term structural challenges could accelerate the post-COVID-19 recovery. Reform priorities include a diversification of exports beyond the RMG sector, deepening the financial sector, improving urbanization, and strengthening public governance. Addressing infrastructure gaps would accelerate growth and reduce spatial disparities in opportunities across regions and within cities. Human capital development remains a priority as well.

While Bangladesh's ranking on the Human Capital Index is higher than the South Asian average, it is below the levels observed in comparator countries.The Bank has further observed that addressing vulnerability to climate risks would support the resilience of economic development to future shocks. Pivoting towards green growth could support the sustainability of development outcomes for the next generation. With the right policies and timely action, Bangladesh can accelerate its recovery from the economic downturn and continue to progress towards upper-middle income status.

"We believe that the above observations made by the World Bank are very crucial for Bangladesh to ensure sustainable development, poverty reduction and ensuring health care for all" said ICC Bangladesh President Mahbubur Rahman.

The Council also considered and adopted the Audited Financial Statements of ICC Bangladesh for the year ended on 31 December 2020 and appointed the Auditor for the year 2021.

Among others, ICC Bangladesh Vice Presidents Rokia A. Rahman and A. K. Azad; Syed Manzur Elahi, Chairman, Apex Footwear Ltd.; FBCCI President Md. Jashim Uddin, DCCI President Rizwan Rahman, CCCI President Mahbubul Alam, FICCI President Rupali Chowdhury, BIA President Sheikh Kabir Hossain, BGMEA President Faruque Hassan, BTMA President Mohammad Ali Khokon, BKMEA First Vice President Mohammad Hatem, ICCB Executive Board Members : Abdul Hai Sarker, Aftab ul Islam, Kutubuddin Ahmed, Md. Fazlul Hoque, Mir Nasir Hossain & Simeen Rahman; Muhammad A (Rumee) Ali, Chairman, ICC Banking Commission and CEO, Bangladesh International Arbitration Centre (BIAC); ICCB Members : Mohammad Fazlul Azim, Managing Director, Azim Group; Md. Mahbub Ur Rahman, Chief Executive Officer (CEO), The Hongkong and Shanghai Banking Corporation (HSBC) Ltd.; Syed Waseque Md. Ali, Managing Director, First Security Islami Bank Ltd.; Syed Mahbubur Rahman,

Managing Director & CEO, Mutual Trust Bank Ltd.; Mohammad Shamsul Islam, Managing Director, National Housing Finance and Investments Limited; Tanvir Ahmed, Managing Director & CEO, Sheltech Ceramics Ltd.; Rubaiyat Jamil, Managing Director, ICE Technology; Md. Abdul Jabbar, Managing Director, DBL Group; Mohammed Monirul Moula, Managing Director & CEO, Islami Bank Bangladesh Ltd.; Dr. Rubana Huq, Managing Director, The Mohammadi Limited; Tahrin Aman, President, Nordic Chamber of Commerce and Industry (NCCI); Anis A. Khan, Advisor to the Board, Tyser Risk Management Bangladesh Limited (TRMBL); Mohd. Arshad Ali, Managing Director, The Merchants Limited; Asif Ibrahim, Vice Chairman, Newage Textiles Ltd.; R. Maksud Khan, Chairman, Bengal Fine Ceramics Limited; Syed Ali Jowher Rizvi, Managing Director, Summit Alliance Port Limited; K A M Majedur Rahman, Chief Executive Officer, A. K. Khan & Company Ltd.; Ataur Rahman, Secretary General, ICC Bangladesh and Shamim Ahmed, Deputy Managing Director, Mercantile Bank Ltd. attended the meeting.

ICC Workshop on International Standard Demand Guarantee Practice (ISDGP)

ICC Bangladesh organized a 2-day ICC Workshop on International Standard Demand Guarantee Practice (ISDGP) in Dhaka on 27-28 August, the first workshop organized by ICC Bangladesh virtually. ICC Bangladesh President Mahbubur Rahman inaugurated the Workshop on 27 August. The Inaugural session moderated by ICC Bangladesh Secretary General Ataur Rahman was also addressed by ICC Bangladesh Banking Commission Chairman and CEO of Bangladesh International Arbitration Centre (BIAC) and AB Bank Chairman Muhammad A. (Rumee) Ali, and Workshop resource person K. M. Lutfor Rahman, Senior Manager & Head of Import Settlement & OBU, Trade Operations of BRAC Bank. In the wake of the Covid-19 pandemic, policy changes are taking place across the world in recent times to facilitate international trade. Keeping this in mind, stakeholders, especially bankers, should gather knowledge in the latest global practices of cross-border trade and implement them in line with the local regulator's instructions, said ICC Bangladesh President Mahbubur Rahman while delivering his inaugural address on 27 August.

According to the ICC Global Trade Finance Survey 2020 - global trade flows have trebled from USD 6.2 trillion to USD 18.1 trillion by end of 2019 – growth now widely acknowledged as having been enabled by trade financing. Trade finance is the oxygen that keeps trade flows alive particularly for emerging markets like Bangladesh, observed ICC Bangladesh President.

He said that the government has announced an export earnings target of US$ 51 billion projecting a 12.37 per cent year-on-year growth for the FY 22. Of the target, US$ 43.50 billion will come from goods shipment and US$7.5 billion from services with a growth of 12.23 per cent and 13.15 per cent respectively. It is therefore, essential that our bankers acquire knowledge on latest rules/tools practiced globally so that they better serve their clients, he said.



It may be mentioned that the 215 international standard practices in the International Standard Demand Guarantee Practice (ISDGP), published by ICC on March 2021, have been collected through a decade of the application of the URDG. They record best practice in demand guarantees throughout the lifecycle of the guarantee: the drafting and issue of guarantees and counter-guarantees, presentations, examinations and payments, rejections and expiry, transfers and assignments, and more.

Demand guarantees, which are payment and risk mitigation instruments have been playing a vital role in facilitating international trade finance through mitigating risk and providing protection to businesses. According to Global Trade Finance Survey 2020, nearly 25% of global trade was financed through guarantees and standby letters of credit. In the wake of uncertainty created by the covid-19 pandemic, guarantees have become more relevant than before as these instruments are being designed for the purpose of providing beneficiaries comfort in such difficult circumstances.

BIAC CEO Muhammad A. (Rumee) Ali, in his address said that the pandemic creates volatility and volatility means risk that demands

mitigation. "People always try to mitigate risk, whether you are an importer or exporter or any other part of the supply chain," he said.

There are some existing tools to reduce the risk and new ones are emerging, Mr Ali added and mentioned that natural calamities like drought, prairie fire and floods also disrupt the global supply chain, he continues. Globally renowned organisations like the ICC comes forward with some tools and strategies to help facilitate international trade, said Mr Ali. He called on the participants to understand risk mitigation tools and help clients.

ICC Bangladesh Secretary General Ataur Rahman in his welcome remarks briefed the participants about upcoming events of ICC Bangladesh and various on-line courses that are being offered by London Institute of Banking and Finance (LIBF).

He thanked the sponsoring banks for nominating their officials for attending the workshop. He also thanked K. M. Lutfor Rahman for agreeing to conduct the workshop. A total of 67 participants from 21 banks and BIBM attended the 2-day workshop.

Participation at ICC Asia-Pacific Regional Meeting

ICC Asia Pacific Regional Consultative Group (ICC RCG) Meeting was held virtually on 27 August. The Meeting was presided over by the new ICC RCG Co-ordinator Mrs. Shinta W. Kamdani, CEO, Sintesa Group; Member of ICC Executive Board and Vice Chairwoman, the Indonesian Chamber of Commerce and Industry (KADIN Indonesia). In her opening remarks, Mrs. Shinta briefly described about the present economic scenario of the Asia pacific Region and how the National Committees of ICC can work together to resolve different problems faced by the businesses. She also offered her support on the Entrepreneurship Development programme launched by ICC in Indonesia. The Meeting was attended by ICC Secretary General John Denton, senior officials of ICC Hq. and representatives of 13 NCs of the Region including ICC Bangladesh Secretary General Ataur Rahman.

The Meeting deliberated, among other items on the RCG objectives/ work for coming years, NC Development Fund, update on evacuation of ICC Afghanistan colleagues from Kabul, launch of Centre of Entrepreneurship in Jakarta, new working relationship with CACCI and update on the World Chambers Congress scheduled to be held on 23-25 November, 2021 in Dubai.

The London Institute of Banking & Finance

LIBF Professional Qualifications Examination now Online

The London Institute of Banking and Finance (LIBF) has been professional development courses worldwide including Bangladesh. Beginning July 2021 all the LIBF Examinations will be held on-line. Candidates will have the option of appearing at the examination within 12 months after registration. A multiple-choice exam assessment is available at any Pearson Vue test centres in Bangladesh as well as globally.

LIBF is currently offering the following professional courses:

- **Certificate for Documentary Credit Specialists (CDCS)** - is recognised worldwide as a benchmark of competence in documentary credits.
- **Certificate in International Trade and Finance (CITF)** - provides a thorough overview of all the solutions, key procedures and practices used in international trade finance.
- **Certificate for Specialists in Demand Guarantees (CSDG)** -deepens the understanding of the industry rules and the challenges around demand guarantees and standby letters of credit.
- **Certificate in Trade Finance Compliance (CTFC)** - increases the technical knowledge necessary to prevent major issues such as terrorist financing, money laundering, fraud and corruption.
- **Certificate in Supply Chain Finance (CSCF)** - enhances the understanding of the physical supply chain and all the open account finance solutions available to clients.
- **Certificate in Principles of Payments (CertPAY)** -enables professionals working in the global payments industry to attain an internationally recognised qualification.

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ICC HQs News

Global action plan to enable a post-pandemic recovery "urgently needed", warns ICC

ICC has issued a warning that the world's richest economies risk imposing major costs to the global economy absent of a step-change in their approach to managing the Covid-19 pandemic. In a statement G20 Finance Ministers, ICC Secretary General John W.H. Denton AO said:

"The finance ministers of the world's richest economies are taking a huge gamble with their domestic economic fortunes if they fail to take concerted action to vaccinate the world. As demand rebounds in many western economies, we're already seeing damaging supply shortages in many important sectors – stunting growth and fueling a worrying spike in domestic inflation.

"The only way for any government to guarantee a durable economic recovery from the Covid-19 crisis is to invest in a major collaborative effort to vaccinate the world. The business case for the investment needed to do this is crystal clear."

While G7 leaders last month committed to provide one trillion doses of proven vaccines to emerging economies over the next two years, ICC – the institutional representative of more than 45 million businesses – has cautioned that these commitments still fall short of the major collaborative effort needed to lift the grip of the virus on the global economy.

Mr Denton said:

"A coordinated global action plan is urgently needed to get the virus under control. To mitigate the clear downside risks to the global economy of a prolonged pandemic, G20 finance ministers must deliver something far more credible than the gestures on offer from G7 leaders.

"A good place to start first week would be a cast iron commitment to provide up-front financing to support a further scaling of vaccine production capacity and accelerate roll-out across the developing world. The IMF has estimated that US$50 billion is required to do this – a minor investment compared to the potential returns from expeditiously defeating the pandemic."

The global business institution also called for the G20 to set out a comprehensive action plan to enable emerging markets to recover from the effects of the pandemic – encompassing both short-term liquidity support and longer-term debt relief.

Mr Denton concluded:

"The fiscal position of many emerging market governments remains a first-order concern for global business. It's vital that the G20 provides its full backing to get a new issuance of Special Drawing Rights completed in August. We remain firmly of the view that this must incorporate a transparent mechanism to enable advanced economies to reallocate their allowances to countries in need: the liquidity on offer to developing nations otherwise risks being nothing more than a drop in the ocean compared to their genuine fiscal needs.

"The issue of sovereign debt may have faded from the headlines in recent months but it would be a mistake for the G20 not to double down on its earlier efforts to avert the risk of a – potentially contagious – emerging market bond crisis. We are deeply concerned about the potential effect of a possible tightening of US monetary policy on the fiscal position of emerging market sovereigns with dollar denominated debt – including a range of middle-income countries that don't currently qualify for the G20's debt relief programmes.

"Preemptive action on debt is needed from the world's largest economies to set the foundations for a durable recovery from the pandemic in the years ahead."

Trade defaults rise due to COVID-19 but overall performance not significantly out of line with longer-term range

ICC – along with partners Boston Consulting Group and Global Credit Data – has published interim findings from its Trade Register on the performance of short-term trade and supply chain finance assets from 2019 and 2020.

Preliminary analysis of the data for these assets has identified an increase in defaults across most trade finance products in 2020, which is likely at least in part attributable to the effects of the COVID-19 pandemic on economic activity – and related shifts in demand and supply.

However, whilst 2020 default rates are higher than recent years, they are not significantly out of line with the average default rates reported by the Trade Register over the 14-year period for which data has been collected.

The factors behind the performance of trade assets in 2020 will be explored in detail by this year's ICC Trade Register report, including an analysis of the likely "cushioning" impact of government economic support – such as, emergency state-backed lending.

At product level, a number of initial trends have been identified:

Import L/Cs: an observed increase in 2020 default rates appears skewed towards small and medium enterprises ("SMEs"). Obligor-weighted default rates overall rose by 40-50% versus the prior year – compared to more modest rises for transaction- and exposure-weighted default rates.

Export L/Cs: an increase in default rates is observed against prior years across all methodologies, likely influenced by one-off idiosyncratic defaults. Nevertheless, overall default rates for Export L/Cs continue to remain very low relative to other trade finance products.

Loans for Import / Export: it appears that increases in default rates were driven primarily by two or three large corporate exposures with a number of transactions across a cross-section of banks reporting data to the ICC Trade Register.



Performance Guarantees: default rates appear relatively flat, potentially influenced in part by contracting parties extending tenors due to the unprecedented nature of the crisis.

Supply Chain Finance: it appears that default rates have risen, driven primarily by an increase in smaller entity defaults across several regions, and potentially also the result of improved data coverage of Supply Chain Finance (SCF) exposures in the ICC Trade Register over time.

Meanwhile, 2019 presented a more mixed picture, with the moderate increases across the portfolio vs. prior years likely driven by SME defaults – potentially indicating an emerging downturn in the economic cycle prior to the pandemic.

ICC has noted that these headline findings are based on an initial analysis of a partial data set – and, as such, should be treated with a degree of caution.

ICC, BCG, and GCD teams are in the process of finalising and validating data submissions from member banks, with a view to publishing the final ICC Trade Register report in early September 2021.

Weak G7 commitments on vaccines pose major downside risk to world economy

The International Chamber of Commerce (ICC) has issued a warning that G7 leaders risk imposing major costs to the global economy absent of a step-change in their approach to managing the Covid-19 pandemic.



Reports ahead of the Carbis Bay summit have indicated that the UK and the United States will pledge in the region of 600 million doses of proven vaccines to emerging economies over the next two years. But ICC – the institutional representative of more than 45 million businesses – has cautioned that these commitments still fall short of the major collaborative effort needed to lift the grip of the virus on the global economy.

ICC Secretary General John W.H. Denton AO said: "The signals from the UK and US ahead of the summit are most certainly welcome but, when viewed from a global perspective, little more than baby steps towards getting the spread of the virus under control.

"Simply put, the figures being quoted are a drop in the ocean set against anticipated global production of 12 billion doses of proven vaccines this year alone. We see a clear risk that the world's richest nations will continue to hoard vaccines for booster shots at home – in doing so, leaving their own citizens exposed to the boomerang effect of COVID-19 variants and the costs of continued disruption across global supply chains."

ICC has made a last ditch appeal to G7 leaders to commit to a clear and holistic road map to progressively bring the pandemic under control

and get vaccines to everyone, everywhere.

Mr Denton added: "If the G7 wants to show real solidarity with the developing world there's an obvious place to start: a cast iron commitment this weekend to share all available excess supplies of vaccines and dismantle the trade barriers that continue to impact the supply of the tools needed to end the pandemic – including tests and treatments.

"This should be coupled with a clear commitment to provide up-front financing to support a further scaling of vaccine production capacity and accelerate roll-out across the developing world. The IMF has estimated that US$50 billion is required to do this – a minor investment compared to the potential returns from expeditiously defeating the pandemic."

The global business institution again cautioned on the downside risks to advanced economies of a prolonged pandemic – following on from the ICC study published in January that warned of possible losses of some US$4.5 trillion to the world's richest nations.

Mr Denton concluded: "G7 leaders are taking a huge gamble with their domestic economic fortunes if they fail to take concerted action to vaccinate the world. As demand rebounds in many western economies, we're already seeing damaging supply shortages in many important sectors – fueling domestic inflationary pressures. The only way for G7 governments to guarantee a durable economic recovery from the Covid-19 crisis is to invest in a major collaborative effort to vaccinate the world. The business cases for this is crystal clear."

ICC welcomes G20's endorsement of global tax framework

ICC has welcomed the decision taken by G20 Finance Minister's to endorse the preliminary agreement by the OECD Inclusive Framework to modernize the global taxation system — but cautions that coordinated implementation of the agreement will be vital to avoid placing unnecessary burdens on cross-border trade and investment.

ICC Secretary General John W.H. Denton AO said: "The fundamental architecture and parameters of the agreement reached through the OECD set a solid foundation to modernize the global taxation system. The G20's backing for the framework today is an important step towards maintaining the integrity of the international tax system — and avoiding a proliferation of unilateral tax measures that undermine consistency internationally, create risks of double taxation and could



rapidly place a significant drag on any post-pandemic recovery.

"What we now need to see from the G20 — is a clear political commitment to implement the OECD framework in a coordinated and consistent manner. Further clarity on co-ordination between application of the new rules and removal of digital services taxes would be a good place to start in this regard.

"Cooperation on the application of the new rules — especially on the reallocation of profits — will be vital to avoid unnecessary disputes and frictions to cross-border trade and investment. Allied with this, there remains a clear need to have a strong process for arbitration and dispute resolution built into the final framework to mitigate the risk of a damaging proliferation of double taxation disputes."

ICC responds to G7 deal on taxation

ICC Secretary General John W.H. Denton AO has issued a statement in reaction to a G7 deal on taxation. ICC Secretary General John W.H. Denton AO said:



"Effective international tax reform is a matter of considerable importance to global business. This must serve the dual need of restoring public finances and reinvigorating local economies in the wake of COVID-19. International coherence will play a pivotal role in meeting these imperatives.

"Today's commitment from the G7 is a very welcome step forward in this regard — but we ultimately need to see a final deal that is workable once applied to the real economy. And, what's more, common rules that will command support way beyond the G7 and G20. Emerging economies should have a full stake in determining the tax rules that will apply to them under any future global framework.

"Moreover, as we've emphasised before, it is imperative that a strong process for arbitration and dispute resolution is built into any final framework to mitigate the risks of

a damaging proliferation of double taxation disputes." "ICC looks forward to working with the OECD and all governments to support the conclusion of a meaningful global pact on tax reform in the coming weeks."

ICC, WTO, and ITC launch Digital Champions for Small Business competition

ICC joined the World Trade Organization (WTO) and International Trade Centre (ITC) on 25 June to launch the Digital Champions for Small Business initative.

The "Digital Champions for Small Business " initiative was launched on 25 June at a joint event hosted by the WTO Informal Working Group on Micro, Small and Medium-sized Enterprises (MSMEs), the International Trade Centre (ITC) and the International Chamber of Commerce (ICC). The aim of the initiative is to help small businesses go digital and increase their participation in international trade. Proposals on how to help MSMEs address the difficulties they face with digital trade should be submitted by 15 September 2021.



The initiative was announced at a virtual event attended by WTO Director-General Ngozi Okonjo-Iweala, ICC Secretary General John Denton, ITC Secretary General Pamela Coke-Hamilton and Ambassador Jose-Luis Cancela, Coordinator of the Informal Working Group on MSMEs.

Proposals are invited from industry associations, chambers of commerce and non-governmental organisations that are experienced in MSME and digitalization issues. The winning proposals will be announced at the WTO's 12th Ministerial Conference to be held in Geneva from 30 November to 3 December 2021.

Incoterms® 2020 app gets makeover to enable traders worldwide

The International Chamber of Commerce (ICC) – the guardians and creators of the Incoterms® rules – has revamped its Incoterms® 2020 mobile app, making it more convenient and useful than ever.

The Incoterms® rules, the international language of traders worldwide, are the gold standard when it comes to B2B trade in goods across borders and domestically. They are essential for creating B2B sale contracts and ensuring a smooth flow of goods while minimising risks involved in the transport and delivery process from sellers to buyers.

Since first launching in 2019, the Incoterms® 2020 app has been a vital tool for importers and exporters looking to keep up to date with the international trade terms, anytime, anywhere. But after 70,000 downloads and feedback from users around the world, the mobile tool has undergone a transformation to offer more information at the tap of a finger.



The go-to resource for anyone involved in B2B trade of goods has an all-new streamlined interface that makes it easier to understand which of the 11 Incoterms® rules to use and when.

"ICC's top priority was to create a resource that made the Incoterms® rules easy to access and, more importantly, understandable for everyone. The new ICC Incoterms® 2020 app has a widened scope compared with its previous version. The update carries a number of intuitive features that users have requested, making it even easier for them to interpret each of the 11 trade terms when conducting business, no matter where they are in the world."

To help ICC make business work for everyone, every day, everywhere, our app is available worldwide and completely free of charge. The app can be downloaded on any mobile device via the Apple App Store for iOS users or Google Play for Android users.

ICC elects two new members to Executive Board

ICC has announced the election of two new members to its 28-member Executive Board. Hailing from Brazil and South Africa, the leaders were formally elected during the annual meeting of ICC's World Council on 11 June and will further strengthen ICC's strategic leadership.

The new members are Marienne Coutinho, Lead Partner of Tax Transformation and Member of KPMG Innovation & Enterprise

Solutions Committee in Brazil and Ralph Mupita, President and CEO of MTN Group (South Africa). They will each serve a three-year term effective 1 July 2021.

The newly elected leaders replace outgoing Board members Daniel Feffer, Robert Gutsche and Frank Ning, each of whom had completed two successive terms on the 28-member Executive Board. In line with commitments, the latest additions also bring further diversity to ICC's senior-most governing body and ensure the world business organisation remains on track to attain a minimum of 40% women representation on the board.

The elections also confirmed second mandates for current board members Giampiero Massolo, President, Fincantieri (Italy), Xu Niansha, Chair, China Poly Group Corporation (China) and Zabihullah Ziarmal, CEO, Cefe Group International (Afghanistan).

Marienne Coutinho

With more than 26 years' experience at KPMG, Ms Coutinho is a member of the Innovation and Enterprise Solutions committee of KPMG in Brazil as well as a member of the Global Advisory Board of KPMG IMPACT, focused on issues affecting people and planet. Ms Coutinho is also a Co-Chair of the Brazil Chapter



of Women Corporate Directors (WCD), a global foundation promoting diversity on Boards, and a Co-Founder of Conselheira 101, a Brazilian programme that fosters racial diversity on Boards.

Ralph Mupita

Mr Mupita has extensive experience leading large organisations in Africa and emerging markets. He currently serves as MTN Group President and CEO (appointed September 2020), after having served as Chief Finance Officer from April 2017. Prior to joining MTN, Ralph was the Chief Executive Officer of Old Mutual Emerging Markets, providing financial services in Africa, Latin America and Asia. Ralph serves on the boards of several companies, is as a Commissioner of the United Nations Broadband Commission for Sustainable Development, a member of the GSMA Board and a Champion of the World Economic Forum EDISON Alliance. He is passionate about the role that technology can play in bridging Africa's digital and financial divide.

Speaking at a recent meeting of the ICC Executive Board, which recommended the appointment of Ms Coutinho and Mr Mupita to the ICC World Council, ICC Chair Ajay Banga said:

"I have no doubt that these new members and leaders in their fields will make outstanding additions to the current board, contributing valuable expertise in finance, taxation, innovation, and enhancing ICC's important work on digital trade and economy matters. ICC thanks outgoing Executive Board



members Robert Gutsche, Frank Ning and Daniel Feffer for their many contributions to the organisation during their respective mandates, which concluded on 9 June."

Boosting export finance for climate action

ICC white paper identifies roadmap to boost the sustainability profile of US$700 billion export finance market. ICC on 22 September has released a white paper on the state of sustainability in the export finance industry at a major event during United Nations General Assembly week. Published with the support of the Rockefeller Foundation and following extensive consultation with the global export finance community, the white paper is the first authoritative review of the state of sustainability across the export finance industry. Developed with the support of the Rockefeller Foundation and 16 leading banks, the white paper explores how the US$700 billion export finance industry can significantly increase its contribution to the achievement of the United Nations Sustainable Development Goals (SDGs) and the Paris climate accord.

Export finance is used to enable the purchase of capital goods through loan agreements granted to importers and secured by sovereign guarantors – most commonly, an Export Credit Agency (ECA) in the exporter's home country. Despite its strategic importance in facilitating the types of capital expenditure called for by the SDGs, the asset class has previously received relatively little attention as a potential driver of sustainable development. The report was authored by Acre Impact Capital, an impact-focused investment manager and International Financial Consulting a consulting firm focused on financing the global development agenda.

Bangladesh Economy

Prime Minister Sheikh Hasina, M.P. honoured with 'SDG Progress Award'

Prime Minister Sheikh Hasina has received the 'SDG Progress Award' in recognition of Bangladesh's achievements in sustainable development from 2015 to 2020. The award was given to the prime minister as part of the 9th Annual International Conference on Sustainable Development in New York on 20 September.



The virtual event was jointly organised by the UN Sustainable Development Solutions Network (SDSN) and other organisations including the Master of Development Practice (MDP) and the Earth Institute of Columbia University.

"SDSN and several other organisations have presented Prime Minister Sheikh Hasina with the award in recognition of Bangladesh's surprising achievements from 2015 to 2020. She dedicated the award to the people of Bangladesh," Foreign Minister AK Abdul Momen said in a media briefing in New York afterwards.

Bangladesh features among the top three countries that have progressed most on the SDG Index score since 2015, when the UN member states agreed the 17 Sustainable Development Goals. "The award is a recognition of our endeavours engaged in achieving SDGs. 'Leaving no one behind' is the key part of the SDGs. We will continue our efforts to march towards progress and prosperity so that no one is left behind," Momen said.

SDSN President Prof Jeffrey D Sachs has lauded Hasina's leadership for maintaining the country's progress in achieving the sustainable development goals amid the COVID-19 pandemic. The prime minister was introduced as the 'jewel in the crown of the day' at the event.

Prime Minister Sheikh Hasina, M.P. inaugurated five new power plants

Five power plants with a total production capacity of 779 MW are set to be added to the national power grid. Prime Minister Sheikh Hasina inaugurated the power plants via video conference from her official residence on 12 September morning.

The five power plants are: Bibiyana-III 400 MW Combined Cycle Power Plant in Habiganj, the Chattogram 100 MW Power Plant Unit-2, the Meghnaghat 104 MW Power Plant in Narayanganj, the Modhumoti 100 MW Power Plant in Bagerhat and the 225MW Combined Cycle Power Plant in Sylhet, which was upgraded from a 150 MW plant.

"I am announcing the auspicious inauguration of these power plants, which will add a total of 779 MW of electricity to the national power grid," said Hasina. State Minister for Power, Energy and Mineral Resources Nasrul Hamid recently said in parliament that Bangladesh had once set a target of raising the country's power production capacity to 24,000 MW by 2021. The target was accomplished as the country's electricity generation capacity has now reached 25,235 MW, including captive power.

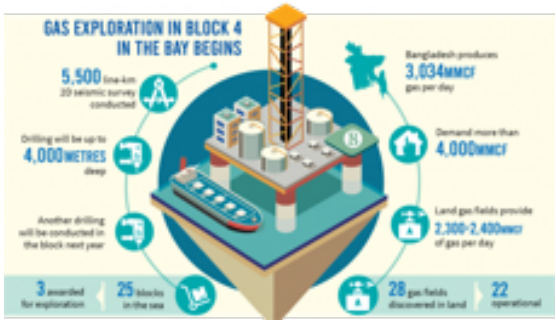


The government has constructed 119 power plants with a total electricity production capacity of 20,293 MW since 2009. As many as 99.5 percent people of the country have been brought under 100 percent electricity coverage so far, Nasrul added.

Along with officials from the Ministry of Power, Energy and Mineral Resources, senior officials were also present at the video conference.

Bangladesh begins drilling for gas in Bay

Bangladesh has started gas exploration drilling in its maritime areas on 29 September. Under Production Sharing Contracts (PSCs), Indian state-owned ONGC Videsh Ltd, jointly with Oil India Ltd and Bangladesh Petroleum Exploration and Production Company Limited (Bapex), will drill at the SS-4 or Shallow Sea-4 block located offshore in the Bay of Bengal.



The drilling could bring some relief for the country, which has suffered from severe gas shortages due to low production at existing onshore gas fields.

Confirming the development, Md Anisur Rahman, senior secretary of the energy division in the Ministry of Energy, Power and Mineral Resources told that discovering gas would increase domestic production, leading to less dependence on expensive Liquefied Natural Gas (LNG). He said, "The drilling was delayed by a year due to the worldwide pandemic. Now, the IOCs [international oil companies] will be able to look for oil and gas in the shallow sea."

Some officials of the Bangladesh Oil, Gas & Mineral Corporation (Petrobangla) said ONGC will drill 4,000 metres underneath the block. The company will conduct another drilling on this block in the middle of next year, sources said.

Under the Bangladesh Offshore Bidding Round, 2012, two PSCs were signed with ONGC Videsh Ltd (OVL) and Oil India Ltd (OIL) for drilling at blocks SS-4 and SS-9. The Bangladesh government has nominated Bapex as a stakeholder, carrying 10% interest for these blocks. As per the PSC contract obligation, contractors will survey and drill the block at their own cost, and they will meet 55% of their expenses each year from gas sales.

Petrobangla will own a minimum of 60% and a maximum of 85% of the recoverable gas, and a minimum of 70% and maximum 90% of the recoverable oil from the block. Since the signing of the contract, the ONGC consortium has conducted a 5,500-line-km two-dimension or 2D seismic survey in the block.

It found 25 shallow and deep-sea blocks in Bangladesh's sea boundary. Out of that, only three blocks have been awarded for gas and oil exploration. This is not the first time an international company has been awarded the right to explore gas and oil.

Under the "Quick Enhancement of Electricity and Energy Supply (Special Provisions) Act, 2010", a PSC was signed for deep-sea block DS-12 with South Korean oil and gas company POSCO DAEWOO Corporation in March 2017. The company, however, left Bangladesh without completing the work due to a dispute over gas prices. Meanwhile, on land, the country discovered has 28 gas fields, 22 of which are in operation and supply two-thirds of the country's total gas consumption.

At present, the country consumes 3,034mmcf gas per day, while the demand is more than 4,000mmcf. Apart from 600mmcf LNG, the rest of the gas comes from local fields.

Bangladesh joins New Development Bank as its member

The New Development Bank (NDB), established by BRICS (Brazil, Russia, India, China and South Africa) in 2015, has approved Bangladesh as a new member. The NDB Board of Governors took this decision in a meeting held on 20 August 2020, says a press release. Finance Minister A H M Mustafa Kamal said, "Membership of Bangladesh to NDB has paved way for a new partnership at a momentous time of 50th anniversary of our independence." He said the membership in the NDB is an important step forward in meeting the country's development vision. Recalling the Vision 2041 and the goal to achieve the SDGs, the minister expressed deep commitment to elevate the status of Bangladesh to the level of developed countries within the next 20 years by improving the economic and social standards.

He highlighted that the Bangladesh economy, which has been moving ahead with tremendous pace for the last one decade, will need substantial amount of external financing required to sustain the development initiatives. "Membership of NDB will give us a significant channel for that", he said.



NDB's Board of Governors authorised the Bank to conduct formal negotiations with prospective members in late 2020. After a round

of successful negotiations, the NDB is increasing its global outreach with the announcement of Bangladesh, UAE and Uruguay as the first countries admitted into the Bank.

"We are delighted to welcome Bangladesh, one of the world's fastest growing economies, into the NDB. Bangladesh joining us in the year it celebrates the 50th Anniversary of its Independence is an important milestone," said Marcos Troyjo, President of NDB. Bangladesh will have in NDB a new platform to foster cooperation in infrastructure and sustainable development with BRICS and upcoming new members.

Since its establishment six years ago, NDB has approved about 80 projects in all of its member countries, totalling a portfolio of US$ 30 billion. Projects in areas such as transport, water and sanitation, clean energy, digital infrastructure, social infrastructure and urban development are within the scope of the Bank.

Accession into NDB has opened a fresh window for Bangladesh to become member of a premier development institution for emerging market economies towards achieving the goal focusing the development agenda of the country, the finance ministry release added.

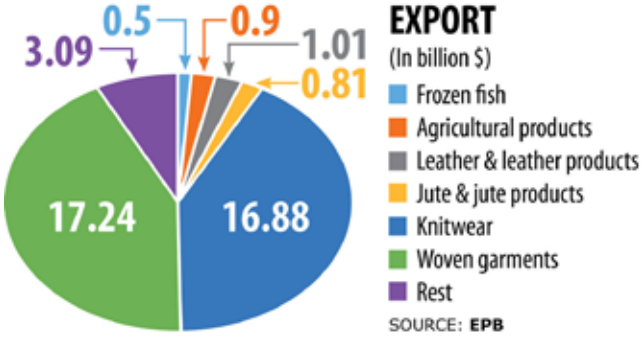
Export target set at $51b for FY '22

The government has set the export earnings target at US$51 billion for the current fiscal year of 2021-22 (FY 22), projecting a 12.37 per cent growth year-on-year. Of the target, $43.50 billion will come from goods shipment and $7.5 billion from services. The government has also set a 13.15 per cent earnings growth for the services sector.

Commerce Minister Tipu Munshi made the announcement at a virtual press briefing on 6 July. The country fetched a total of US$ 45.39 billion from export earnings - goods and services - in the just concluded fiscal year, the minister said. Out of the total export earnings, goods shipment fetched $38.75 billion in the just concluded fiscal of FY 21 which was 15.10 per cent higher than the previous fiscal's earnings of $33.67 billion. The rest $6.62 billion was earned from the services sector in the last fiscal.

This time, the target has been set taking a number of global and local issues into consideration that included performance of the last couple of fiscal years, the Covid-19 situation and its impact on global supply chain, and the packages announced to overcome the pandemic impact, the commerce minister added.

The commerce ministry has projected that the RMG sector will be able to earn $35.14 billion in FY 22 - the amount will be 11.72 per cent higher than $31.45 billion earnings in FY21. Earnings from knitwear items have been set at $19.51 billion with a growth of 15.06 per cent, while the woven sector has been projected to grow by 7.81 per cent with earnings of $15.62 billion in FY 22. Leather and leather goods export is projected to grow by 9.49 per cent and earn $1.03 billion.



About $1.43 billion export earnings target has been set for the country's jute and jute goods sector, with 23.12 per cent growth. Agricultural products are set to grow by 7.38 per cent to $1.10 billion in FY 22, compared to FY21. Frozen and live fish, home textile, and engineering products are expected to grow by 4.74 per cent, 21.02 per cent and 21.74 per cent respectively, compared to their respective performance in FY 21.

Leaders from the export-oriented sectors, including RMG and leather, expressed hope that the target would be achievable if the existing policy support from the government continues. Speaking on the occasion, Mohammed Hatem, senior vice president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) said the knit sector's earnings last fiscal were higher than the target set for the year.

Expressing hope that the sector will be able to earn more in the current fiscal year, the BKMEA leader said: "Many orders are coming though we are not able to take all the orders due to offered prices." Similarly, Siddiqur Rahman, former president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), termed the target achievable.

However, the former BGMEA leader urged the government to address the customs related issues. Harassment by the customs authorities causes unwanted delays at releasing goods at the ports, he said. Speaking at the virtual event, Leather and Footwear Manufacturers and Exporters Association President Saiful Islamput stress on product diversification in order to achieve the $51 billion export target in the current fiscal year.

The contribution of diversified products has increased to 19 per cent in the just concluded fiscal, he added.

Exports on way to rebound backed by RMG recovery

Exports in Bangladesh made a strong comeback in the 2020-21 fiscal year with a 15.1% year-on-year growth, hitting $38.75 billion. According to the latest Export Promotion Bureau (EPB) data published on 5 July, the growth of exports soared due to RMG export recovery which earned $31.45 billion in FY21, a 12.55% growth.

Selim Raihan, executive director of South Asian Network on Economic Modeling (SANEM) said that in the last quarter of the 2019-20 financial year, exports declined at a significant rate due to the outbreak of the Covid-19 pandemic. "The growth of exports is encouraging from the shaky situation of FY20. Although export earnings are yet to return to normal, the growth that has taken place shows that our export sector is turning around," he also said.

Selim said that the RMG and other export-oriented industries that were outside of the lockdown have contributed a lot to this growth. "However, the fear has not yet subsided. If we can overcome the effects of the second wave, hopefully, we will be able to move towards normalcy," he added.

Despite the double-digit growth in RMG exports, however, the figure was still 6.89% below the annual target of $33.78 billion. According to the EPB data, knitwear items drew $16.96 billion, recording a strong 21.94% year-on-year growth. Woven products also posted a 3.24% positive growth, which was in the negative territory over the last one and a half years, reaching $14.49 billion at the end of the last fiscal year.



The demand for both knitwear and home textile items soared globally as people stayed at homes for a long time due to lockdown and the pandemic, exporters said. SM Mannan Kochi, senior vice-president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said that the exports were severely disrupted last year due to the pandemic. Compared to that, export has increased but it has yet to return to normalcy or the pre-pandemic levels, he added.

Exports in FY21 were less than the pre-pandemic fiscal year of 2018-19, which was $40.53 billion. "Buyers' stores were closed due to the pandemic, many of them canceled orders or shipments were delayed. As the situation normalized, our entrepreneurs worked together to retain the buyers," he added.

He also said that keeping the factories open in accordance with health directives and the government's incentives also helped the sector in turning around. "If all our demands from the government are fulfilled, we will be able to continue this growing trend of export and will soon be able to return to normalcy," he added.

He also said that the RMG entrepreneurs are always trying to keep the wheel of the country's economy moving by taking the RMG sector — dubbed the lifeline of the economy of Bangladesh — forward. Besides RMG, jute and jute goods, home textiles, and agricultural products are three other sectors to have crossed the $1 billion mark, the EPB data said.

Jute and jute goods earned $1.16 billion in FY21, fetching a 31.63% growth, up from $882.35 million in FY20. Home textile also showed a very positive export growth by reaching the $1 billion mark for the first time. In the last fiscal year, earnings from home textile grew by 49.17% to reach $1.13 billion, according to EPB data.

Agricultural products earned $1.02 billion fetching 19.27% growth in FY21. The earnings from this sector were $862.06 million in FY20. Moreover, leather and leather goods — another top export item of Bangladesh — posted an 18.06% growth earning $941.67 million in FY21, which was $797.6 million in FY20. The figure of total export earnings marked $33.67 billion in FY20.

Forex reserves hit record high of $48 bn

The country's foreign exchange reserves witnessed a new record crossing the $48 billion mark following the $1.45 billion financial assistance from the International Monetary Fund (IMF). In addition to remittances sent by expatriates, the IMF mainly contributed to the surge in forex reserves.



Foreign exchange reserves in Bangladesh have reached new heights due to the positive trend of remittances sent by expatriates and the addition of loan assistance from the IMF, according to Bangladesh Bank. By international standards, a country has to have reserves equal to three months of import expenditure. With the amount of reserves that Bangladesh has now, it is possible to pay the import cost for more than 8 months at the rate of $6 billion per month.

The reserve crossed the $46 billion-mark on 28 June while $45.01 billion-mark on 3 May and crossed the $44 billion mark on 24 February this year and touched the $40 billion-mark on October 28 last year.

Remittance inflow witnesses over 36pc growth in FY'21

The inflow of remittance grew by over 36 per cent to a record $24.78 billion in the just-concluded fiscal year (FY) despite the ongoing Covid-19 pandemic. The figure jumped from $18.20 billion in FY 2019-20, according to Bangladesh Bank. The money sent home by Bangladeshis working abroad amounted to $1.94 billion in June 2021, down by $230.21 million from the previous month's level. In May last, the remittances stood at $2.17 billion. It was $1.83 billion in June 2020. It is expected that the upward trend of remittance would continue in the coming months as the government is providing a 2.0 per cent incentive for remittance receipts.



Consumption propelling growth in Bangladesh : HSBC

Bangladesh's economy has remained resilient and maintained a strong growth momentum despite disruptions created by the Covid-19 pandemic as consumption propelled growth in the country, according to HSBC. The global bank made the observation on 4 August at a webinar titled "Bangladesh Market Insights 2021: Consumption Propelling Growth."

Devendra Joshi, equity strategist of ASEAN and Frontier Markets of HSBC Global Research, said in his keynote presentation that the resilient growth witnessed by Bangladesh has been driven by investment and consumption. "The Bangladeshi stock market deserves more attention as it holds opportunities for investors looking for diversification and hidden gems," he said.

He added that as the global growth forecast has been raised this year, Bangladesh has to rebuild its inventories to meet the demand. Joshi further said that as oil prices are expected to rise, so will remittances. He also pointed out that the Bangladeshi taka has been quite stable against the US dollar. Comparing Bangladesh to Vietnam, Joshi noted that both countries are geared towards domestic consumption.

"Bangladesh is on a similar growth trajectory to Vietnam. In fact, its stock market is where this ASEAN nation was five years ago, and it is well placed to start closing the gap," Joshi explained. "We think the country is on the cusp of an industrial revolution as incomes rise and technology plays an ever-increasing role in the economy. Urbanization, smaller households, and more women at work are powerful consumption drivers that support high levels of growth," Joshi added. He also said that Bangladesh's economy is much larger than Vietnam and is growing at a much faster rate.



In his presentation, Joshi also pointed out that Bangladesh has a sound macro position and a robust external balance sheet with low external debt and high foreign exchange reserve coverage. Its foreign direct investments (FDI) remain low but are expected to improve as it moves up the value-added ladder fast.

While Bangladesh is one of the cheapest places to manufacture goods in Asia, it will need to diversify away from garments. In terms of ease of doing business, Bangladesh still lags behind Vietnam but is making efforts to improve, the HSBC strategist also said.

Speaking as the guest of honour at the webinar, Sandeep Uppal, global co-head of International Subsidiary Banking of HSBC Asia-Pacific, said that intra-Asia trade has significantly risen in recent years. But he noted that although the Asian region accounts for 60% of the global population, it accounts for only 40% of the global GDP.

Dr Ahmad Kaikaus, principal secretary to Prime Minister Sheikh Hasina, also spoke at the event as the chief guest. "The economy of Bangladesh is seeing continuous growth because of the entrepreneurial spirit of its people, strategic location, and support from the financial sector," Dr Kaikaus said. "We are energized to do better and showcase our success stories through increased public-private partnerships and reach Bangladesh's competitiveness globally," he added.

HSBC Bangladesh CEO Md Mahbub ur Rahman said that in its past 50 years, Bangladesh's trajectory of economic growth has been a testament of the people's insatiable desire and effort to do better. "Continued digitalization and upgrade of technology, consistent rise in per capita income leading to incremental consumptions, and demographic dividend have been opening up a world of opportunities for Bangladesh," he added.

"Historically, the private sector has always been resilient during challenging times and HSBC will continue to play its part through unparalleled international network and connectivity," Rahman further

said. Kevin Green, country head of Wholesale Banking at HSBC Bangladesh, also spoke at the event alongside key members of the business community, regulatory bodies and representatives from state-owned enterprises.

Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) and vice-chairman of Bengal Group of Industries, attended the webinar as the special guest.

BJMC gets 55 investment proposals

Bangladesh Jute Mills Corporation (BJMC) has received around 55 proposals from home and abroad till date seeking to invest in 25 state-run jute mills shuttered in July 2020 for modernisation, said BJMC Chairman Md Abdur Rouf on 25 August. The government has decided to lease out all 25 to the private sector to reopen them either through joint ventures, public private partnerships or government-to-government (G2G) agreements. Besides, an inter-ministerial committee finalised the terms and conditions to run the jute mills through private sector. The BJMC floated a tender in March and the last date for submitting expressions of interest is August 31, BJMC Chairman said. Earlier the BJMC chairman told The Daily Star that the government would not spend any money behind modernising the mills. At most, it could remove the old machinery if the investors wanted, he said.

The BJMC will remain as a monitoring body to oversee whether investors were complying with the terms and conditions. It will also lay off 90 per cent of its 2,900 staff and officials and maintain a small workforce only to monitor compliance issues.

Meanwhile, Golam Dastagir Gazi, minister for textile and jute, said Saudi Arabia was interested in investing in the production of jute products by resuming production at the closed mills. e said this after a meeting with Issa bin Youssef Al-Duhailan, Saudi ambassador to Bangladesh, at Bangladesh Secretariat on 24 August.

Gazi said to have hoped for Saudi Arabia to invest more in expanding its trade in textiles and jute. The minister assured that jute produced in Bangladesh was of high standard, using which high quality and attractive multi-purpose products were being produced now.

Gazi said jute products were completely environmentally friendly and Bangladesh was interested in exporting more jute products to Saudi Arabia.

Demand for jute has grown significantly in Saudi Arabia recently due to increasing awareness. Now Bangladeshi jute products are exported to different countries, including Saudi Arabia.

Source : The Daily Star

Bangladesh can save $4b annually through Reforms : ADB

Bangladesh can save around US$4 billion annually, if it can eliminate targeting errors and leakages in the social safety net programmes and cut administrative and transaction costs. By plugging in these loopholes the country can also save $19.32 billion over the next five years, according to the Asian Development Bank.

The lender said this while approving a $250 million loan in June as budget support and fixing timeframes to implement the reforms in the social safety net programmes in the next five fiscal years. Under this ADB financial assistance, the government is going to initiate massive policy reforms in its safety net system. It will set up an integrated registry for all beneficiaries by June 2023 to avert miss targeting and duplication. The development lender has already shared a report with the government, giving details about the policy reforms under its social resilience programme.

Meanwhile, economists have maintained that delivering the support to intended beneficiaries is the main challenge as there were previous examples of irregularities like inclusion of ineligible beneficiaries with political connections, leaving many genuine ones out. And because of this, about 65 per cent of the fund from the government's social safety net programmes went to non-poor owing to nepotism, corruption and political consideration in selecting beneficiaries during the pandemic last year. "Targeting errors are critically high in beneficiary selections," also added the ADB. A recent study by the Bangladesh Institute of Development Studies also showed that a large part of monetary transfers under the safety net programme ends up in "non-deserving" non-poor groups.

Finance Minister AHM Mustafa Kamal, in a letter to ADB President Masatsugu Asakawa on April 11, committed to implementing the policy reforms, giving details on the steps taken and the future measures to be implemented. A steering committee has already been set up to strengthen the cross-ministerial coordination for implementing the ADB-funded reform measures, ensuring digital payment for all social safety benefits by promoting the use of mobile financial services.

ADB Approved $1.78 Billion for SASEC Dhaka-Sylhet Corridor to Improve Transport and Regional Trade in Bangladesh

The Asian Development Bank (ADB) approved on 27 August 2021 a $1.78 billion multitranche financing facility (MFF) to improve regional trade along the Dhaka–Sylhet trade corridor in Bangladesh. The project, under the South Asia Sub-regional Economic Cooperation (SASEC) partnership, will support trade by helping connect Chattogram (Chittagong) Port with India's northeastern states through Akhaura, Sheola, and Tamabil land ports, and with Bhutan and Myanmar.

The Dhaka–Sylhet corridor is the main segment of SASEC Corridor 5 and is part of a planned Northeast Bangladesh Economic Corridor. It will help promote key industries such as energy generation and production of construction materials, according to Ms. Satomi Sakaguchi, ADB Transport Specialist for South Asia. She said improving the Dhaka–



Sylhet corridor will reduce logistics costs, increase competitiveness, and help expand regional trade with neighboring South Asian countries, as well as provide safe access to members of the community.

The first tranche of the loan will finance the widening from two to four lanes of about 210 kilometers (km) of National Highway along the Dhaka–Sylhet corridor. The project also includes a 60-km footpath, 26 footbridges, and 13 overpasses, and is designed to be responsive to the needs of the elderly, women, children, and the differently abled, as well as disaster and climate risks.

The SASEC Dhaka–Sylhet Corridor Road Investment Project is included in the SASEC Operational Plan 2016–2025 Update. It will link Bangladesh's road transport network with the Asian highway network, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation corridor, and the South Asian Association for Regional Cooperation corridor.

ADB embarks on $12b lending scheme

The Asian Development Bank has launched a new country partnership strategy (CPS) for Bangladesh with a plan to accelerate lending in order to boost competitiveness, employment, green growth and social protection.

The CPS, which will continue for five years until 2025, will help Bangladesh realise its aspiration of becoming an upper-middle-income country by 2031 through increased public and private investments, said ADB in a statement on 21 September.

It will also support rapid socioeconomic recovery from the Covid-19 pandemic." The CPS is the lender's primary platform for designing operations to deliver development results at the country level. During the five-year period, the ADB will increase its lending operations to $10 billion–$12 billion, from $9.6 billion in the past five years.

"Sustained growth and appropriate policy measures have helped Bangladesh achieve good development outcomes. Moving forward, the country's industry and export base need diversification," said ADB Director General for South Asia Kenichi Yokoyama.

"Diversification in manufacturing and export items, such as agricultural products, information and communication technology, light engineering, and pharmaceuticals, together with increased competitiveness and access to new markets, will be critical in recovering from the Covid-19 pandemic, sustaining rapid economic growth, and generating substantial employment."

The lender will further expand its private sector operations and continue to leverage a high level of co-financing with other development partners. Improving the banking sector, the ease of doing business, business environment, and investment climate will help accelerate private sector development and promote economic diversification, the statement said.

The CPS also envisages enhancing ADB operations to support climate change adaptation and mitigation and disaster risk management to address the country's high vulnerability to climate events and other natural disasters, in line with the Paris Agreement.

A holistic approach to integrating climate change will be applied to all operations while expanding programmes to directly address climate change impacts through integrated management of water, river, and coastal areas, said ADB.

Source : The Daily Star

EBL signs confirming Bank Agreement with ADB

Eastern Bank Limited (EBL) as the first bank in Bangladesh has signed a 'Confirming Bank' agreement with the Asian Development Bank (ADB) under their Trade Finance Program. Can Sutken, Senior Investment Specialist of ADB's Private Sector Operations Department and Mehdi Zaman, Deputy Managing Director and Head of Treasury, Offshore Banking and Financial Institutions signed the agreement on behalf of respective organizations on August 17, 2021.

Under the agreement, ADB will issue guarantees to EBL as a Confirming Bank to cover all or part of the risks arising from add confirmation and/or discounting by EBL of eligible trade finance instruments, issued by selected banks in ADB's Developing Member Countries.

Can Sutken said, 'This is an important step for EBL and ADB to support trade in Bangladesh. This will help EBL to support cross-border trade, which is vital for Bangladeshi companies, especially the small and medium-sized those are contributing so much to employment.'

Mehdi Zaman said, 'EBL is always focused on service excellence and ADB is continuously rendering its support to EBL to achieve this mission.' EBL has been registered as an issuing bank under ADB'sunder Trade Finance Program since 2009. Under this new agreement as a confirming bank, with risk coverage from ADB, EBL now can confirm cross border LCs.

EBL is a leading Private Commercial Bank and the first bank in Bangladesh rated by International Rating Agency 'Moody's' has been maintaining long term relationship with ADB to facilitate the international trade businesses of its clients.

Dhaka Bank joins ADB's TSCFP as confirming bank

Dhaka Bank has recently signed an agreement with the ADB to engage in ADB's Trade & Supply Chain Finance Program (TSCFP) as a confirming bank to expand its trade facilities, according to a press release.

Dhaka Bank managing director and CEO Emranul Huq and additional managing director Mohammad Abu Jafar and ADB private sector operations department senior investment specialist Can Sutken signed the agreement on August 18.

As per the agreement, the ADB will provide Dhaka Bank with guarantees to cover all or part of the risks associated with Dhaka Bank's add confirmation and/or discounting of qualifying trade finance transactions issued by selected banks in ADB's developing member countries.

Emranul Huq said, 'Getting enlisted as a confirming bank with ADB is a momentous milestone for Dhaka Bank Limited. This agreement is going to further accentuate the long term relationship cherished by both the organizations. The exporters of Bangladesh will be highly benefitted as their export proceeds will be secured by Dhaka Bank's payment confirmation.'

Dhaka Bank started its relationship with the ADB in 2009 by enlisting as an issuing bank with ADB's TSCFP programme. With the new confirming bank agreement, Dhaka Bank is going to explore new business avenues to further enhance its business opportunities and strengthen its ties with ADB.

Chinese company to invest $6m in Dhaka EPZ

M/s Kaixi Fashion Bangladesh Company Limited, a renowned Chinese company, is going to establish a Lingerie manufacturing industry in Dhaka Export Processing Zone with an investment of US$ 6 million. It will produce 24 million pcs of ladies undergarments annually with creating employment opportunities for 2031 Bangladeshi nationals, said a press release.

The Executive Chairman of BEPZA Major General Md Nazrul Islam witnessed the signing ceremony between Bangladesh Export Processing Zones Authority (BEPZA) and M/s Kaixi Fashion Bangladesh Company Limited at BEPZA Complex on 16 August. Member (Engineering and Investment Promotion-additional charge) of BEPZA Mohammad



Faruque Alam and Managing Director of Kaixi Fashion Bangladesh Co. Ltd. Mr. Xiao Hongxi signed the lease agreement on behalf of their respective organizations.

Among others, Member (Finance) Nafisa Banu, General Manager (Public Relations) Nazma Binte Alamgir, General Manager (Investment Promotion) Md. Tanvir Hossain, General Manager (Enterprise Services) Md. Khorshid Alam of BEPZA and General Manager (Dhaka EPZ) Md. Abdus Sobhan were present at the signing ceremony.

It will produce annually 24 million pieces of ladies' innerwear, while creating employment opportunity for 2,031 Bangladeshis.

City Group to invest Tk 50 billion to build hi-tech park

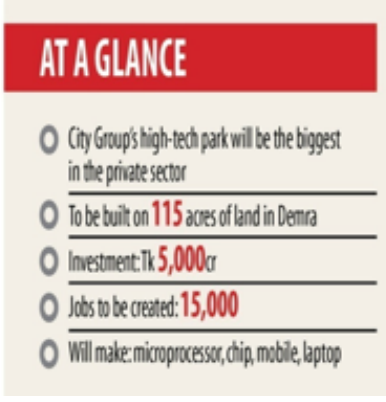
Consumer goods giant City Group is set to enter the booming IT sector with an initial investment of Tk5,000 crore in setting up a hi-tech park. Biswajit Saha, executive director of City Group, said the government's Hi-Tech Park Authority on 19 August approved the conglomerate as a park developer, after conducting a feasibility study.

Work on setting up the hi-tech park on a 115-acre land in Demra, Dhaka will begin within the next two years, he said, adding that the investment target has been set at Tk5,000 crore to build the world's most modern IT park. He said the establishment is expected to create employment opportunities for some 15,000 people.

Biswajit Saha said there will be a technology university, training institute, convention centre, 5-star hotel, playground, and infrastructures for the production of and research on electronics in the industrial park. "Global tech giants, including Apple and Samsung, will be invited here. At the same time, City Group will establish its own ICT company."

On 31 May this year, the Bangladesh Hi-Tech Park Authority declared City Hi-Tech Park as a private hi-tech park. As a result, investors in the park will get 14 incentives, including a 10-year tax holiday, through a one-stop service. Biswajit Saha said City Group has already completed the preparation of a master plan, feasibility study and environmental survey.

After being recognised as a developer, the industrial group will now get the opportunity to do all types of work, including developing all off-site and on-site facilities, landfilling, electricity, gas and water supply, construction of standard buildings, wide roads inside the park, lakes, high-quality food courts, STPs and parks.



Md Hasan, director of City Group and chairman of City Hi-tech Park Ltd, said, "We will manufacture electronics and technology products that no one could even think of making in Bangladesh.

"We will encourage investments to set up units for making microprocessor, chip designing, circuit designing, manufacturing/assembling of mobile phones, laptops, televisions and fridges, software development, digital and technology consultancy firms, network, data centres, cybersecurity, programming, project management and training institutes for human resource development, etc. Dormitories and science parks will also be set up."

He also said construction work on the IT park has been initially targeted to be completed in 5-7 years. Speaking on approving City Group for developing the hi-tech park, NM Ziaul Alam, senior secretary of the ICT Division, said City Group is a popular name in the country as well as abroad. Other companies in the country will also be encouraged to invest in the sector by seeing a big company like City Group coming forward to set up a hi-tech park, he observed.

City Group is a major conglomerate in the country's consumer goods production. At present, the business group caters to one-third of the total demand for consumer goods in Bangladesh. Bangladeshi businessman Fazlur Rahman founded City Group. Its activities started on 6 February 1972 with the production of mustard oil. The leading business conglomerate in the country now has an investment in more than 25 large industries including food products, steel, printing and packaging, shipping, power and energy, financial institutions, insurance, stock market, hospitals and media.

The Bangladesh Hi-Tech Park Authority is establishing hi-tech parks, software technology parks and IT training and incubation centres throughout the country to attract local and foreign investors for the development of Hi-Tech/ IT/ ITES industries, which are creating huge employment opportunities and producing skilled human resources.

Hi-tech parks offer opportunities to invest in the hi-tech industry and promote businesses that are knowledge- and capital-based. Information technology, software technology, biotechnology, renewable energy, green technology,

IT hardware, IT-enabled services and research and development, etc are major areas of investment in the hi-tech industry in Bangladesh.

Currently, eight hi-tech parks are being set up by the government, which include Bangabandhu Hi-Tech City, Kaliakoir – the first and largest technological park of Bangladesh established on an area of 355 acres. The government is also setting up 12 IT/hi-tech parks at the district level.

Apart from this, the government has recognised two factories of electronics giant Walton as hi-tech parks. Samsung's Narsangdi and Minister Group's Gazipur factories are also getting the same facility. These factories are enjoying the zero-tariff facility on imports of all kinds of equipment, apart from enjoying tax-holiday for 10 years.

Bangladeshi co. to invest $1.14m in Dhaka EPZ

M/s Label Makers Limited, a Bangladeshi company, is going to establish a Garments Accessories Industry in Dhaka EPZ with an investment of US$ 1.14 million. In presence of the Executive Chairman of BEPZA Major General Md Nazrul Islam, an agreement was signed between Bangladesh Export Processing Zones Authority (BEPZA) and M/s Label Makers Ltd at BEPZA Complex. Member (Engineering and Investment Promotion-additional charge) of BEPZA Mohammad Faruque Alam and Managing Director of Label Makers Limited Md Shahriar inked the agreement on behalf of their respective organisations.



The company will produce 1633 million pcs of Label, Hang Tag, Elastic, Paper Packaging, Seal Cord, Loop, Self Adhesive Sticker, RFID Label, Poly Bag, Biodegradable Poly Bag, Pet Film Image and Heat Transfer Label annually. Label Makers company will create employment opportunities for 285 Bangladeshi nationals. Among others, Secretary Md Zakir Hossain Chowdhury, General Manager (PR) Nazma Binte Alamgir and General Manager (IP) Md Tanvir Hossain of BEPZA witnessed the signing ceremony.

DBL Group to invest $650 million for industrial park in Sylhet

DBL Industrial Park lays its Foundation Stone for USD 650 Million in Shreehatta Economic Zone, Sylhet through an event recently in Dhaka. Dr Ahmad Kaikaus, Principal Secretary to Honorable Prime Minister, laid the foundation stone as Chief Guest in the occasion. Shaikh Yusuf Harun (Senior Secretary), Executive Chairman, Bangladesh Economic Zones Authority (BEZA) was present as Special Guest. Senior Secretary of Ministry of Youth & Sports M Akhtar Hossain, DBL Group's Chairman Abdul Wahed, Managing Director M. A. Jabbar, Vice Chairman M. A. Rahim, Deputy Managing Director M. A. Quader were also present in the ceremony along with other respected dignitaries.

Establishing over 167.6 acres with the total of 10 manufacturing units featuring latest technology, this industrial park will create almost 6,000 job opportunities with diversified DBL products.

Chinese toy company to invest $6.5m in Dhaka EPZ

M/s. Meigo (Bangladesh) Limited, a fully foreign owned Chinese company, is going to establish a Toy Manufacturing Industry in Dhaka EPZ with an investment of US$ 6.55 million. An agreement to this effect has been signed between Bangladesh Export Processing Zones Authority (BEPZA) and M/s. Meigo (Bangladesh) Limited at BEPZA Complex, Dhaka on 22 September. Member (Investment Promotion) of BEPZA Ali Reza Mazid and Senior Operation Manager of Meigo (Bangladesh) Limited Chen Shu Qiang inked the agreement on behalf of their respective organizations. The company will produce annually 0.9 million pcs of die-cast toy, plastic toy, plush toy and collectibles toy. They will create employment opportunity for 1616 Bangladeshi nationals. Among others, Member (Finance) Nafisa Banu, Secretary Md. Zakir Hossain Chowdhury, General Manager (Public Relations) Nazma



Binte Alamgir, General Manager (Investment Promotion) Md. Tanvir Hossain and General Manager (Enterprise Services) Md. Khorshid Alam of BEPZA witnessed the signing ceremony.

India to invest $9.26 million in Chittagong EPZ

Indian Sewtech Fashion Limited has signed an agreement with the



Bangladesh Export Processing Zones Authority (BEPZA) to establish a readymade garments manufacturing factory in the Chittagong EPZ with an investment of $9.26 million. Member (Engineering) of BEPZA Mohammad Faruque Alam and Director of Sewtech Fashion Limited Balagi Pavadai signed the agreement on 18 July at the BEPZA Complex in Dhaka on behalf of their respective organizations.

Sewtech Fashion Limited is a sister concern of Shahi Exports — the largest apparel manufacturer of India. This fully foreign-owned company will produce 3.36 million pieces of tops per year, creating employment opportunities for 3,393 Bangladeshi nationals.BEPZA is receiving many investment proposals from both local and foreign investors even amid the pandemic.

Among others, BEPZA Member of Finance Nafisa Banu, Secretary Md Zakir Hossain Chowdhury, and General Manager of Investment Promotion Md Tanvir Hossain were also present at the signing ceremony.

South Korea to invest $4.15m in Mongla EPZ

JD Creation Limited, a South Korean company, is going to establish a manufacturing industry for camping items, garments, tent and garments accessories in Mongla Export Processing Zone with an investment of $4.15 million. Bangladesh Export Processing Zones Authority member (engineering and investment promotion-additional charge) Mohammad Faruque Alam and JD Creation Limited Managing Director Seung Chul Kim signed an agreement in this regard at BEPZA Complex in Dhaka on 13 September. BEPZA Executive Chairman Major General Md Nazrul Islam witnessed the signing ceremony.

With the proposed investment, the fully foreign-owned company will produce annually 4.85 million pieces of camping items like tent, sleeping bags, bag, camping chair, hat and cap, woven garments like shirt, jacket and 2.02 million Yds of printing, embroidery, string and elastic band. A total of 1,990 Bangladeshi nationals will be employed in the company.

It is mentionable that U-jin Led Co (BD) Ltd, an electronics and electrical goods manufacturing company of the same owner, has been operating business in Chattogram EPZ since 1989. They are going to set up this



company as their second venture in Mongla EPZ being pleased with the services and overall investment climate of BEPZA.

IFC invests $2.5m in Bangladesh logistics sector

International Finance Corporation (IFC) is providing an equity investment of $2.5 million (Tk 21 crore) in Truck Lagbe, a leading digital trucking platform in Bangladesh. This aims to help expand its services and maintain critical supply chains, especially for delivering food and essential items during COVID-19.

In a press statement in Dhaka on 20 September, IFC, the soft loan window of the World Bank, said it partnered with Truck Lagbe to improve and modernise the logistics sector in Bangladesh. It said the IFC is going to invest $2.5 million in the company, which connects people and corporate customers with truck owners and drivers through an app and a website.

Truck Lagbe's services are helping sustain small and medium-sized enterprises (SMEs) and also supporting livelihoods during the COVID-19 pandemic. Truck Lagbe is used to book short-haul and long-haul freight trips, with trucks of different sizes, across all 64 districts in Bangladesh. It is one of the largest e-logistics platforms in Bangladesh catering for over 43,000 unique shippers, with over 20,000 registered trucks.

By leveraging technology, the company matches demand and supply for freight services, offers price transparency and real-time tracking of shipments through GPS technology. It also maximizes truck utilization, driving efficiencies across the logistics value chain, which reduces greenhouse gas (GHG) emissions.

Transport and logistics services have faced severe financial stress and job losses due to the impact of COVID-19. Digital platforms such as Truck Lagbe offer the opportunity to support economic recovery by improving transport connectivity, facilitating trade flows and generating additional income and productivity gains in supply chains.

"It is crucial for Bangladesh, which aims to become a middle-income country over the next decade, to have an efficient transport infrastructure and logistics services, which not only provides more support for the shipment of goods during the pandemic, but can also help transport exports to markets," said Nuzhat Anwar, IFC's acting country manager for Bangladesh, Bhutan and Nepal. "In addition to its financing, IFC is providing the company with knowledge and innovative support by leveraging insights from previous



investments and will be connecting Truck Lagbe to more prospective clients." The transport and logistics services market in Bangladesh has a value of $15 billion (PwC 2018), equivalent to 6.8 percent of the country's gross domestic product (GDP).

IFC's investment will support the expansion of the Truck Lagbe operations, help widen the logistics network in the Bangladesh market, and support the expansion of value-added services for truck owners through the sale of fuel, tyres and lubricants.

Truck Lagbe's technology platform empowers small truck owners by displaying their available trucks and price quotations, as well as easy access to market information, enabling truck owners to find freight jobs, improve their income and more effectively utilize their trucks.

Bangladesh to get €50m loan from French AFD

French development partner AFD will provide Euro 50 million worth of loan to Bangladesh aimed at expanding renewable energy in rural areas, according to ERD. The fund would be utilised to expand renewable energy uses in villages through private sector Small and Medium Enterprises (SMEs) and cooperatives, the ERD in a statement on 16 August said. The women-owned SMEs and cooperatives would get preference in this project. ERD Secretary Fatima Yasmin and Agence Française de Développement (AFD) Country Director in Bangladesh Mr Benoit Chassatte signed the loan agreement on August 12 in Dhaka.

Country's biggest 100 MW solar plant at Jamalpur

The Executive Committee of the National Economic Council (ECNEC) on 10 August gave its nod to the proposed 100 MW "Solar Park, Madarganj, Jamalpur," the country's ever biggest solar power plant worth about TK 319 crore and 40 lakh.

According to the proposal, a joint venture company of CREC International Renewable Energy Co Ltd (CIRE) and BPDB-RPCL Powergen Ltd, Bangladesh will implement the project. "The project will be implemented with the fund of Indian line of Credit," Planning Minister Abdul Mannan told the media following the ECNEC meeting held at the NEC Conference Room at Sher-e-Bangla Nagar in Dhaka. Prime Minister Sheikh Hasina presided over the meeting virtually from her official Ganabhaban residence.

According to the Power Division proposal the government will purchase electricity from the company at a rate of Tk 8.84 per kWh.

However, the rate was reviewed and it is now close to TK 10 per kWh. The cabinet committee on purchase on December 24, 2018 has approved this project along with other four solar power plants from which the government will purchase power at the rate of Tk 8 to Tk 9 per kilowatt-hour (kWh) for the next 20 years.

After the meeting of the purchase committee, Additional Secretary to the Cabinet Division Nasima Begum briefed journalists and said a 100MW solar power plant will be set up at Madarganj upazila of Jamalpur district at a cost of Tk 2,865 crore.

Meanwhile, following the ECNEC meeting, Sharifa Khan, Member Planning Commission told the reporters that a huge amount of land is needed to establish a solar power plant. "We are set to installing the park on non farming and khas land

areas, we allocates 300 acre of land for the purpose," she said.

Power division sources said a 47 MW solar power plant will be set up at Debiganj in Panchagarh district at a cost of Tk 1,371 crore. A consortium of vogt GmbH (Germany), Milner Vermogensverwaltungs GmbH (Germany) and Fu-Wang Bowling and Services Ltd (Bangladesh) will set up the power plant from which the government will purchase electricity at a rate of Tk 9.20 per kWh. Another 20 MW solar power plant will be set up in the same upazila at a cost of Tk 557 crore to be implemented by Rahimafrooz-Shunfeng Consortium.

The government will procure electricity from the consortium at Tk 8.60 per kWh. Besides, the committee approved another 50 MW solar power plant at Dimla upazila in Nilphamari at a cost of Tk 1,452 crore. Seatec Solar ASA, Norway will set up the power plant and the government will purchase electricity from it at Tk 8.96 per kWh.



A 10 MW solar power plant will be set up at Moulvibazar district at a cost of Tk 285 crore. Symbior Solar Siam & Holland Construction will implement the power plant. The government will purchase electricity at Tk 8.80 per kWh from the plant.

50MW solar power plant to be set up in Khulna

The Cabinet Committee on Government Purchase (CCGP) on 22 September approved a total of five proposals in the power and energy sector including one for setting up a 50MW (AC) solar power plant at Terokhada upazila in Khulna.

The approval came at the 32nd meeting of the committee this year held virtually with Finance Minister AHM Mustafa Kamal in the chair.

Cabinet Division Additional Secretary Md Shamsul Arefin said that a total of 12 proposals were approved in the meeting.

The joint venture of Hero Future Energies Asia Pte Ltd, Singapore and Business Research International Corporation Inc (BRIC), Panama would implement the work for setting up the solar power plant with around Tk1,328.90 crore under the Power Division.



Puma expanding its footprints in Bangladesh

German sportswear giant Puma which entered the Bangladesh market just a couple of years ago is all set to further increase its footprints in the country. Media reports claimed this adding the local franchise partner of this international footwear and apparels brand DBL Group has announced it would launch a second outlet at Dhanmondi in capital Dhaka, which is expected to be inaugurated by the end of September.



We are looking at expanding our footprint furthermore, reportedly, underlined MA Jabbar, Managing Director of DBL Group while adding that the Group is incredibly proud to open another store of Puma in Bangladesh. It may be mentioned here that Puma's store in Banani, which is spread over around 2,200 square feet area, is one of Puma's biggest stores in Southeast Asia till date and showcases a wide array of its latest performance and sport-style products.

Banglabandha land port sees record revenue

The Banglabandha land port in Rangpur's Panchagarh district collected a record-high amount of revenue in fiscal 2020-21. About Tk 61 crore was collected at the port, exceeding its Tk 33-crore target for

the year by 83 per cent. This is the highest amount of revenue collected at the port in the last 10 years.

The Banglabandha land port has become a gateway to three neighbouring countries -- India, Nepal and Bhutan. As a result, the port's potential to conduct trade activities is increasing each year, and so is the government's revenue collection. Besides, businesspeople are becoming more inclined to using the port since it has good communication facilities and a friendly trading atmosphere.

The lowest revenue collected at the port in the last ten years was Tk 7 crore in fiscal 2011-12.

Source : The Daily Star



Burimari land port earned record revenue

The ongoing coronavirus pandemic has caused a global economic crisis with Bangladesh being no exception. But despite the various adversities, customs revenue at the Burimari land port in Patgram upazila of Lalmonirhat has achieved 95.89 per cent growth year-on-year.

Revenue collection at the port has reached about Tk 111 crore in the just concluded fiscal year whereas it was around Tk 57 crore in the preceding fiscal 2019-20. This is the highest amount of revenue collected in a single fiscal year at the customs station.

According to customs sources, the port's revenue target was set at Tk 52 crore in fiscal 2016-17 whereas about Tk 40.65 crore was collected. In 2017-18, the target was set at Tk 50 crore while around Tk 69 crore was collected. In 2018-19, the target was Tk 94 crore and roughly Tk 77 crore was collected.



Officials of the Burimari customs as well as clearing and forwarding (C&F) agents said goods on which surcharge was applicable were not passing through the land port. Most of the products being processed were of low duty and are mostly from Bhutan. The products that face additional tariffs on import include plywood, resin and incense sticks. Most of the revenue came from boulders, stone, limestone and dolomite powder shipments. Other products, such as maize, rice, ginger, and kale also pass through this port.

Burimari customs is striving for increasing revenue collection, trade facilitation, putting a stop to smuggling, speedy customs clearance and transparency, discipline and prevention of irregularities in customs work.

Source : The Daily Star

Meghna Group now making ceramic tiles

The Meghna Group of Industries (MGI) has recently entered the domestic ceramic industry by establishing its own Fresh Ceramics brand. It invested nearly Tk 500 crore to set up a ceramic manufacturing facility in Ashariar Char in Narayanganj, creating an opportunity to directly employ around 1,000 people.

The local ceramic industry has registered an annual average growth rate of about 15 per cent since fiscal 2015-16, according to data from the Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA). In fiscal 2019-20, about Tk 4,597 crore worth of tiles were sold, according to the BCMEA data. Of the total consumption, local brands accounted for about 84 per cent, or Tk 3,856 crore, while imports the remaining Tk 741 crore. Now, there are 31 ceramic manufacturing facilities in the country with a combined annual production capacity of 2,064 lakh square metres. Total investment in the industry currently stands at about Tk 5,235 crore while it employed around 19,883 people directly, according to data.

The MGI has considerable investments in the construction materials industry for its Fresh Cement brand. Kazi Mohiuddin, senior general manager of the MGI, said the demand for construction materials, including ceramics, was rising in line with rapid urbanisation in Bangladesh over the past decade. Against this backdrop, the MGI decided to invest more in the sector and grab a share of the growing ceramic industry, he added.

The MGI assures Fresh Ceramics to be a quality product and delivery guarantees to general customers.

With a daily manufacturing capacity of 40,000 square metres, Fresh Ceramics will produce a number of variations of two types of ceramic tiles for floors and walls. Including the new Meghna Ceramic Industries Limited, there are now 48 business units operating under the MGI employing about 40,000 people. The homegrown conglomerate's website states it has an annual turnover of approximately $2.5 billion.

The MGI story traces back to 1976 when it operated as Kamal Trading Company before establishing itself as Meghna Vegetable Oil Industries in 1989 on a small patch of land in Meghnaghat. The secret to the MGI's rapid expansion has been product diversification.

The group now has a presence in an array of industries, including fast moving consumer goods, construction, liquefied petroleum gas, agribusiness, chemicals, shipbuilding, securities, insurance, media and aviation.

Shikho raises $1.3 million of global capital to democratize quality education in Bangladesh

Shikho, a Bangladesh-based edtech startup aiming to make high-quality education accessible and affordable, on 28 July announced the completion of a $1.3 million seed round of financing.

This is the largest round raised by a Bangladeshi edtech startup yet. The round was led by Anchorless Bangladesh, a New York-based early-stage venture capital firm dedicated to Bangladesh, and LearnStart, the seed fund of Silicon Valley-based edtech investment specialists Learn Capital.

It also had participation from Southeast Asia-focused venture capital firm Wavemaker Partners and Ankur Nagpal, founder and CEO of a leading American edtech called Teachable. This will be the first time Wavemaker Partners have invested in a Bangladeshi venture and the sixth deal for Anchorless Bangladesh since 2020, who have been very active in the local ecosystem; other investments include funding to Maya, AliceLabs, Loop Freight and Gaze.

Founded in April 2019, Shikho is an education technology (edtech) company building a digital learning ecosystem centered on modernizing the delivery of the Bangladeshi National Curriculum and making it fit for the 21st century. Combining expertise across content, instruction, media, and technology, Shikho utilizes multi-layered gamification and modern learning methods to make online learning enjoyable, engaging, and effective for students of classes 9-12.

The company adapts material from the national curriculum, helping students using the app to transition more easily to online learning environments by engaging them with the material they are already accustomed to in traditional classrooms.

The technology platform addresses each part of the Bangladeshi student journey — covering daily lessons, homework, exam prep, tutoring, and skill development — in an affordable, convenient, and cohesive way. It provides students with academic courses that include resources and tools to help students succeed in national board exams.

Shikho's app includes access to animated video lessons, a library of in-app questions and solutions, along with interactive features for collaboration among peers. Through Shikho's online platforms, students will soon be able to attend both live and pre-recorded classes taught by subject experts and professional instructors, allowing them to gain access to high-quality instruction that may otherwise be outside of their reach in physical classroom settings. Students can learn at their own pace with content accessible from anywhere and anytime at a fraction of the cost of traditional online learning and tutoring services.

The outbreak of the pandemic has presented the education sector with significant challenges and opportunities. Widespread school closures across the world to reduce the spread of the virus brought about a revolution in remote learning, yet those who are already marginalized with limited or no online access were left even further behind.

This poses a pressing threat to achieving the fourth of the UN's Sustainable Development Goals (SDGs), "To ensure inclusive and equitable education and promoting lifelong learning opportunities for all" — by the deadline of 2030, which Shikho seeks to achieve in Bangladesh with close engagement with key stakeholders, which this new round of investment will help advance.

Shikho is led by a team of experienced educational and technical talent. The team includes co-founders Shahir Chowdhury (CEO), a seasoned financial and business professional; and Zeeshan Zakaria (COO), an experienced educator with a decade of hands-on educational leadership. With years of overseas business and education experience, paired with an intimate understanding of the Bangladeshi education sector, the Shikho founding team brings together global best practices with on-the-ground know-how, addressing the unique educational needs of Bangladeshi students.

Nagad to issue Tk 5 billion zero-coupon bond

Nagad, the mobile financial services arm of Bangladesh Postal Department, is set to issue a zero-coupon bond of Tk 500 crore with a face value of Tk 750 crore at the end of its five-year maturity as the first mobile financial services provider in Bangladesh. Strong interest from many foreign investors has already been sighted since the announcement of the bond for the DFS disruptor in Bangladesh.

Reportedly, Kiu Global, a US-based digital services company, has already expressed interest to subscribe a Taka amount equivalent to US$30 million of the mentioned bond. The announcement of the landmark issue was made on 26 July in New York in the United States during an investor show styled "The Rise of Bengal Tiger: Potentials of Trade & Investment in Bangladesh" organised by the Bangladesh Securities and Exchange Commission (BSEC).

Nagad, one of the key partners of the event, has received initial approval from the BSEC for the bond issue. Riverstone Capital is acting as the arranger of the bond wherein Green Delta Capital will be the trustee.

Nagad, the fastest growing mobile money company in the world, will use the proceeds from the bond subscription for future readiness of the company's digital infrastructure; development of network, hardware and the digital financial service platform; purchase IT equipment; marketing and promotional activities and working capital financing.

All these are aimed at accelerating the Digital Bangladesh initiative of Prime Minister Sheikh Hasina and will be an integral part of that. Tanvir A Mishuk, managing director and co-founder of Nagad, said, "With the development of the capital market in Bangladesh, the bond market has also become vibrant in the recent past. We consider this as a better source to raise investment. Moreover, Nagad has always been innovative and that is why we chose bond market over traditional financing."

Professor Shibli Rubayat-ul-Islam, chairman of BSEC, said, "The BSEC, in collaboration with our ecosystem of regulators and stakeholders, is working towards the development of Bangladesh's capital markets, particularly debt market, which will be vital for financing long-term needs of our industries and infrastructure.

Nagad, a change-maker in the government's safety-net disbursement dynamics of Bangladesh, has launched its commercial operation on March 26, 2019, by Prime Minister Sheikh Hasina with a vision to financially inclusion all walks of life and upgraded them on a digital platform.

The BSEC organised the investment roadshow with a view to showcasing the strength and opportunities of business and investment in Bangladesh for foreign investors. High-level delegates from Bangladesh and the US, along with business conglomerates and investors are attended different seminars in New York, Washington DC, Los Angeles (California) and Silicon Valley (Santa Clara).

HSBC 'Best International Retail Bank' in Bangladesh

HSBC Bangladesh has been awarded the 2021 Asian Banking and Finance Award for International Retail Bank of the Year – Bangladesh. The award recognizes the strengths of the bank's personal banking capabilities and the commitment to offer the best of international connectivity for valued customers.

It also acknowledges the innovation, resilience and unwavering focus on customer service that has been delivered during the unprecedented challenging times.



Commenting on this year's awards, Md Mahbub ur Rahman, chief executive officer of HSBC Bangladesh, said: "This award is an endorsement of HSBC's continuous innovation and client centric solutions in today's changing environment. Our global network and breadth of expertise enable us to support individuals, families, business owners, investors and entrepreneurs in Bangladesh."

MTB Wins The Asian Banking & Finance Retail Banking Awards 2021

Mutual Trust Bank Ltd. (MTB) has recently been awarded the prestigious Asian Banking & Finance Awards 2021 for 'Core Banking System Initiative of the Year – Bangladesh' and 'Banking for Women Initiative of the Year – Bangladesh' categories under Retail Banking Awards by Charlton Media Group. The award was presented via digital presentations due to the ongoing pandemic. Over 140 banks from 31 different countries were recognized for continuously striving to grow and provide services to customers in the

2021 Wholesale Banking and Retail Banking Awards platform.



MTB underscores the significant contribution of women in the country's GDP growth and, therefore, believes in a dedicated segmental banking approach for women. MTB's banking for women initiative – MTB Angona helped create greater economic stability for women, their families and the community as a whole. Over time, MTB Angona has successfully been able to ensure simplified banking services for women with a view to making them financially independent.

The bank continuously strives to enhance its customers' experience with improved efficiency, lower operation costs and enhanced flexibility through latest technological innovations. In alignment with its endeavour in becoming a truly world-class tech-savvy bank, MTB has successfully implemented one of the most robust Core Banking Solutions – TCS BaNCS. The automation of CBS has significantly facilitated the management of banking products with greater effectiveness and versatility.

Syed Mahbubur Rahman, Managing Director & CEO, MTB, termed this recognition as a source of great inspiration and stated that, as the bank continues to move forward into the new normal, it has adapted to the challenges associated with the crisis with a view to providing top-tier products and services to the existing and potential customers.

BRAC Bank named best 'Cash Management Bank'

BRAC Bank has recently been named for a Best Cash Management Bank in Bangladesh. The Asian Banker announcement award at the Asian Banker Transaction Finance Virtual Awards 2021 held recently.

"BRAC Bank will continue to improve its core technological competitiveness and develop the advantages in resources and capability," said Tareq Refat Ullah Khan, Deputy Managing Director and Head of Corporate Banking, BRAC Bank. Around 50 percent of BRAC Bank's, corporate clients are routing their payment transactions through CORPnet, the bank's corporate internet banking platform that reflects the trust and convenience of its clients in the digital channel.



BRAC Bank wins UNCDF's Women Enterprise Recovery Fund

BRAC Bank has been named one of 10 winners of the Women Enterprise Recovery Fund in the Asia-Pacific region. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the United Nations Capital Development Fund (UNCDF) with partners FMO, Visa, and the Government of Canada have recently announced the winners of the fund.The winners include technology providers, FinTechs, and commercial banks and will receive financial and technical support over the next 12 months to pilot and test their innovations.

BRAC Bank proposed its SME Bondhu product for funding. SME Bondhu will pilot a one-stop digital solution for MSMEs in Bangladesh for the seamless set-up of online stores, including access to digital



tools for their businesses, such as an integrated logistics facility and payment gateway solutions.

To support the economic recovery and digitalisation of these enterprises, ESCAP and UNCDF launched the Women Enterprise Recovery Fund earlier this year. The fund looks to partner with private sector innovators to design and launch digital solutions that support women enterprises economically impacted by COVID-19 and address their financial and other business requirements.

It also seeks to support the development and expansion of digital business models to alleviate financial and other constraints impacting women enterprises in South and South-East Asia.

Prime Bank wins cash mgmt bank of the year award

Prime Bank has won the 'Bangladesh Domestic Cash Management Bank of the Year 2021' award presented by Singapore-based Asian Banking and Finance Magazine. The media outlet recognises banks and financial institutions in the Asia Pacific region for their performance in innovation and excellence with annual ABF Wholesale Banking Awards 2021.

Asian Banking and Finance magazine has appreciated the cash management architecture of Prime Bank, stating that, 'Prime Bank's wide range of products and services have been exemplary in maximising liquidity while minimising the cost of funds even in a pandemic situation in Bangladesh.'

On achieving the award, Prime Bank managing director and CEO Hassan O Rashid said: 'Winning the ABF Wholesale Banking Award will surely motivate us to do more for our valued customers. We will bring in new technology-enabled solutions for more convenience to the customers. We dedicate the award to our valued customers and shareholders, whose steadfast trust on Prime Bank acts as the cornerstone for our success.'



Only 10% of young women in rural areas have access to the internet : SANEM

Bangladesh has to make sure young people, especially women in the country have access to technology to continue the development of the country. Research suggests only 10% of young women in rural areas can access the internet, experts said. Panellists at a webinar made these observations on gender and youth inclusiveness in technology in Bangladesh, on 21 August.

South Asian Network on Economic Modeling (SANEM) and Action Aid Bangladesh jointly organized the webinar to discuss how youths can use technology for better employment opportunities. Mahtab Uddin, programme associate of Sanem, presented research on the topic where he talked about policy, demand for, and state of technology in 2020.

He said an analytical investigation of the current youth scene, and gender inclusivity and access to technology is needed. He added that questions still remain about whether access to technology has been equally ensured across gender, age groups, income groups, or regions. Only 10% of young women between the ages of 15-29 use the internet in rural areas, whereas the rate is 20% in urban areas, Mahtab said.

The study also said most people in Bangladesh use their mobile phones to access the internet. 80% of male youths in rural and urban areas own mobiles, while the number for young women is only 40%. 72% of male youths in households belonging to the poorest income decile own a mobile phone compared to 92% in the top income decile. On the other hand, only 24% of females from the poorest income decile own mobile phones, while the rate is 73% for the richest income decile, according to the study.

Household computer access in rural areas is 4% while the rate is 12% in urban areas. The number of female users is very low as well in this regard. Mahtab Uddin said, according to the Labour Force Survey Bangladesh 2017, 58.25% of youths took computer training in rural and urban areas. But they are not able to use it to improve their employment prospects because they are lagging behind in using the technology. A mismatch between demand and supply was pointed out as one of the main reasons.

Mahtab said the demand for vocational education and training are extremely low. In 2019-20, 135,000 seats remained vacant at 624 public and private institutes offering diploma courses in technical trades. Selim Raihan, executive director of Sanem emphasized the point of inclusiveness in technology and said the cost of technology is a major setback in this regard.

Dr. Raihan pointed out that even with a decline in the price of technology, inclusivity is not ensured. Also, sometimes the quality of internet connection restrains access. He said technology can reduce poverty and inequality and asked the government to step up to secure quality access to technology for people.

Anir Chowdhury, policy advisor at a2i said: "Employment, entrepreneurship, migration, innovative research, and skill development work can be advanced by technology. 4IR [Fourth Industrial Revolution] technology can help us prepare for the future."

According to a study, "Future skills to tackle the challenges of automation in Bangladesh" by a2i in 2019, the five sectors – garments industry, furniture industry, agriculture, leather, and tourism – can see a possible job loss of 4 million. Deputy Minister for Education, Barrister Mohibul Hasan Chowdhury Nowfel, said providing telemedicine services, 24 hour call centre services, or taking

4,500 live classes for 30 million students during the pandemic in the country was possible only because of technology.

In 2009, vocational schools had only 9% of students, now the rate is at 27%. In order to develop skills, according to the 2010 Education Policy, the government will include technical and vocational education in all types of general education by 2021, he added. He blamed social stigma and taboo as the primary reason for girls lagging behind in technology. To overcome the issue, raising awareness on the use of technology should be emphasized, Nowfel said. 12 lakh online training programs will be arranged in the next 5 years, said Ministry of Youth and Sports Deputy Secretary, Sayed Ali.

Country Director of ActionAid, Farah Kabir, said to ensure a supportive environment and safety for women, the government can develop a mobile App with private organizations through which women can tell their problems.

She said if the success stories of grassroots women are published more by the media, then women will likely step up and move ahead.

Ctg port drops 9 steps in global ranking

The global economic activity came to a standstill last year due to the COVID pandemic – that stagnation was also felt in Chattogram port, as a result, the country's main seaport has dropped 9 steps to 67th position in the list of top 100 ports in the world in terms of container transport. The seaport was in 58th position in 2019.

According to port sources, 98 percent of Bangladesh's container transport by sea is done through Chattogram port. Besides, 27 percent of the goods are transported through this port. The remaining 73 percent is used for transporting ordinary vessels without containers.

The Lloyd's List, the oldest London-based shipping news agency, released a list of the top 100 ports for container shipments in 2020. China's Port of Shanghai has topped the list while Port of Singapore has ranked 2nd and China's Port of Jinzhou has ranked the last position, i.e., 100th. The Port of Shanghai, which is in the 1st placed, handled 4,35,03,400 TEU containers in 2020. This number was 4,33,03,000 TEU containers in 2019 – which was increased to 0.5 percent.

The Chattogram Port of Bangladesh, on the other hand, which is in the 67th position, handled 28,39,977 TEU containers in 2020, it was 30,88,187 TEU containers in 2019 – which was decreased by 8 percent. The 100th-ranked China's Port of Jinzhou handled 16.43 lakh TEU containers in 2020, this number was 18.79 lakh TEU containers in 2019 – which was decreased by 12.6 percent.

Lloyd's makes this list every year. From 2010-2020, Chattogram Port ranked 88th, 89th, 90th, 86th, 87th, 76th, 71st, 70th, 64th, 58th and 67th respectively. According to Lloyd's report, the country's main seaport has lagged in container transport this year due to the coronavirus outbreak, which has hit significant trade in Bangladesh's ready-made garments. The report also said 63.20 crores single containers were transported through these 100 best ports in that year - which was 0.7 percent less than the previous year.



Starting a business is more complex in Bangladesh than South Asian peers: survey

Bangladesh lags behind the South Asian peers in case of the average procedure, time and cost needed to start a business, according to a recent survey. Business Initiative Leading Development (BUILD) conducted the survey with a support of USAID Feed the Future Bangladesh Improving Trade and Business Enabling Environment Activity.

The findings of the survey—conducted during March-April period of the current year on company registration related stages on the companies and firms registered in the country in the past two years—published 8 August in a programme. It found that engaging third party or consultants increased overall costs by 43 per cent. Registration of Registrar of Joint Stock Companies & Firms requires highest 89 per cent third party engagement, which increased cost by 49 per cent. Trade licence requires 67 per cent third party engagement, which increased cost by 32 per cent. Manual intervention in preparing documents, consulting with third parties paying bank fees also increased travelling and printing costs, the survey shows.

Regional News

Boost to clean energy investment could drive 10 million new green jobs

From offshore wind farms in Britain to floating solar power plants in Vietnam, about 13,000 renewable energy projects in nearly 50 countries are waiting for finance - and could create up to 10 million green jobs, consultancy EY-Parthenon said on 7 July. In a report, EY said the projects offered $2 trillion in investment opportunities that would generate jobs locally and in supply chains, and would help slash climate-heating emissions and secure a green recovery from the pandemic.

Serge Colle, EY's global energy advisor, said the research showed there was "huge potential to accelerate private-sector renewables investment" with the right government policies and regulation around the world. If the projects identified were implemented in the next three years, they would more than double the rate of global renewables deployment, while delivering 22% of emissions reductions promised this decade by the 47 countries covered in the research, which include G20 nations, the report said.

That would amount to 9% of the emissions cuts needed by 2030 to keep planetary warming to the most ambitious global target of 1.5 degrees Celsius above pre-industrial times, added the report commissioned by the European Climate Foundation (ECF). The biggest potential benefits for workers are in China and the United States, where the projects could create about 2 million and 1.8 million jobs respectively.

India, Australia, Brazil, Britain and Canada also could generate hundreds of thousands of jobs each from boosting offshore and onshore wind, solar and hydropower capacity. The jobs range from lower-skilled work in construction, installation and manufacturing to professional jobs in things like engineering and project management.

In Britain, greater investment in green energy could support sustained job creation and economic growth especially in the former coal-mining region of northern England and oil-and-gas producer Scotland, where large wind farms are being developed, the research said. The UK pipeline of projects seeking finance includes 540 mainly solar and wind power proposals, with the potential for close to 439,000 new jobs, the report said. It noted total jobs could rise to about 625,000 when power storage, transmission and distribution are added.

That would mitigate 90% of job losses from the COVID-19 pandemic, the ECF said. Tim Lord, a net-zero expert with the UK-based Tony Blair Institute for Global Change, cautioned that in many places globally workforces do not yet have the skills to redeploy into clean technologies and their supply chains.



"This transition is not as simple as you take an offshore oil and gas worker and retrain them to operate a wind turbine, and everyone is happy. Clearly there will be some disconnect," said Lord, who was not involved in the EY report. Coordination between governments and companies will be essential to develop the local infrastructure and skills needed to expand generation and use of renewable energy, which would in turn help attract necessary investment, he said.

The challenge will be even greater in developing countries where large swathes of the population lack access to electric power and strong markets have yet to be fostered, he said. November's COP26 climate summit in Scotland will be key to providing the incentives for emerging economies to shift away from fossil fuels and into cleaner power - but that will happen only if richer nations show a clear commitment to decarbonising, Lord said.

Slow COVID-19 inoculation to cost global economy $2.3t: Study

The Economist Intelligence Unit's study found that emerging and developing economies, whose vaccine rollouts are far behind those of wealthier countries, will bear the brunt of those losses. The report comes as advanced nations move towards providing booster shots to their populations while the international effort to provide vaccines for poorer nations remains inadequate.



The study calculated that countries which fail to vaccinate 60 per cent of their populations by mid-2022 will suffer the losses, equivalent to two trillion euros, over the 2022-2025 period. The EIU said its study was conducted by combining its in-house forecasts for vaccination timelines in around 200 countries with GDP growth forecasts.

"Emerging countries will shoulder around two-thirds of these losses, further delaying their economic convergence with more developed countries," the EIU said. It warned the delayed rollout of vaccines could fuel resentment, increasing the risk of social unrest in developing economies.

The Asia-Pacific Region will be the worst hit in absolute terms, accounting for nearly three-quarters of the losses. However, as a percentage of GDP, sub-Saharan Africa will suffer the worst losses. Around 60 per cent of the population of higher-income countries received at least one dose of the coronavirus vaccine as of late August, compared to just one percent in poorer nations, according to the study. Two doses are required to be fully vaccinated for most shots.

"Vaccination campaigns are progressing at a glacial pace in lower-income economies," it said.

China said EU's planned carbon border tax violates trade principles

China said on 26 July the European Union's plan to impose the world's first carbon border tax will expand climate issues into trade in violation of international principles and hurt prospects for economic growth.



The European Commission this month outlined plans to impose a Carbon Border Adjustment Mechanism (CBAM), or CO2 tariff, on polluting goods from 2026, forcing some companies importing into the European Union to pay carbon costs at the border on carbon-intensive products such as steel.

"CBAM is essentially a unilateral measure to extend the climate change issue to the trade sector. It violates WTO principles ... and (will) seriously undermine mutual trust in the global community and the prospects for economic growth," said Liu Youbin, a spokesman of the Ministry of Ecology and Environment said at a media briefing.

He reiterated China's stance that each country's response to climate change should take into account its level of economic development, and said the CO2 tariff would severely harm the willingness and capability of countries to tackle the issue.

As the world's top manufacturer of industrial raw materials such as steel and cement, China could suffer the most from the border tariffs scheme, researchers at Tsinghua University's Centre for Industrial Development and Environmental Governance said in a paper published in May.

Indo-Bangla trade could reach $16b if infrastructures improve

Bangladesh-India bilateral trade may reach $16 billion a year by unlocking the untapped trade potentials between the two friendly nations, Vikram Kumar Doraiswami said on 25 July. For increasing exports to India, Bangladesh will need to improve infrastructure, policy measures, standardization and promotional agreements, he suggested.

"The future of any partnership lies in doing business together, in prospering together. Nations that trade together and do business together, specifically neighbours, are nations that develop together," Doraiswami commented. He was addressing a seminar that Indian High Commission in Dhaka organised for business and economic journalists.

"A prosperous and developed Bangladesh is India's fundamental national interest. We'll do all we can to support that," Doraiswami remarked, renewing India's commitment to Bangladesh's development support. He informed that Indian companies have already generated $3.55 billion in FDI to Bangladesh and more are keen on investing here to create a value chain of the Indian manufacturing industry in Bangladesh.

Even though the bilateral trade balance remained largely in favour of India, Bangladesh's export to its largest neighbour gradually rose from $689.62 million in FY16 to nearly $1.28 billion, the largest in Asia. The bilateral trade gap stood at $4.8 billion in FY20. However, intraregional trade in the region is barely 5 percent of the region compared to ASEAN nation's 25 percent, the High Commission's trade representative Dr Pramish Basal mentioned, citing a World Bank report.

Product diversification, seamless connectivity and comprehensive economic partnership between the two countries can increase the bilateral and intraregional trade manifolds, he pointed out. Bangladesh's export to India could increase by 182 percent and India's exports to Bangladesh by 126 percent if the countries sign a FTA.



Improving transport connectivity is projected to shoot up exports even further, yielding a 297 percent increase in Bangladesh's exports to India

and a 172 percent increase in India's exports to Bangladesh. Seamless connectivity between the two nations has the potential to increase national income by as much as 17 percent in Bangladesh and 8 percent in India, according to the World Bank.

The agreement on the use of Chattogram and Mongla ports are going to be a game changer for Bangladesh because of its geographical location, the Indian envoy said, adding that the ports are Bangladesh's unique competitive advantage. Bangladesh is the largest recipient India's global development fund commitment with $7.86 total loans from New Delhi which is 26 percent of total $30 billion credited extended to 65 countries across the globe. Indian government's total concessional credit support to Bangladesh stands at $9.4 billion, including $1.6 billion loan for Rampal power plant.

The tendering process of the four credit lines extended so far is competitive in line with procurement laws of the Bangladesh government, the Indian officials informed. Total disbursement of LoC funds now stands at $852 million as 14 projects out of 43 projects taken under four credit lines have been complete. Eight projects are ongoing and 14 are at tendering stage and another 11 are at the planning or DPP stage.

Indian's government's Project Preparatory Facility (PPF)—up to 1 percent of the LoC project value may be utilized for DPP preparation—may help save time and quality of DPP formulation, which has been identified as the major obstacle to LoC projects implementation by the Indian officials. "In the long term, Bangladesh can be the driver of long term sub-regional inter-connectivity. Then, Bangladesh will be the business hub of Indian northern part, Nepal, Bhutan and Myanmar. In that perspective, it will be a game changer," he commented.

Defending the trade deficit, Doraiswami said Bangladesh is actually getting benefitted from the imports from India as it basically imports primary industrial raw materials and machinery from India. Apart from being competitive, he also suggested that Bangladesh promote and showcase its exportable goods to large cities of India Mumbai and Chennai other than New Delhi and Kolkata only.

International tourism not seen rebounding until 2023 - UN report

International tourism arrivals are set to stagnate this year, except in some Western markets, causing up to $2.4 trillion in losses, a U.N. study said on 30 June, adding the sector is not expected to rebound fully until 2023.

COVID-19 vaccination and certificates are key to restoring confidence in foreign tourism, which provides a lifeline for many countries, especially small island states that rely heavily on the sector to provide jobs, it said. In 2020, international arrivals plunged by 73% from pre-pandemic levels in 2019, causing estimated losses of $2.4 trillion in tourism and related sectors, according to the report by UNCTAD and the UN's World Tourism Organization (UNWTO).



Daimler, Volvo and Traton plan $600 million truck-charging JV

Three major European truck manufacturers - Daimler Trucks (DAIGn.DE), AB Volvo (VOLVb.ST) and Traton (8TRA.DE) - said on 5 July they plan to form a joint venture (JV) to develop an electric battery-charging network for long-haul trucks and buses.

Charging infrastructure expansion has been a central hurdle to the mass adoption of battery-powered vehicles, with the lack of expansion fuelling so-called range anxiety, the fear of not having enough charging spots to make the trip. "The key ingredient in the future rolling-out of electric vehicles will be the infrastructure. It will be the big bottleneck," Martin Daum, chief executive of Daimler Trucks, to be spun off from Daimler later this year, according to Reuters.

The three companies, which are all building electric trucks and are normally competitors, will jointly invest 500 million euros ($593 million)



in the venture that they will own equally and that will start operations in 2022. "And thereafter we are very open in all directions to let other parties partner with us and actually bring equity into the joint venture," Traton CEO Matthias Gruendler said, adding he expected a lot of outside interest once the JV has been set up.

The aim is to install and operate at least 1,700 charging points within five years. The joint company will be based in Amsterdam and will over time seek further partners and public funding.

European car industry association ACEA has called for up to 50,000 high-performance charging points by 2030. Gruendler said that roughly 10 billion euros would be needed to build out Europe's infrastructure to be fully electrified by 2050. "In order to

accelerate further, we need additional partners, additional networks and public funds," AB Volvo CEO Martin Lundstedt said. "We will continue to be very fierce competitors. But we need a new platform to compete upon."

Aon, Willis halt $30 bln merger over monopoly concerns, delay

Aon Plc (AON.N) and Willis Towers Watson Plc on 26 July called off a $30 billion merger that would have created the world's largest insurance broker, saying U.S. regulators' objections created unacceptable delay and uncertainty.

The decision, hailed by some as an early victory for the Biden administration's Department of Justice, which sued last month to block it, stood at odds with European regulators who recently approved the deal on condition the companies sell assets. Those now-halted sales largely affect broker Arthur J. Gallagher & Co (AJG.N).

Combining Aon and Willis, which rank second and third in revenue behind Marsh & McLennan Cos Inc (MMC.N), would have created a new leader with $20.3 billion in annual revenue, compared with $17.2 billion for Marsh. Aon will pay Willis a $1 billion termination fee, the timing and financial impact of which was not immediately clear. Aon reports second-quarter results on 23 July. Willis said on 26 July it would boost share repurchases by $1 billion.

"Despite regulatory momentum around the world.. we reached an impasse with the U.S. Department of Justice," Aon Chief Executive Greg Case said in a statement. U.S. Attorney General Merrick Garland called the termination "a victory" because employers "rely on insurance brokers like Aon and Willis Towers Watson for managing the complexities of these health and retirement benefits," he said.

Aon declined to comment. Willis did not immediately respond to a request for comment. Aon's shares were up 9.6% at $254.72, while Willis Towers' stock fell 9% to $205.93 in New York trading.

Samsung to invest $205B by 2023, creating 40,000 jobs

Samsung Group, South Korea's tech giant, announced on 24 August that it will invest $205 billion (240 trillion won) in their semiconductor, biopharmaceuticals and telecommunications units over the next three years to enhance its global presence and lead in new industries such as next-generation telecommunication and robotics.

The investment will be led by Samsung affiliates including Samsung Electronics and Samsung Biologics. It also unveiled a mergers and acquisitions plan to fortify its technology and market leadership. Setting aside $154.3 billion (180 trillion won) for home ground, Samsung expects to create 40,000 new jobs by 2023 through the investment.

This announcement comes days after Samsung Electronics vice chairman Jay Y. Lee was released on parole on 13 August right before South Korea's Liberation Day. People speculated Samsung would be able to move forward with major investments once he was freed from prison. Samsung's latest investment will be used for semiconductors, biopharmaceuticals and the next-generation telco units, according to the company's statement.

Samsung Electronics plans to develop advanced process technology and expand the business with artificial intelligence (AI) and data centers for its system semiconductors while it will focus on up-to-date technology such as EUV-based sub14-nanometer DRAM and over 200-layer V-NAND products for the memory business. Samsung had announced in May the company will invest $151 billion in its logic chip and foundry sector, to be the top logic chip maker, by 2030.

Samsung Biologics and Samsung Bioepis plan to establish two new plants, in addition to a fourth factory that is under construction, for expanding the contract development manufacturing organization (CDMO) business, the statement said.



South Korea's largest conglomerate also will support its ongoing R&D in new technologies and emerging application in areas such as AI and robotics along with the next generation OLED, quantum-dot display and high-energy density batteries development.

Singapore's GIC Pumps $240m into Arctic Green Energy Expansion Plans

Singapore sovereign wealth fund GIC will invest $240 million in Arctic Green Energy to support the renewable energy firm's expansion in Asia and Europe, the companies announced on 26 July.



Arctic Green Energy focuses on de-carbonisation in the building sector and already has a 'geothermal partnership' with China's state-owned oil giant, the China Petroleum and Chemical Corp.

The funds would help Singapore-based Arctic Green Energy launch new projects and ramp up its capability in geothermal energy, which is derived from hot underground springs and is a greener alternative to using fossil fuels for heating and cooling. JP Morgan acted as the sole placing agent for the deal.

Spain to cash out $5.1B to ramp up electric vehicle industry

The Spanish government will invest 4.3 billion euros ($5.1 billion) from its share of European pandemic recovery funds to revamp its automobile industry and steer it toward manufacturing electric vehicles and their components, the prime minister announced on 12 July. Pedro Sanchez said that the investment will be "a real revolution" for the Spanish economy, bringing in an estimated 19 billion euros in additional private investment.

His left-wing coalition government wants to inject the money in all segments of the car manufacturing chain, from lithium extraction to electric battery cell assembly lines, the leader of Spain's ruling socialist party said. "The spontaneous functioning of the market is not going to achieve by itself the kick-starting of a new model that involves so many industries," he said.

Sanchez was speaking at an event to introduce the first of seven plans to transform Spain's industries with the 140 billion euros that the country is expected to receive over the next six years from the European Union's Next Generation funds. "Our state needs to be an entrepreneurial state in a tight alliance with the main stakeholders," he added, announcing that the government will appoint an industry leader to lead the joint private and public efforts.

The Spanish Cabinet is set to approve the automobile plan in its weekly meeting on July 13. Companies will be able to apply for funding immediately after, with the first disbursements expected to arrive in September.

The plan aims to increase the industry's share of Spain's gross domestic product (GDP) from the current 10% to 15% by 2030 and add new jobs to the pool of 2 million workers. It will affect companies beyond automakers or their suppliers, Sanchez said, including mining, telecommunications and power utilities.



The prime minister also said that the country is investing 1 billion euros in stimulating electric vehicle sales and that a public investment of another billion euros will go to install new public electric plug-in points, of which the country has only a few.

Suzuki to launch its first electric vehicle in India by 2025: Reports

Suzuki plans an all-electric compact model for the Indian customers in the next few years which is likely to be priced around ₹10 lakh after government subsidies. Japanese carmaker Suzuki Motor Corp is likely to enter the electric vehicle market in India by 2025. The company is expected to launch its first model in



the country, according to a report by Nikkei Asia on 19 July.

Suzuki's four-wheeler business, which operates in India in partnership with Maruti, is reportedly planning to launch an all-electric compact model for the Indian customers. Though not much detail has been divulged in the report, the electric car is likely to be priced in the range between ₹10 lakh and ₹11 lakh. The price, pegged at around $13,626, will include subsidies offered by the government on electric vehicles.

If the report is to be believed, it will help the Japanese carmaker move faster towards electric mobility in the category of compact cars. Maruti Suzuki India currently is the biggest automaker in India, and is also the Japanese carmaker's major strongholds in the Asian markets. Maruti Suzuki's sales in India are mostly dominated by small, compact cars like Alto, WagonR, Baleno and Swift.

According to the report published in Nikkei Asia, the new electric vehicle will be first launched in India, and then in other markets like Suzuki's home base Japan and Europe.

Maruti Suzuki has been testing some of the electrified version of its popular offerings like WagonR on Indian roads for quite some time. However, there is no official confirmation about the timeline of its launch. While most of its competitors have started to move towards electric

mobility, or are planning to in near future, Maruti Suzuki has been more vocal about CNG technology than EVs so far.

Despite being the world's fifth largest car market, India has not seen a major push in customer behaviour as far as shift towards electric vehicles are concerned. While there have been some encouraging signs when it comes to electric two-wheelers, price of electric four-wheelers, coupled with reasons like range anxiety and lack of infrastructural support have slowed down EV growth in the country.

The Centre had earlier set a goal of selling at least 30% of all cars to be electric by 2030. To make the shift towards electric cars more lucrative, the Centre has also offered incentives for buyers that cost nearly 100 billion rupees over a three-year period starting in 2019. Several state governments have also formulated their own electric vehicle policies to augment the EV shift in India.

Toyota to spend $13.5 bln to develop electric vehicle battery tech by 2030

Toyota Motor Corp said on 7 September it expected to spend more than $13.5 billion by 2030 to develop batteries and its battery supply system, in a bid to take a lead in the key automotive technology over the next decade. The world's largest automaker by volume, which pioneered hybrid gasoline-electric vehicles with the popular Prius, is moving rapidly to deliver its first all-electric line-up next year.

Considered a leader in developing batteries for electric vehicles, Toyota said it aimed to slash the cost of its batteries by 30% or more by working on the materials used and the way the cells are structured. "Then, for the vehicle, we aim to improve power consumption, which is an indicator



of the amount of electricity used per kilometer, by 30%, starting with the Toyota bZ4X," Chief Technology Officer Masahiko Maeda told a briefing, referring to an upcoming compact SUV model.

The company is also the front runner to mass produce solid-state batteries - a potential game changer for automakers because they are more energy dense, charge faster and are less prone to catching fire. If developed successfully, they could replace liquid lithium-ion batteries. While it was still struggling with the short service life of these cells, Maeda said there was no change in Toyota's target to begin manufacturing solid-state batteries by the mid 2020s. "We are still searching for the best materials to use," he said.

Google, Facebook, Microsoft top EU lobbying spending – study

Alphabet Inc's (AAPL.O) Google unit, Facebook Inc (FB.O) and Microsoft Corp (MSFT.O) are the three biggest lobbying spenders in Europe in a battle against tough new laws aimed at curbing U.S. tech giants' powers, a study released on 31 August showed. Such efforts should be a wake-up call to EU policymakers



to beef up the draft laws and lobbying rules, the study by campaign groups Corporate Europe Observatory and LobbyControl warned.

The tech sector outspends even the pharma, fossil fuels, finance and chemicals sectors, which used to dominate lobbying, the report said. "The rising lobby firepower of big tech and the digital industry as a whole mirrors the sectors' huge and growing role in society," the study said.

"It is remarkable and should be a cause of concern that the platforms can use this firepower to ensure their voices are heard – over countervailing and critical voices – in the debate over how to construct new rules for digital platforms." The study found that 612 companies, groups and associations spend more than 97 million euros ($114 million) annually lobbying on EU digital economy policies. The data was submitted by companies to the EU Transparency Register up to mid-June this year.

Google topped spending at 5.75 million euros, followed by Facebook at 5.5 million euros, Microsoft at 5.25 million, Apple (AAPL.O) at 3.5 million, Huawei Technologies Co Ltd (HWT.UL) at 3 million and Amazon.com Inc (AMZN.O) in sixth place with 2.75 million, the study said. Google and Huawei responded that they submit their lobbying data to the EU transparency register.

"We have clear policies in place to protect the independence of the people and organisations we sponsor, including a requirement to disclose funding," Google said. Microsoft said: "The European Union has been and remains an important stakeholder for Microsoft. We seek to be a constructive and transparent partner to European policymakers."

Facebook, Apple and Amazon had no immediate comment.

The tech lobbying focuses on two key pieces of legislation. The Digital Markets' Act lists do's and don'ts for tech giants, and the Digital Services Act requires companies to do more to police content on their platforms. The study warned about the industry's access to the European Commission, with lobbyists involved in three-quarters of the 270 meetings Commission officials had on the two draft laws. It also cited the role played by trade and business associations, think tanks and even political parties in promoting the tech industry's narrative. The European Commission rejected the criticism.

Tesla posts record profits, offers muddy outlook for batteries, Cybertruck

Tesla Inc (TSLA.O) posted a bigger second-quarter profit than expected on 27 July due to higher sales of its less-expensive electric vehicles, as it raised vehicle prices and cut costs. Tesla CEO Elon Musk, however, said a global chip shortage that led to temporary factory shutdowns for the automaker, remains serious, and offered no details on the timing of its Cybertruck and next-generation batteries.

For the first time since late 2019, Tesla profits did not rely on sales of environmental credits to other automakers, a sign of increasing financial health for the manufacturing operation. Shares of the world's most valuable automaker rose nearly 1% in extended trade. In a call with investors and analysts, Tesla executives said that volume production growth for this year will depend on parts availability, as it aims to grow deliveries by more than 50%.

Musk said Tesla has "many calls at midnight, 1 a.m., just with suppliers about resolving a lot of the shortages." While some people had suggested Tesla build its own chip fab, he pointed to the long lead time. "That would take us, even moving like lightning, 12 to 18 months," he said. Still, Musk said Tesla expects to start limited production this year of the Model Y SUV at factories under construction in Texas and Germany.

Tesla said it has delayed the launch of its Semi truck program to 2022 to focus on starting factories and due to limited availability of battery cells and other parts this year. Musk did not give a timeframe for when Tesla will start mass production of its new-generation batteries and its much-anticipated Cybertruck. "It is difficult to say when the last of the technical challenges will be solved," he said, referring to its 4680 battery cells. He said Tesla has a backup plan of using its existing 2170 batteries, adding that its battery cell suppliers would double production next year.

The carmaker, led by the billionaire entrepreneur, said revenue jumped to $11.96 billion from $6.04 billion a year earlier, when its California factory was shut down for more than six weeks due to local lockdown orders to fight the pandemic. Analysts had expected revenue of about $11.3 billion, according to IBES data from Refinitiv. Excluding items, Tesla posted a profit of $1.45 per share, easily topping analyst expectations for a profit of 98 cents per share.

Tesla said operating income rose with volume growth and cost reduction, which offset higher supply chain costs, lower regulatory credit revenue and other items including $23 million in losses on investment in cryptocurrency bitcoin.



Tesla's profitability has often relied on selling regulatory credits to other automakers, but in the second quarter, Tesla was profitable without these credits for the first time since the end of 2019. Its GAAP net income was $1.14 billion in the second quarter. Revenue from the credits only totaled $354 million.

"Tesla impressed with its numbers, as most of its revenue came from vehicle sales," Jesse Cohen, senior analyst at Investing.com, said. Carmaker Stellantis (STLA.MI) expects to achieve its European carbon dioxide (CO_2) emissions targets this year without environmental credits bought from Tesla.

In an aside, Musk said he "most likely will not be on earnings calls" going forward to discuss financial results with investors and analysts. These calls have been a colorful quarterly ritual Musk has used for discourses on Tesla technology, or to fire back at rivals or critics.

UK looks to remove China's CGN from nuclear power projects

Britain is exploring ways to remove China's state-owned nuclear energy company China General Nuclear Power Group (CGN) from all future power projects in the UK, according to Financial Times (FT) newspaper. The change in Britain's stance could affect the Sizewell C nuclear energy project in Suffolk, eastern England, that France's EDF (EDF.PA) is scheduled to build with backing from CGN, and proposals for a new plant on the east coast at Bradwell-on-Sea in Essex.

A spokesperson for China's foreign ministry, Zhao Lijian, said on 26 July that "The British should earnestly provide an open, fair and non discriminatory business environment for Chinese companies." China and Britain are important trade and investment partners for each other, he added. "It is in the interests of both sides to conduct practical cooperation in the spirit of mutual benefit and a win-win result." Zhao said.

Britain has already announced plans to remove kit made by China's Huawei from its 5G telecoms network by the end of 2027. Britain's Department for Business, Energy and Industrial Strategy (BEIS) declined



direct comment on the FT report. "Nuclear power has an important role to play in the UK's low-carbon energy future, as we work towards our world-leading target to eliminate our contribution to climate change by 2050," a BEIS spokesperson said.

"All nuclear projects in the UK are conducted under robust and independent regulation to meet the UK's rigorous legal, regulatory and national security requirements, ensuring our interests are protected," the spokesperson added. EDF declined to comment, while CGN had not responded to a request for comment.

With $4b in losses, Heathrow tells UK: open up travel

London's Heathrow Airport urged Britain on 26 July to open up travel to vaccinated passengers after its recovery fell behind Europe, pushing its cumulative pandemic losses to $4 billion. Heathrow, which before the pandemic was the busiest airport in Europe, said that fewer than four million people travelled through the airport in the first half of 2021, a level which would have been surpassed in 18 days of 2019's traffic.

It said it now believes 21.5 million passengers will travel through Heathrow in 2021, driven by what it hopes will be pent-up demand for holidays. "The UK... is falling behind its EU rivals in international trade by being slow to remove restrictions," Heathrow Chief Executive John Holland-Kaye said in a statement.

Britain's travel industry continues to be plagued by surging COVID-19 cases at home and government caution, causing last-minute rule changes and cancellations. Heathrow said it had increased liquidity to 4.8 billion pounds ($6.60 billion), and sought a waiver of its Heathrow Finance ICR covenant for the financial year 2021due to pressures on its cashflow.

For the six months to June 30, Heathrow posted an adjusted loss before tax of 787 million pounds



($1.08 billion), compared to the 471 million loss for the same period last year which was only half affected by the pandemic.

Saudi Arabia to invest over $133 bln in transport sector

Saudi Arabia will invest over 500 billion riyals ($133.34 billion) in airports, sea ports, rail and other infrastructure by the end of the decade in a bid to make the kingdom a global transportation and logistics hub, its transport minister said on 5 July.



Crown Prince Mohammed bin Salman, who is pushing economic diversification to wean Saudi Arabia off oil revenues and create jobs, announced a transport and logistics drive. Minister of Transport and Logistic Services Saleh bin Nasser al-Jasser said at an event in Saudi Arabia that the strategy included many mega projects, with over 500 billion riyals earmarked for investment.

The strategy is the latest economic policy to put Riyadh in competition with the United Arab Emirates, the region's business, trade and tourism hub. Saudi Arabia plans to increase the number of international aviation routes from 99 to over 250 and more than triple total annual passenger traffic from 103 million in 2019 to 330 million by 2030.

The kingdom's international network is currently significantly smaller than that of neighbouring smaller states the UAE or Qatar, which are both large air transit hubs. Saudi Arabia earlier announced a new national carrier would be launched as part of the strategy, which aims to make the kingdom the fifth biggest global air passenger transit hub.

WTO News

Goods Barometer hits record high, confirming strength of trade recovery

Global merchandise trade is continuing its robust recovery from the shock of the COVID-19 pandemic according to the WTO's Goods Trade Barometer, which hit a record high in its latest reading issued on 18 August.





The Goods Trade Barometer is a composite leading indicator providing real-time information on the trajectory of merchandise trade relative to recent trends ahead of conventional trade volume statistics. The latest barometer reading of 110.4 is the highest on record since the indicator was first released in July 2016, and up more than 20 points year-on-year.

The rise in the barometer reflects both the strength of current trade expansion and the depth of the pandemic-induced shock in 2020. It is notable that, while still well above trend, the index has started to rise at a decreasing rate, which could presage a peaking of upward momentum in trade.

All of the barometer's component indices were above trend in the latest month, illustrating the broad-based nature of the recovery. Indices for air freight (114.0), container shipping (110.8) and raw materials (104.7) in particular continued to rise, signalling faster than average trade growth.

The automotive products index (106.6) also rose despite the fact that car production and sales fell in July in some countries due to a shortage of semiconductors (the rise can be explained by smoothing of the underlying data). This shortage is also reflected in a small decline in the electronic components index (112.4).

The forward-looking new export orders index (109.3) has slowed more definitively, providing a further indication that the pace of recovery is likely to decelerate in the near term. The rise in the air freight index reflects a rebound in air transport due to the easing pandemic-related travel restrictions in some (mainly developed) countries. The index could turn down again suddenly if the spread of COVID-19 variants forces the re-imposition of restrictions.

The latest barometer reading is broadly consistent with the WTO's most recent trade forecast of 31 March, which foresaw an 8% increase in the volume of world merchandise trade in 2021 following a 5.3% drop in 2020.

Global goods trade has grown steadily since it registered a sharp decline in the second quarter of 2020 during the early days of the pandemic. The volume of merchandise trade was up 5.7% year-on-year in the first quarter of 2021, the largest jump since the 5.8% rise in third quarter of 2011.

The latest barometer reading suggests that goods trade will see an even larger year-on-year increase in the second quarter once trade volume data for that period are available.

The outlook for world trade continues to be overshadowed by downside risks, including regional disparities, continued weakness in services trade, and lagging vaccination timetables, particularly in poor countries. COVID-19 continues to pose the greatest threat to the outlook for trade, as new waves of infection could easily undermine the recovery.

WTO issued 2021 edition of flagship statistical publication

The WTO issued on 30 July the latest edition of its annual publication on international trade statistics, the "World Trade Statistical Review".

In an introduction to the publication, Director-General Ngozi Okonjo-Iweala says:

"The COVID-19 pandemic has had devastating consequences across the world. Millions of people have lost their lives, and large sections of the world's population, particularly in developing and least developed countries, remain unvaccinated. The worst economic downturn since the 1930s has disrupted livelihoods and businesses around the world. Extreme poverty and hunger are on the rise, and employment is well below the pre-crisis trend." "This publication presents recent trends in world trade and seeks to provide statistical insights on the trade impact of COVID-19."

The report highlights that the value of world merchandise exports declined by 8 per cent while services trade contracted by 21 per cent in 2020, with the most severe impacts of the pandemic being felt in the second quarter of the year. Trade began to recover as of mid-2020, but with



major differences across regions and sectors. The recovery of merchandise trade was mostly due to trade in manufactured goods while services trade continues to be weighed down by continued COVID-19-related travel restrictions.

"A full recovery for international travel, and for global trade in general, depends on rapid, equitable access to COVID-19 vaccines around the world," stresses DG Okonjo-Iweala. The report's analytical chapters are complemented by numerous statistical tables providing a detailed breakdown of various aspects of merchandise trade and trade in commercial services. The merchandise trade data in the report were compiled in collaboration with the United Nations Conference on Trade and Development (UNCTAD) while commercial services data were jointly produced with UNCTAD and in cooperation with the International Trade Centre (ITC) and the United Nations Statistics Division.

IMF, World Bank, WHO, WTO launch joint vaccine information website

The heads of the International Monetary Fund, World Bank Group, World Health Organization and World Trade Organization launched a new website on 30 July which will serve as a platform for information on access to COVID-19 vaccines, therapeutics and diagnostics and on the activities of the organizations in tackling the pandemic.

The website is an initiative of the Task Force on COVID-19 Vaccines, Therapeutics and Diagnostics for Developing Countries, which was set up to identify and resolve impediments to vaccine production and deliveries. The Task Force held its first meeting on 30 June.

The website provides an array of data on rates of vaccination and the purchase and deliveries of vaccines, diagnostics and therapeutics broken down by country, region and level of income. A resources section directs users to the activities and initiatives of the four international agencies on COVID-19 related matters.

To mark the launch, the four agency heads — Kristalina Georgieva (IMF), David Malpass (World Bank), Dr Tedros Adhanom Ghebreyesus (WHO) and Dr Ngozi Okonjo-Iweala (WTO) — issued the following joint statement:

"We reiterate the urgency of providing access to COVID-19 vaccines, tests and treatments to people throughout the developing world. In the area of vaccines, a key constraint is the acute and alarming shortage in the supply of doses to low and low-middle income countries, especially for the rest of 2021. We call on countries with advanced COVID-19 vaccination programs to release as soon as possible as much of their contracted vaccine doses and options as possible to COVAX, AVAT, and low and low-middle income countries.

We are concerned that vaccine delivery schedules and contracts for COVAX, AVAT, and low and low-middle income countries are delayed or too slow. Less than 5% of vaccine doses that were pre-purchased by or for low-income countries have been delivered. Our common target is for at least 40% of people in low and low-middle income countries to be vaccinated by the end of 2021. We estimate that less than 20% of the necessary vaccines is currently scheduled for delivery to these countries, whether through COVAX, AVAT, or bilateral deals and dose-sharing agreements.

We urge COVID-19 vaccine manufacturers to redouble their efforts to scale up production of vaccines specifically for these countries, and to ensure that the supply of doses to COVAX and low and low-middle income countries takes precedence over the promotion of boosters and other activities. We call on governments to reduce or eliminate barriers to the export of vaccines and all materials involved in their production and deployment. We underscore the urgent need for all parties to address supply chain and trade bottlenecks for vaccines, testing, and therapeutics as well as all of the materials involved in their production and deployment.

As per the IMF staff's $50 billion proposal to end the pandemic, and in line with the priorities set out by WHO, WTO, IMF and the World



Bank Group, over $35 billion in grant are needed with only one third of this financed to date. We welcome the recent announcement by COVAX and the World Bank to accelerate vaccine supplies for developing countries through a new financing mechanism. We also welcome the partnership between the World Bank and AVAT, noting that World Bank financing is now available to support the purchase and deployment of doses secured by both AVAT and COVAX.

It is critical to improve clarity and transparency around the evolving vaccine market, expected production volumes, delivery schedules, and pre-purchase options. We call on manufacturers to accelerate delivery to developing countries and we call on advanced economies to scale-up near-term deliveries to developing countries."

Open trade policies vital to support growth in solar energy, highlights new booklet

The WTO and the International Renewable Energy Agency (IRENA) have launched a new booklet highlighting the need for open trade policies and harmonized product standards to support the deployment of solar photovoltaic (PV) technologies. By assisting an expansion in solar energy, trade can contribute to environmental goals and support economic recovery in the aftermath of the COVID-19 crisis, the booklet states.

Solar PV has become a pillar of low-carbon sustainable energy strategies, with the cost of electricity generated by PV plants declining by 77% between 2010 and 2018, according to the publication titled "Trading into a bright energy future: The case for open, high-quality solar PV markets". Trade and the globalization of the solar PV market have been major factors in driving the decrease in the prices of the technology as manufacturers are better able to source goods and services from competitive suppliers.

However, further support from trade policies and harmonized product standards is needed to unlock additional cost reductions and job creation in the solar PV sector, the booklet states. While average tariffs on solar PV goods are relatively low, large divergences remain among WTO members, with some applying tariffs as high as 15% on machines for PV panels, for example.



Coherence in product standards is also crucial to a globalized PV market to promote safe and inclusive trade in solar PV goods and services, the booklet adds. The publication draws from the expertise of IRENA, which provides guidance to countries on the development and implementation of a quality infrastructure for trade in renewable energy technologies. International cooperation, ranging from mutual recognition of standards and regulatory provisions in trade agreements to formal cooperation partnerships and regulatory harmonization can help companies seize trade opportunities and enable governments to develop sustainable energy systems.

Sustainable energy is particularly vital in light of the health and economic crisis stemming from the COVID-19 pandemic according to the booklet. Off-grid solar energy solutions can be ramped up quickly for healthcare centres; moreover, trade-led solar PV deployment can help to support economic recovery from the pandemic, not least by creating jobs, which are expected to reach over 40 million worldwide by 2050 in the renewable energy sector.

STDF Annual Report highlights efforts to boost SPS capacity despite pandemic challenges

The latest annual report from the Standards and Trade Development Facility (STDF), launched on 2 August, highlights the continued efforts by developing and least developed countries to strengthening their food safety, animal and plant health capacity despite the challenges posed by the COVID-19 pandemic.

The COVID-19 pandemic had a massive impact on health systems and caused enormous disruption to the global economy, the report notes. Governments took measures to contain the spread of the virus, including travel restrictions, lockdowns, social distancing, and

other safety protocols. Production and trade in agri-food products was scaled back, resulting in huge economic losses around the world that continue to be felt today.



Despite the challenges posed by the pandemic, the STDF adapted quickly across all its workstreams and kept delivering strong results in 2020, making efforts to understand the new realities on the ground and continuing to provide vital assistance to strengthen food safety, animal and plant health systems in developing countries.

Digital opportunities and solutions to support economic recovery and longer-term resilience against future shocks featured strongly in STDF's project work. Strengthening SPS capacity, as a global public good, is critical for developing countries to recover from shocks, such as COVID-19, and to become more resilient against future outbreaks of pests and diseases.

"Trade is about people — about making their lives better," WTO Director-General Ngozi Okonjo-Iweala said in a video to mark the launch of the report. "The Standards and Trade Development Facility works to enable small-scale farmers to meet international health and safety standards for their products. This opens the door to new markets and means higher incomes and more jobs and economic opportunities, particularly for women. It means safer food, lower trade times and costs, and greater capacity to protect plant and animal health capacity."

The latest Annual Report provides snapshots of STDF-supported projects, such as pesticide residue mitigation in Asia during COVID-19; piloting new models for food safety standards in West Africa and Central America; harmonizing regulations and integrating pesticide strategies in Southern Africa; improving developing country access to the global "ePhyto" electronic phytosanitary certificates exchange; and modernizing veterinary services through the "eVet" electronic veterinary certification programme.

Country-specific projects highlighted in the report include enhancing trade for cocoa farmers in Papua New Guinea; strengthening Zambia's phytosanitary capacity for plant exports; improving SPS capacity in the Penja pepper value chain in Cameroon; streamlining inspection, control, and surveillance of food of animal origin in Costa Rica; and improving the safety of smoked fish in Mali.

Members discuss how Aid for Trade can support women's economic empowerment

Members of the Informal Working Group on Trade and Gender on 16 July discussed how Aid for Trade programmes can be used to further enhance women's participation in trade. Members were also updated on preparations for a declaration to be made at the upcoming 12th Ministerial Conference (MC12) in November.

According to the WTO Secretariat's analysis, Aid for Trade programmes aimed at achieving gender equality have increased over the years; however, there is room for improvement in how this objective is prioritized, as indicated by aid flows and evaluation surveys. Less than 12% of overall Aid for Trade disbursements between 2006 and 2017 went to programmes where women's empowerment was one of the objectives and about 1% to programmes where women's empowerment is the sole objective.

The Working Group heard regional perspectives on Aid for Trade programmes based in the Indo-Pacific, West Africa, and Arab states. These programmes have proved



valuable in mitigating the impacts of COVID-19 on women entrepreneurs, helping women take advantage of e-commerce opportunities and bridging the gender digital divide, the speakers said. For example, members heard that 78% of Australia's Aid for Trade investment in 2019-2020 effectively addressed gender. Members also discussed the importance of monitoring and evaluating the performance of these programmes on gender equality.

A global perspective was meanwhile provided by the International Trade Centre (ITC). In addition, members considered examples of capacity building programmes and e-commerce training for women entrepreneurs. The WTO Secretariat also presented the new WTO training strategy on trade and gender, due to begin in early 2022.

Exploring how best to support the delivery of the WTO Aid-for-Trade Work Programme is the fourth objective in the Working Group's work plan. At a previous meeting on 23 June, members exchanged views on the third pillar of the work plan, which is to consider how a "gender lens" could usefully be applied to the work of the WTO. A gender lens analytical framework for the work of the WTO is currently being developed and should be launched at MC12.

Dr Ngozi Okonjo-Iweala, Director-General, said at the 23 June meeting that the WTO should use the opportunity of post-COVID-19 recovery to help boost the organization's impact on women who have been disproportionally affected by the COVID-19 pandemic. Members shared experiences on initiatives to increase women's participation in international trade through strategies to stimulate women's employment and representation in leadership positions.

With dedicated meetings on all four pillars of the work plan completed, members next aim to intensify discussions on an outcome on trade and gender at MC12. The group "Friends of Gender," composed of 19 WTO members, four observers and the WTO Secretariat, has begun work on the MC12 package.

First virtual introductory trade policy course for poorest countries

A total of 34 officials from 12 least-developed countries took part in the WTO's first Virtual Introductory Trade Policy Course from 5 July to 6 August. The objective is to enhance participants' understanding and knowledge of WTO issues.

In his opening address to the participants, Deputy Director-General Xiangchen Zhang said: "The WTO attaches particular importance to training and capacity-building activities aimed at developing country members and observers, and more specifically at least-developed countries (LDCs). We hope that these activities will allow LDCs to improve their trade capacity and better integrate into the multilateral trading system."

The course aims to help strengthen LDCs' participation in the negotiations and discussions taking place at the WTO. Its curriculum covers the WTO agreements, the founding principles of the WTO and how the organization functions. Particular attention is paid to WTO members' transparency obligations, development issues and special and differential treatment for developing countries. The course uses various training methods, including lectures, practical exercises and interactive discussions on current WTO issues.

Due to the COVID-19 pandemic, the sessions are delivered entirely online and replicate most of the training components that face-to-face trade policy courses offer. The course provides participants with the opportunity to enhance their network of contacts and to interact with WTO experts. Once they have successfully completed the course, participants will be able to apply to take part in more advanced WTO courses for either specialists or generalists. The list of available courses can be found

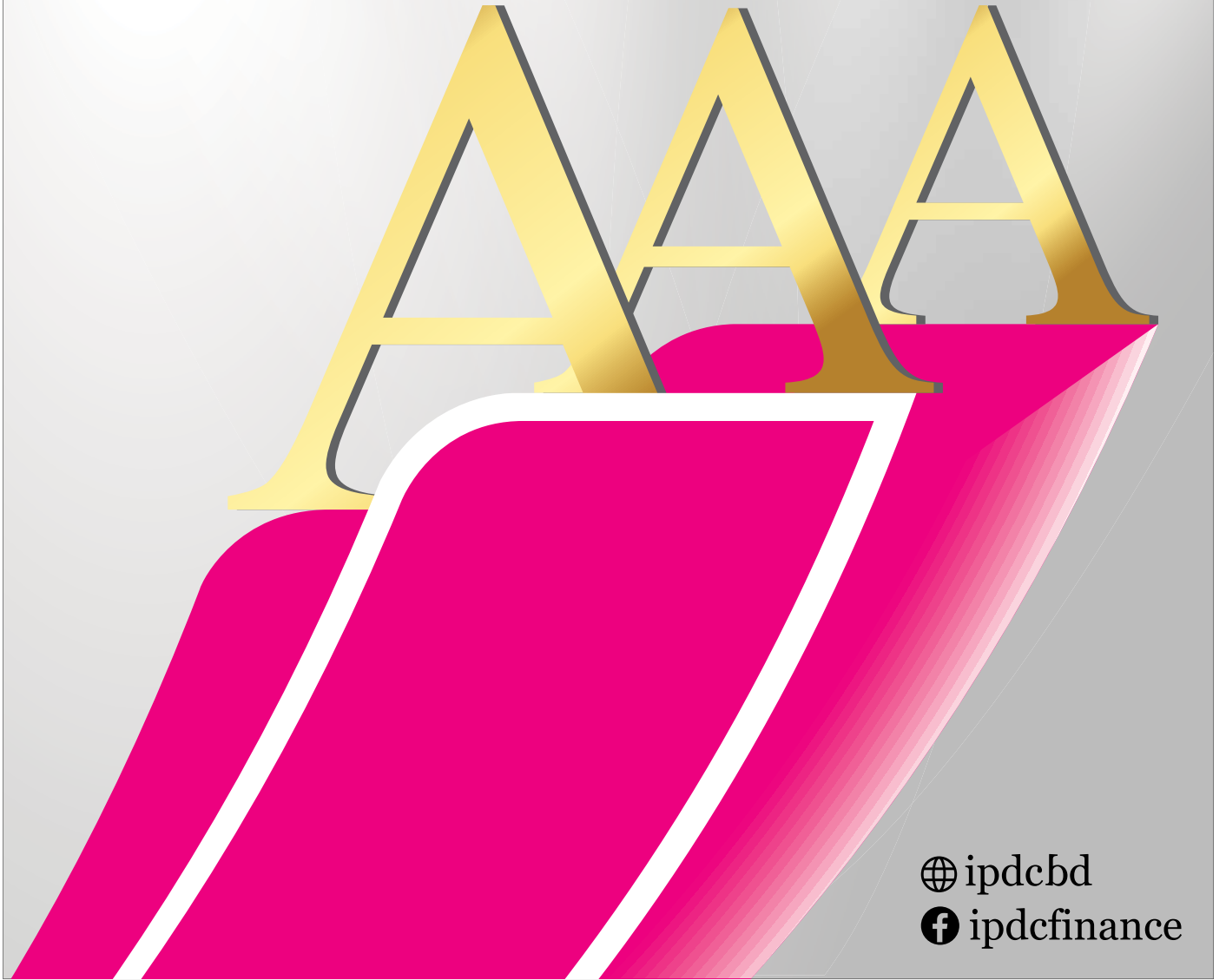


List of participants: Ana Maria Domingos Neto, Sonia Serrao (Angola), Md. Khalilur Rahman, Md. Mamun Ur Rashid Askari, Nahid Afroz & S M Nazia Sultana ULTANA FROZ (Bangladesh); Dorji P & Lobzang Lobzang (Bhutan); Chivon Teng (Cambodia); Mmari Mokoma (Lesotho); Haingoniaina Herimanana, Francia Caroline Irikomanana, Sylvie Edmondine Razafindravola (Madagascar), Gimo Delfim Fumo, Silvia Sabina da Conceicao Mulhovo, Eduardo Virgilo Caetano, Gizela Celeste Muege (Mozambique); Htet Htet Ei, Khin Hsu Hlaing, Khine Myat Myat Khine, Thet Naing SOE (Myanmar); Nabraj Acharya, Susana Sharma (Nepal); Sitana Elrasheed Abdelraheem Elmubarak, Suheir Abdalla Mohamed Goma (Sudan); Christopher Matsiko, Joyce Brenda Kisingiri, Ruth Nakiggwe (Uganda); Liwena Akokwa, Precious Gift Nyirongo, Eddington Chonya Chikoti, Katongo Amon Willombe, Natasha M. Bwalya & Penina Jonazi (Zambia).

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