ICC Bangladesh

NEWS BULLETIN

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Economic Crossroad: U.S. Changeover and the Global Market

About ICC Bangladesh

International Chamber of Commerce (ICC), The world business organization, 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 has its physical presence in more than 170 countries representing 45 million companies and more than 1 billion workers worldwide. Globally, one in every three worker depends on ICC Members for their livelihood. 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 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. ICC, is 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.

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, dialogues, seminars & workshops both at home and abroad on related policy issues, harmonization of trade law & rules, legal reforms, updating ICC rules & standards for cross border business transactions. ICC Bangladesh has so far organized following regional, international conferences & dialogue:

- 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, ADB President, UN-ESCAP Executive Secretary and Ministers. 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, Ministers from three continents, ICC Chairman, Vice Chairman & 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 and Minister for Development Cooperation of Denmark. 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 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. Finance and Commerce Ministers of Bangladesh, UNCTAD Secretary General, Ministers from Myanmar and Nepal; ICC Vice Chairman and Secretary General and ICC Research Foundation Chairman and more than 500 participants attended the 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 of Bangladesh. The Forum was inaugurated by the President of the People's Republic of Bangladesh. Ministers from Bangladesh, Sri Lanka, Nepal, UNESCAP 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 Ministry of Finance of Bangladesh to celebrate 100 years of ICC and 25 years of ICC Bangladesh. The President of the People's Republic of Bangladesh inaugurated the Conference. UN Secretary General Mr. António Guterres and 8th UN Secretary General Mr. Ban-Ki moon also addressed through video during the inauguration. Ministers from Bangladesh, Cambodia, Maldives and Sri Lanka and UN ESCAP Executive Secretary, Central Bank Governors, Business Leaders, Experts and some 800 delegates from home and 30 foreign countries attended the Conference.
- 12 September 2024: "The First National Business Dialogue" in the Interim Government's regime was organized by ICC Bangladesh in association with 15 Major National Trade Organizations in Dhaka. Chief Advisor of the Interim Government Nobel Laureate Prof. Dr. Muhammad Yunus addressed the Dialogue as Chief Guest. Dr. Salehuddin Ahmed, Adviser In-Charge of the Ministries of Finance, Commerce, Science & Technology and Prof. Dr. Wahiduddin Mahmud, Adviser In-Charge of the Ministries of Planning and Education were Special Guests. Around 700 delegates, including top business leaders, bankers, representatives of international organizations and private- sector representatives attended the event.

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, ICC Bangladesh, jointly with National Committees and Chambers, 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 Commission Meetings in Singapore (April 2015), in Jakarta (April 2017) and in Beijing (April 2019); ICC Austria Global Trade Conference in Vienna (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); LIBF World Conference on Banking Institutions (WCBI) in London (September 2019); ICC Global Trade Facilitation Summits in Dubai (March 2022 and April 2024) and ICC Court Centenary held virtually in March 2023.

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 at World Chambers Congress, World Chambers Federation (WCF), ICC World Council, WTO Ministerial Meetings, Meetings of ICC Permanent Heads, ICC Banking Commission and ICC Asia Pacific Regional Consultative Group Meetings. The National Committee also organizes visits for Bangladeshi business delegations to various countries to promote trade and investment.

International Chamber of Commerce

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ICC Bangladesh

The world business organization

The Executive Board

President
Mahbubur Rahman
Chairman & CEO, ETBL Holdings

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Managing Director, Ha-Meem Group

Naser Ezaz Bijoy
CEO, Standard Chartered Bank

Members
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Chairman, Purbani Group

Aftab ul Islam
Chairman, IOE (Bangladesh)

Anwar-Ul-Alam Chowdhury (Parvez)
Managing Director, Evince Group

Kamran Tanvirur Rahman
President, MCCI

Kutubuddin Ahmed
Chairman, Envoy Group

Md. Fazlul Hoque
Managing Director, Plummy Fashions

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Managing Director
M/S. Mir Akhter Hossain

Mohammad Hatem
President, BKMEA

Nasir Uddin Ahmed (Pavel)
President, BIA

Simeen Rahman
CEO, Transcom Group

Showkat Aziz Russell
President, BTMA

Syed Nasim Manzur
President, LFMEAB

Tapan Chowdhury
Managing Director, Square Group

Taskeen Ahmed
President, DCCI

President, FBCCI

President, CCCI

President, BGMEA

Editor
Ataur Rahman
Secretary General

Editorial Associate
Syeda Shahnewaz Lotika
Deputy General Manager

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Editor's Note

Economic Crossroad : U.S. changeover and the Global Market

As the world's largest economy and a key geopolitical power, the United States plays a crucial role in global economic stability. Every transition in the U.S. leadership has the capacity to impact global trade, financial markets, and international relations. Recent shifts in leadership have demonstrated that policy changes—especially in tariff, taxation, trade, climate regulations, and monetary policies—can have far-reaching effects across the global economy.

A protectionist approach, notably during Trump's presidency, strained U.S. trade relations with China, Canada, and the European Union, triggering market volatility and economic slowdowns in trade-dependent nations. Additionally, U.S. monetary policy under various administrations plays a crucial role in global economies. The Federal Reserve's interest rate decisions influence global inflation and capital flows. When rates rise to curb domestic inflation, investors shift funds to the U.S., causing capital outflows, currency depreciation, and economic instability in developing countries.

Another key aspect of administrative change is energy and climate policy. As a major consumer and producer of energy any U.S. policy shift has global economic implications. The Biden administration focused on renewable energy created economic uncertainties for fossil fuel-exporting nations like those in the Middle East and Russia, as global demand for oil and gas faced potential declines. In contrast, the Trump administration supporting fossil fuels benefited these nations by sustaining demand for their exports. This divergence in policies influenced global energy markets. As a result, energy-dependent economies had to adapt their strategies based on shifting U.S. priorities.

The Trump administration's climate policies marked a sharp departure from global environmental commitments. With the withdrawal from the Paris Agreement and deregulation of fossil fuel industries, the U.S. weakened international climate efforts. This rollback increased global carbon emissions, disrupted renewable energy investments, and shifted climate leadership to China and the EU. While benefiting fossil fuel economies, Trump's policies hindered global progress on climate change mitigation.

U.S. foreign policy under different administration plays a crucial role in global economic stability. Conflicts in regions such as the Middle East, Eastern Europe, and Asia are often shaped by U.S. diplomatic actions. Sanctions, military interventions, and peace agreements directly influence international markets. For instance, the Biden administration's response to the Russia-Ukraine conflict resulted in severe economic sanctions on Russia, driving up global energy prices, fueling inflation and disrupting global trade.

Likewise, ongoing tensions between the U.S. and China have significantly impacted global supply chain, technology industries, and manufacturing. Policy uncertainties and trade restrictions on Chinese companies have disrupted industries reliant on semiconductor production and other critical technologies.

Each U.S. government transition affects investor confidence, with Wall Street's reaction influencing global markets. Trump administration is expected to pursue further deregulation and tax cuts, potentially fueling market gains and corporate expansion. However, renewed protectionist trade policies, tariff escalations, and geopolitical unpredictability could disrupt global supply chains, increasing market volatility. While Biden's regulatory approach focused on long-term stability, a Trump return may amplify economic uncertainty, affecting currency values, inflation, and stock market movements worldwide.

Given the significant impact of U.S. policies on the global economy, nations, businesses, and financial institutions must anticipate economic shifts during administrative transitions. Strengthening trade partnerships, investing in emerging industries, and implementing policy reforms can help mitigate risks.

A change in U.S. leadership is not just a domestic event; it has far-reaching global economic implications. Each administration introduces policies that can either support or disrupt financial stability worldwide. To prevent economic crises, nations must remain alert and adaptable to these shifts. Expanding regional trade agreements, developing alternative financial centers, and fostering self-sustaining industries can serve as protective measures during periods of instability.

While the U.S. remains a key driver of global economic trends, promoting economic diversification and enhancing international cooperation are essential for sustained growth. By reducing reliance on a single economy and promoting collaborative growth strategies, the global community can build a more resilient financial system that withstands the uncertainties of U.S. political transitions.

WE DEEPLY MOURN



Syed Manzur Elahi
(26 September 1942 - 12 March 2025)

ICC Bangladesh is deeply shocked and grieved at the sad demise of ICC Bangladesh Founding Member and Chairman of Apex Group of Industries Syed Manzur Elahi in Singapore at 9.30 am (Singapore time) on Wednesday, 12 March 2025. Inna Lillahi wa inna ilayhi raji'un. Mr. Elahi was the current and founding Chairman of Mutual Trust Bank PLC and sponsor Director of International Publications Limited (The Financial Express).

We remember with gratitude his unqualified support, contribution, guidance and active participation since ICC Bangladesh started its journey in the 90s. He has served as ICC Bangladesh Executive Board Member for a number of years.

Syed Manzur Elahi was the son of Sir Syed Nasim Ali, who was the Chief Justice of undivided High Court of Kolkata (the present High Court of Calcutta of West Bengal) . After completing Master's Degree in Economics from the University of Dhaka in 1964, Mr., Elahi joined British American Tobacco. However, in his pursuit for doing something greater, he left his job in February 1972 to pursue an entrepreneurial path.

Despite the challenges and societal stigma associated with the leather industry, Mr. Elahi persevered and took his first steps into the leather business. Today, Apex has established itself as a global brand, exporting to 50 countries and has a vast retail presence across Bangladesh with 250 stores. In 2023-24, the total revenue of Apex was Tk. 14,970 million including Tk.4,810 million in export. The total revenue of Apex was higher than the annual revenue of Tk. 9,870 million in 2023 of Bata, the oldest multinational shoe company in Bangladesh.

He was appointed Adviser to the Caretaker Government of Bangladesh, twice (1996 & 2001) for his integrity, leadership, professionalism and non-partisanship. He was President of the Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka; Bangladesh Employers Association (BEA); Dhaka University Alumni Association (DUAA) and Honorary Consul for Belgium in Bangladesh.

Mr. Elahi has served as Chairman of the Bangladesh Association of Banks (BAB), Central Depository Bangladesh Ltd. (CDBL), Credit Rating Agency of Bangladesh (CRAB), Manusher Jonno Foundation, MTB Foundation and Sunbeams School Ltd, Board of Trustees of East West University and a trustee of the Centre for Policy Dialogue (CPD), the Diabetic Association of Bangladesh, Vice Chairman of the Bangladesh Association of Publicly Listed Companies (BAPLC), Director on the Boards of Bangladesh Bank, Sonali Bank and Bangladesh Krishi Bank.

Mr. Elahi was awarded "Business Executive of the Year 2000" by the American Chamber of Commerce (AMCHAM), Bangladesh and "Business Person of the Year 2002" by the Daily Star and DHL Worldwide Express & "Lifetime Achievement Award" of the UK-Bangladesh Catalysts of Commerce and Industry (UKBCCI).

He was also the Chairman of Apex Pharma Ltd., Blue Ocean Footwear Ltd. (Joint Venture with Taiwan), Apex Enterprises Ltd. (Holding Company), Apex Investments Ltd. (Licensed stock brokerage), Grey Advertising (Bangladesh) Ltd.,(a joint venture with USA) and Quantum Consumer Solutions Ltd, (a joint venture with India).

May Allah rest his soul in peace in heaven.

ICC Bangladesh News

ADB Country Director held meeting with ICC Bangladesh President

Asian Development Bank (ADB) Country Director Mr. Hoe Yun Jeong visited ICC Bangladesh on 24 February and held meeting with President Mahbubur Rahman and Executive Board Members. They discussed about strengthening cooperation between ICC Bangladesh and ADB, building on their longstanding partnership.



ADB Country Director Mr. Hoe Yun Jeong(7th from left) with ICC Bangladesh President Mr. Mahbubur Rahman (centre) and Executive Board Members during his visit to ICCB Secretariat on 24 February.

Welcoming ADB Country Director Mr.Jeong ICC Bangladesh President Mahbubur Rahman said that ADB has been actively supporting ICC Bangladesh in its various activities for the past several years. ADB's engagement with ICC Bangladesh dates back to 2000 when it's the then-President Tadao Chino, attended the ICC Asia Conference on Investment in Developing Countries: Increasing Opportunities held in Dhaka. Since 2015, ADB, through its Trade and Supply Chain Finance Programme (TSCFP), has collaborated with ICC Bangladesh to organize a series of workshops and conferences.

ICCB President Mahbubur Rahman expressed appreciation for ADB's continued support to Bangladesh and emphasized the importance of public-private partnerships in fostering economic growth.

ADB Country Director Mr. Jeong reiterated ADB's commitment to supporting Bangladesh in its journey towards sustainable development. He mentioned that ADB will continue to work with ICC Bangladesh in expanding future collaborations, particularly in areas such as trade digitalization, financial accessibility, and sustainable business practices.

The meeting was attended by ICC Bangladesh Vice Presidents A. K. Azad & Naser Ezaz Bijoy; Executive Board Members: Abdul Hai Sarker, Anwar-ul-Alam Chowdhury (Parvez), Md. Fazlul Hoque, Mir Nasir Hossain, Nasir Uddin Ahmed (Pavel); Mohammad Hatem and Simeen Rahman; DBL Group Managing Director Mohammed Abdul Jabbar, ICCB Secretary General Ataur Rahman, Senior Investment Officer of ADB Bidyut Kumar Saha & ICCB General Manager Ajay B. Saha.

ASEAN Diplomats held meeting with ICC Bangladesh President discussed bilateral trade and investment ties

ASEAN Diplomats visited ICC Bangladesh on 20 March and held a meeting with President Mahbubur Rahman, Vice Presidents A.K.Azad and Naser Ezaz Bijoy. Mr. Mahbubur Rahman thanked the Diplomats for giving the opportunity to brief them about the global activities of the International Chamber of Commerce, Paris and ICC Bangladesh.

ICC Bangladesh President mentioned that there is huge trade gap between Bangladesh and ASEAN due to insignificant exports from Bangladesh. He therefore, requested for increasing import from Bangladesh to reduce the trade gap. He also requested the ASEAN Diplomats to actively promote inclusion of Bangladesh to ASEAN as well as have FTA with these countries.

ICC Bangladesh President highlighted Bangladesh's economic growth, investment-friendly policies, and opportunities in key industries such as textiles, pharmaceuticals, ICT, and energy sector.

H.E. Mr. Nguyen Manh Cuong, Chair of the ASEAN Dhaka Committee and Ambassador of the Socialist Republic of Vietnam to Bangladesh thanked ICC Bangladesh President for inviting the ASEAN Diplomats to ICC Bangladesh. He pointed out that ASEAN considers Bangladesh as a country having vast opportunity of expanding its exports to ASEAN. Bangladesh needs to diversify its export products and actively promote them in these countries.

During the meeting, participants highlighted the importance of establishing direct air connectivity and coastal shipping routes to enhance trade. The Indonesian representative expressed interest in investing in Bangladesh's solar power sector. It was also suggested that ASEAN countries could promote tourism and invest in the service sector, particularly in developing skilled manpower to meet global demand.

The meeting was attended by H.E. Mrs. Nina P. Cainglet, Ambassador of the Republic of the Philippines; H.E. Mr. Haji Haris Bin Haji Othman, High Commissioner of Brunei Darussalam; H.E. Mr. U Kyaw Soe Moe, Ambassador of the Union of Myanmar; Mr. Panom Thongprayoon, Minister Counsellor of the Royal Thai Embassy; Mr. M Robbi Firly Harkha, Third Secretary of Economic Affairs, and Mr. Sapto Rudiyanto, Economic Affairs & IT Officer of the Embassy of the Republic of Indonesia. From ICC Bangladesh, Secretary General Ataur Rahman, General Manager Ajay Bihari Saha, and Deputy General Manager Syeda Shahnewaz Lotika were also present.



ICC Bangladesh President Mahbubur Rahman (Centre) is seen with H. E. Mr. Nguyen Manh Cuong (6th from right), Chair, ASEAN Dhaka Committee & Ambassador of the Socialist Republic of Vietnam to Bangladesh; H.E. Mr. U Kyaw Soe Moe (6th from left), Ambassador of the Union of Myanmar to Bangladesh; H.E. Mr. Haji Haris Bin Haji Othman (4th from left), High Commissioner of Brunei Darussalam to Bangladesh; H.E. Mrs. Nina P. Cainglet (5th from right), Ambassador of the Republic of the Philippines to Bangladesh; ICCB Vice President A. K. Azad (4th from right); ICCB Vice President Naser Ezaz Bijoy (5th from left); Mr. Panom Thongprayoon (2nd from right), Minister Counsellor of the Royal Thai Embassy; Mr. M Robbi Firly Harkha (3rd from left), Third Secretary of Economic Affairs & Mr. Sapto Rudiyanto (2nd from left), Economic Affairs & IT Officer of the Embassy of the Republic of Indonesia during their visit to ICC Bangladesh Secretariat on 20 March.

ICC Bangladesh Workshop on Compliance and Trade Finance in Dhaka

ICC Bangladesh organized jointly with ICC HQs a day-long Workshop on Global Banking Commission Outlook, DSI, Compliance and Trade Finance Risk Management for the Bankers of Bangladesh in Dhaka on Thursday 20 February. The workshop was sponsored by ODDO BHF SE Bank, Germany.

ICC Bangladesh Secretary General Ataur Rahman, in his opening remarks, said that Bangladesh's economy has increasingly been getting involved in international trade transactions, and as such improved and efficient cross-border trade will have notable implications for the country's LDC graduation process. The regulatory environment entails greater involvement of the trade finance banks having greater risks. In the context of growing business complexities, higher compliance requirements, widespread technological adoption, high market expectations, and growing financial crimes, trade finance is becoming increasingly challenging to the banks of the country. Compliance and risk management must remain at the heart of our trade finance operations. As global regulatory frameworks become more stringent, our banks and financial institutions must strengthen their due diligence processes, adopt robust risk management frameworks, and enhance transparency to mitigate financial crimes and ensure long-term sustainability, he added.

Mr. Rahman said that ICC Global Banking Commission Chair Florian Witt due to his sudden sickness could not attend the Workshop to share his thoughts on the Global Banking scenario. However, he thanked ICC Paris and ODDO BHF SE Bank, Germany for joining ICC Bangladesh in organizing the Workshop. He said that this is for the first time that ICC Bangladesh has three foreign and two senior local speakers to deliberate on various topics at the Workshop. He thanked the resource persons for kindly agreeing to speak on specific topics. He hoped that the participants will

benefit from their deliberations. Mr. Rahman thanked the sponsoring banks for nominating their officials to attend. He made specific mention of Mutual Trust Bank PLC for not only sponsoring the highest number of officials but also for sponsoring a number of officials of its corporate clients.

Policy Manager of ICC Global Banking Commission Thomas Kuerten in his address during the opening of the workshop said that ICC Banking Commission is delighted to have the opportunity of organizing the workshop for the first time jointly with ICC Bangladesh. He briefly discussed about the global outlook of the Banking Commission streams, including trade register, working groups and taskforces overviews.



Group picture of participants with ICCB Secretary General Ataur Rahman (10th from right); ODDO BHF SE Bank Senior Regional Manager Thomas Kuerten (9th from left); Policy Manager of ICC Banking Commission Tomasch Kubiakat (10th from left) & Senior Partner of Jincheng Tongda & Neal Law Firm Sabio Jin (8th from right) at the ICC Workshop on Global Banking Commission Outlook, DSI, Compliance and Trade Finance Risk Management held in Dhaka on 20 February.

The objective of the Workshop was to discuss on global financial landscape, macro economy and geopolitics, compliance, global digitalisation trends & initiatives linked to MLETR digitalizing of international trade.

The Speakers at the Workshop were : Mr. Tomasch Kubiak, Policy Manager of ICC Global Banking Commission; Mr. Thomas Kuerten, International Banking Sales/Senior Regional Manager at ODDO BHF SE Bank; Mr. Sabio Jin, Senior Partner of Jincheng Tongda & Neal Law Firm, Beijing; Dr. Shah Md. Ahsan Habib, Professor of Bangladesh Institute of Bank Management (BIBM) and Dr. Mostafa Abid Khan, Component Manager, Support for Sustainable Graduation Project (SSGP), Economic Relations Division, Ministry of Finance, Government of Bangladesh.

A total of 96 participants from 26 Banks including Bangladesh Bank (Central Bank), BIBM, KAFCO and some clients of Mutual Trust Bank attended the workshop.

ICC Workshop on Risk Management in Trade Financing held in Chattogram

ICC Bangladesh organized a day-long Workshop on Risk Management in Trade Financing in Chattogram on 1 February. ICC Bangladesh Secretary General Ataur Rahman inaugurating the workshop said that risk management in trade finance is a critical aspect of international trade, aimed at minimizing potential risks associated with cross-border transactions, which are inherently complex due to the involvement of multiple parties, jurisdictions, and regulations. Trade finance risks have direct associations and implications for the cross-border trading activities and the associated



Group picture of participants with ICCB Secretary General Ataur Rahman (6th from left) and Workshop Resource Person Dr. Shah Md. Ahsan Habib (6th from right) Professor of Bangladesh Institute of Bank Management [BIBM], at the ICC Workshop on Risk Management in Trade Financing held in Chattogram.

services that received notable impetus following the international trade disruptions due to the Covid-19 devastations, he said. In view of this ICC Bangladesh has organized this workshop to help the bankers understand various risks associated with international trade and take precautionary to safe guard the interest of the banks as well their clients.

The workshop was conducted by Dr. Shah Md. Ahsan Habib, Professor of Bangladesh Institute of Bank Management [BIBM]. In his deliberations he discussed on conceptualizing risk in Trade financing; regulatory environment of trade financing and compliance risk; risk Management associated with different trade payment methods and financing; and crime risks associated with trade financing. A total of 53 participants from 20 banks and Officials from KAFCO attended the Workshop.

ICC Bangladesh Workshop for SMEs & Women Entrepreneurs in Chattogram

ICC Bangladesh organized a day-long Workshop for the women entrepreneurs and SMEs on Capacity building of SMEs and Women Entrepreneurs for using ICC Rules in International Trade on 2 February in Chattogram.



Group picture of participants with ICCB Secretary General Ataur Rahman (7th from left) & workshop resource person A.T.M. Nesarul Hoque (8th from left) EVP of Mutual Trust Bank at capacity building workshop for SMEs.

ICC Bangladesh Secretary General Ataur Rahman in his opening remarks said that MSMEs in Bangladesh made up more than 99% of economic sector industrial facilities and also developed job chances for 70%–80% of the non-agricultural workforce. The contributions of MSMEs to the economy of Bangladesh are still negligible, with only 20.25 percent contribution to GDP as against 80 percent in India, 60 percent in China and 69.50 percent in Japan. To raise the efficiency of MSMEs, businesses need to recognize the way to boost their activities in the export market as exporting plays a crucial part to create higher values for them. MSMEs are one of the most important pillars for economic growth and contribution to GDP of any country including Bangladesh. Therefore, it is essential to strengthen the capacity of SMEs who are involved in export business to understand the international trade rules.

Mr. Rahman mentioned that the workshop was organized under National Committee (NC) Fund provided by ICC HQs. to ICC Bangladesh to help the SMEs and women entrepreneurs to understand various ICC rules such as UCP 600, Incoterms 2020, ISBP etc. which are to be followed in export-import business. A similar workshop was organized in Dhaka in February last year for the SMEs. ICC Bangladesh plan to organize a number of workshops both in Dhaka and Chattogram during the year for the SMEs.

Mr. A.T.M. Nesarul Hoque, Executive Vice President of Mutual Trust Bank conducted the workshop. Forty (40) participants comprising of women entrepreneurs and SMEs attended the Workshop.

ICC Bangladesh Banking Commission Meeting discussed on future plan of action for 2025

A meeting of the ICC Bangladesh Banking Commission was held on Thursday, 6 February at ICC Bangladesh Secretariat. The Meeting presided over by ICC Bangladesh Banking Commission Chairman Muhammad A. (Rumee) Ali was attended by ICC Bangladesh President Mahbubur Rahman and the following Members : BASIC Bank Chairman Helal Ahmed Chowdhury, Dhaka Bank Managing Director Sheilkh Mohammad Maroof, Mutual Trust Bank Managing Director Syed Mahbubur Rahman, bKash Limited Chief Executive Officer Kamal Quadir, Lankabangla

Finance Managing Director Ms. Humaira Azam, Summit Alliance Port Managing Director Syed Ali Jowher Rizvi, Eastern Bank Additional Managing Director Ahmed Shaheen, Islami Bannk Bangladesh Deputy Managing Director Mahmudur Rahman, BIBM Faculty Member Khondkar Morshed Millat, City Bank Deputy Managing Director Faruk Ahmed, and ICC Bangladesh Secretary General Ataur Rahman.

The Meeting discussed about the current and future activities of ICC Bangladesh Banking Commission and recommended the Plan of Action for 2025 for approval of the ICC Bangladesh Executive Board.

The Committee also discussed about the preparation of the papers by the Six Focus Groups for presentation at the Banking Commission Meetings. The Focus Groups are expected to prepare report on the following topics: International Trade Finance; Climate, Social Performance of Financial Institutions and Sustainable Finance; Digitalization and Cyber Security of Financial Institutions; Credit Risk Management: Managing Loan Portfolio to reduce default loan including Fraud Risk Management; Inclusivity in Banking: MSME and Extending Financial Services to the unbanked sector and Gender based issues in Financial Sector; Access issues in Financing, Employment (HR).



ICC Bangladesh Banking Commission Meeting in progress

ICC Bangladesh Executive Board Meeting reviewed activities

The 97th ICC Bangladesh Executive Board Meeting was held on 24 February at ICC Bangladesh Secretariat. The Executive Board Meeting was followed by meeting with ADB Country Director Mr. Hoe Yun Jeong.

The Executive Board reviewed the activities of the National Secretariat, approved the Plan of Action for 2025. The Plan of Action include organizing workshops on various topics, dialogue/ roundtable.

The Executive Board also endorsed the proposal for organizing a joint program in Dhaka sometime during the end of April 2025 in collaboration with the Global Alliance for Trade Facilitation (GATF) of the World Economic Forum and SwissContact to share experiences and best practices on trade facilitation in Bangladesh and the region.

The Meeting chaired by President Mahbubur Rahman was attended by Vice Presidents A. K. Azad, Naser Ezaz Bijoy, Board Members Abdul Hai Sarker, Anwar-ul Alam Chowdhury (Parvez), Md. Fazlul Hoque, Mir Nasir Hossain, Mohammad Hatem, Nasir Uddin Ahmed (Pavel) and Simeen Rahman; ICCB Secretary General Ataur Rahman and General Manager Ajay B. Saha. DBL Group Managing Director Mohammed Abdul Jabbar and Senior Investment Officer of ADB Bidyut Kumar Saha attended the meeting with the ADB Country Director.



ICC Bangladesh's 97th Executive Board Meeting underway

ICC Bangladesh Action Plan for 2025

Workshops

- Workshop on Capacity building of MSMEs and Women Entrepreneurs for using ICC Rules in International Trade
- Workshop on Risk Management in Trade Financing
- ICC-ODDO BHF Workshop on ICC Global Banking Commission Outlook, DSI, Compliance and Trade Finance Risk Management
- ICC Bangladesh/ADB-TSCFP/ITFC Workshop on Digitalizing International Trade in Bangladesh
- Workshop Combating Financial Crimes-Means, Ways & Redress
- Workshop on Export Operations, Back-to-Back LC Mechanism and Challenges of Export Finance
- Workshop on Settlement of Documentary Credit Disputes through ADR: Review of ICC Arbitration & DOCDEX Cases
- Workshop on Trade Finance Legal Challenges and International Sanctions Regime & Requirements: Understanding Import/Export Risk Correlation in Interconnected World
- Workshop on Open Account Export Transactions-pros and cons

Business Dialogues / Seminars/Conference

- Dialogue on Global Financial Trends & Reforms: Implications for Bangladesh
- Conference on Trade Facilitation for Inclusive and Sustainable Development in Asia: Bangladesh Perspective
- Conference on Climate Change Adaptation and Strengthening Capacity for Sustainable Disaster Risk Management
- Roundtable on Investment Opportunities in Bangladesh Economic Corridor
- Roundtable on Digitization of International Trade (DSI)
- Roundtable on Corporate Governance of Financial Institutions
- Roundtable on Cyber Security of Financial Institutions
- Roundtable on Credit Risk Management
- Roundtable on Financial Crimes and Risk Policy

Certificate Courses

On-line Certificate Professional Courses offered by:

- London Institute of Banking and Finance (LIBF)
- ICC Academy

Publications

- Quarterly News Bulletin
- Media Blitz
- Annual Report

ICC Academy & LIBF Online Professional Qualification Courses

ICC Academy offering the following categories professional certification programmes:

Trade finance
- Global Trade Certificate (GTC)
- Certified Trade Finance Professional (CTFP)
- Certificate in Digital Trade Strategy

International business
- Export/Import Certificate (EIC)
- Incoterms® 2020 Certificate (INCO)
- Free Trade Agreement Certificate (FTAC)
- E-Invoicing Solutions Certificate (ESC)
- Microfinance Associate Certificate (MAC)

Regulation and compliance
- Certificate on the Common Reporting Standard (CCRS)
- IMB NVOCC Bill of Lading Certificate (NBL)
- Ethical Marketing and Advertising (EMA)

LIBF offering the following professional qualification certificate courses:

- Certificate for Documentary Credit Specialists (CDCS)
- Certificate for Specialists in Demand Guarantees (CSDG)
- Certificate in International Trade and Finance (CITF)
- Certificate in Trade Finance Compliance (CTFC)
- Certificate in Supply Chain Finance (CSCF)
- Certificate in Principles of Payments (CertPAY)
- Certificate in International Trade Risk (CITR)
- Diploma for Qualified Trade Finance Specialists (QTFS)
- Certified Practitioner in Specialist Property Finance (CPSP)
- Diploma for Financial Advisers (DipFA)
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ICC HQs News

Global Trade Outlook 2025: Industry Insights

Business leaders worldwide have shared crucial insights with ICC on key trade policy challenges, highlighting the need for predictability in global markets.

The recent industry consultations and roundtables reveal pressing concerns from the global business community:

Businesses of all sizes emphasize that policy uncertainty is their greatest challenge for planning investments, managing supply chains and creating jobs; Companies report that costly adaptations to trade restrictions are affecting innovation and profitability while providing no guaranteed protection against major disruptions; Supply chain resilience efforts face practical constraints, including skilled worker shortages and limited supplier availability.

The following key priorities emerged from consultations and roundtables:

Active business participation in trade policy discussions to ensure industry perspectives are heard

A strong rules-based trading system anchored in a fully functioning World Trade Organization (WTO); Stability and predictability for making informed long-term business decisions.

For strengthening the trading system ICC calls for three concrete actions:

- Governments should pursue complementary dialogue through plurilateral initiatives that can deliver tangible benefits.
- WTO member states should reinvigorate multilateral trade talks by identifying practical areas where grand bargains could be secured to address major trade frictions.
- Stakeholders should work to enhance negotiation mechanisms that can effectively address emerging trade challenges.

ICC calls for renewed multilateralism and enhanced global cooperation at World Governments Summit

ICC Secretary General John W.H. Denton has called for a renewed commitment to multilateralism and enhanced global cooperation to address today's pressing economic and climate challenges.

Speaking at the World Governments Summit (WGS) in Dubai, Mr Denton called on policymakers to work hand in hand with the private sector to deliver effective solutions. "Economic diplomacy and multilateral cooperation are key to ensure that trade and investment continue to lead to peace, prosperity and opportunity for all. ICC, as a key practitioner of economic diplomacy, will continue to play its part, and drive inclusive, multilateral cooperation with legitimacy, integrity and pragmatism," he said.

During a panel session looking at the potential of economic diplomacy to reshape global trade, Mr Denton underscored ICC's role in crowding private sector views and know-how into multilateral governance and processes. Pointing to challenges such as acute trade fragmentation and the inability of multilateral frameworks to drive coordinated action, Mr Denton called for stronger partnerships and international cooperation, to reshape an effective multilateral system.

He said: "Those of us who believe in a rules-based order, rather than a power-based one, must therefore take on the responsibility of reshaping it." Mr Denton emphasised ICC's role as the inclusive, representative body of over 45 million businesses globally, with the agility to enable tangible solutions. This includes through initiatives such as the ICC Digital Standards Initiative, access to green trade finance, and enhanced access to justice for smaller businesses.

The World Governments Summit serves as a platform for discussions on global trade, governance and sustainability. In November 2024, ICC and the World Governments Summit announced a strategic knowledge partnership to drive research and innovation on key global issues. The collaboration aims to provide actionable insights on economic development to support sustainable development at a global and regional level.

Why the most-favoured nation principle matters for business

A rules-based global trading system, with the World Trade Organization's (WTO) most-favoured nation (MFN) principle at its core, provides the stability and predictability that businesses require for strategic planning, investment decisions, and day-to-day operations.



In today's interconnected global economy, understanding the rules that govern international trade is essential for businesses of every size, everywhere. The most-favoured nation principle is a cornerstone of the WTO that ensures countries do not discriminate between their trading partners. According to the WTO, over 80% of global merchandise trade are conducted on most-favoured nation terms.

But while the principle is one of the most fundamental WTO concepts, it is also frequently misunderstood. This paper explains: What the most-favoured nation principle is in practical terms and common misconceptions; How the principle relates to reciprocal and retaliatory tariffs; How it impacts businesses and consumers; Its importance for business operations, whether or not the business exports goods; Its role in promoting equality and fairness in international trade.

Unveiled: 2024 ICC Arbitration and ADR preliminary statistics

The International Chamber of Commerce (ICC) has unveiled preliminary dispute resolution statistics for 2024, marking a record-breaking year in the total value of claims pending at year end. The numbers highlight the trust in ICC Arbitration and ADR mechanisms and offer a first look into the evolving global dispute resolution landscape.



"The preliminary figures highlight once more the confidence companies and states place in ICC as their preferred institution for resolving disputes. Staying close to the needs of ICC Arbitration and ADR users worldwide, we remain committed to delivering fair, efficient and transparent services that meet the evolving needs of domestic and international commerce".

In 2024, the number of new cases remained strong, with 831 cases filed under the ICC Arbitration Rules (of which 17 began with Emergency Arbitrator applications) and 10 cases under the ICC Appointing Authority Rules. This is similar to the average caseload of the last five years. In October, ICC reached a milestone when it registered its 29,000th case under the ICC Arbitration Rules. In total 1,789 cases were pending at the end of 2024.

In 2024, 152 new cases were administered under the Expedited Procedure Provisions ('EPP'). The ICC Court has administered a total of 865 cases under the EPP since the procedure was established in 2017.

A total of 2,392 parties participated in ICC arbitrations in 2024, of which 1,100 were claimants and 1,292 were respondents. Parties originated from 136 jurisdictions, with an increased presence compared to 2023 in North and West Europe, Sub-Saharan Africa, Latin America and the Caribbean, South and East Asia, and the Pacific.

For new cases, the top 10 countries from which parties originated were the United States (167 parties) followed by Brazil (156), Spain (137), Mexico (106), Italy (101), the People's Republic of China and Hong Kong SAR (98), Germany (85), Türkiye (80), and France and the United Arab Emirates (73 parties each).

A total of 45 states and 143 state-owned entities were involved in 159 cases filed during the year, accounting for 19% of new cases. ICC arbitral tribunals were seated in 107 cities across 62 countries or independent territories on all continents. The top 10 jurisdictions were the United Kingdom (96 cases), France (91), Switzerland (83), the United States (72), the United Arab Emirates (38), Spain (33), Brazil and Mexico (30 each), Singapore (28), and Germany (20).

Amounts in dispute in new cases varied significantly, ranging from just below US$10,000 to US$53 billion. The aggregate amount in dispute for new cases reached US$103 billion, with an average of US$130 million and a median of

approximately US$5 million. With a total of US$354 billion, the aggregate amount in dispute for pending cases sets an all-time record. The corresponding average and median amounts were US$211 million and US$14 million, respectively.

A total of 61 requests were filed with the ICC ADR Centre in 2024: 37 under ICC Mediation Rules, 20 under the Expert Rules, three under DOCDEX Rules and one under the Dispute Board Rules. The full 2024 ICC Dispute Resolution Statistics report will be released later this year.

Re-election in sight for Chair of ICC World Chambers Federation

The General Council of the ICC World Chambers Federation (WCF) has re-elected Rifat Hisarcıklıoğlu, a prominent Turkish business leader, Chair of ICC WCF.

Mr Hisarcıklıoğlu's three-year mandate will begin on 1 July 2025, following formal ratification by the ICC World Council in June. This will be Mr Hisarcıklıoğlu's second and final mandate, following his initial election in 2023. As ICC WCF Chair, he will continue to strengthen the chamber community worldwide and increase the impact of the ICC World Chambers Federation, ICC's unique forum connecting chambers across borders.



Responding to the election results, Mr Hisarcıklıoğlu said:

"I am honoured by the trust of my fellow chamber colleagues in re-electing me for a new term. We are committed to working even harder to strengthen and expand our unique global network of chambers, ensuring it becomes even more diverse and representative. We will also reaffirm the ICC World Chambers Federation as a trusted business partner to all chambers in our network, equipping them with ICC tools and resources to enhance their operations, drive growth, and create a better business environment."

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

"I congratulate Rifat on his re-election – a testament to the trust our chamber community places in him and a well-deserved recognition of his leadership."

Mr Hisarcıklıoğlu is the President of the Union of Chambers and Commodity Exchanges of Türkiye (TOBB), the country's largest business organisation, representing 366 chambers and commodity exchanges and over 2 million members. He also serves as Chair of ICC Türkiye.

With an extensive background in international business and chamber leadership, he currently holds key positions in several global organisations, including Vice-President of EUROCHAMBRES, Vice-President of the Confederation of Asia-Pacific Chambers of Commerce, Vice-President of the Islamic Chamber of Commerce, Industry and Agriculture, Chair of B20 Türkiye, and member of the ICC Executive Board.

In addition to his institutional leadership, he is a prominent business figure in Türkiye and the surrounding region, serving as Chairman of Eskihisar Group, which operates in construction, real estate, the food industry and the automotive sector.

ICC urges negotiation over retaliation on trade tariffs

In a series of high-profile interviews with major media outlets, ICC Secretary General John W. H. Denton AO, has highlighted widespread concerns and uncertainties within the global business community as a result of threatened and imposed US tariff hikes.

In interviews with CNBC, BBC as well as leading newspapers and newswires, Mr Denton warned tariffs could lead to significant disruptions in trade, resulting in severe economic consequences for businesses and the communities they serve.

Describing the potential tariff hikes as confusing, Mr Denton said there was little clarity on the US administration's ultimate policy objectives, adding to the prevailing concerns among businesses worldwide. Mr Denton underscored the vital role of the rules-based system in maintaining global trade stability, calling on governments to keep cool heads and avoid a destructive cycle of retaliation.

"An unfettered global tariff escalation is in no one's interest," he said. "Widespread retaliation risks a dislocation of trade that could precipitate a global recession, and we could see a contraction

in trade of historic proportions – with severe economic implications for businesses and families around the world."

Mr Denton stressed the importance of concerted negotiation as the default response to tariffs reiterating that the overall strategy remained unclear and could be designed to "escalate to de-escalate".

Mr Denton also highlighted the potential impact of tariffs on the US economy warning prolonged tariffs could lead to significant price



spikes for household items and food, and have a negative impact on domestic industrial output due to import dependencies.

Urging countries to prioritise negotiation over retaliation, Mr Denton highlighted ICC's role helping companies navigate import or export restrictions as the world's business organisation representing over 45 million companies worldwide. "Avoiding a destructive cycle of retaliation is in all our interests," he said.

Calling all small business champions of the circular economy

Organisations championing the circular economy in the small business community have until 28 March to enter the globally



recognised 2025 Small Business Champions Initiative competition.

Launched in 2021, the Small Business Champions Initiative celebrates organisations that empower small businesses to participate and succeed in global trade. This year, the organisers – the International Chamber of Commerce, International Trade Centre and World Trade Organization's Informal Working Group on Micro-, Small- and Medium-Sized Enterprises, in partnership with United Nations Trade and Development – will recognise concepts and initiatives that help small businesses embrace the circular economy.

Along with the recognition, the winners will be invited to Geneva for an award ceremony on 27 June 2025. The International Trade Centre will additionally award each winner US$4,000 prize money to support the development or further scaling of their winning project and issue an award certificate.

Small businesses, enterprises, industry associations, chambers of commerce and non-governmental organisations leading initiatives such as awareness-raising campaigns, competitions, capacity building, training, mentoring and networking programmes related to the circular economy will be eligible to participate.

Maritime piracy dropped in 2024 but crew safety remains at risk

The ICC International Maritime Bureau (IMB) has reported a decline in global maritime incidents and piracy in 2024 but urges continued caution as crew safety remains at risk. The IMB annual Piracy and Armed Robbery Report recorded 116 incidents against ships in 2024 compared to 120 in 2023 and 115 in 2022. It reveals that 94 vessels were boarded, 13 attempted attacks, six vessels hijacked and three fired upon.

While the number of reported incidents in 2024 remains similar to those reported in 2023 and 2022, IMB urges caution to promote crew safety given an increase in the number of crew taken hostage or kidnapped – from 126 taken hostage in 2024 compared to 73 in 2023 and 41 in 2022. Twelve crew were reported kidnapped, compared to 14 in 2023 and two in 2022. A further 12 crew were threatened and one injured in 2024.

The reported use of weapons also continues to rise. In 2024, guns were reported in 26 incidents compared to 15 in 2023. Knives were reported in 39 incidents in 2024, compared to 42 incidents in 2023.

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

"While we welcome the reduction of reported incidents, the ongoing threats to crew safety remain a significant concern. Safeguarding routes and ensuring the security of seafarers, who are essential to maintaining global commerce, is vital. Every effort must be made to protect lives at sea while ensuring the seamless flow of goods through international supply chains. This requires a collaborative effort, with continued regional and international naval presence being crucial to this endeavour."

Activity remains relatively lower in the Gulf of Guinea with 18 incidents

reported in 2024, compared to 22 in 2023, 19 in 2022, 35 in 2021 and 81 in 2020. However, crew members continue to be at risk, with the region accounting for all 12 kidnapped crew and 23 % of the total number of crew taken hostage in 2024.

In East Africa, at least eight incidents were reported, including the hijacking of two fishing vessels and a bulk carrier in the first half of 2024. IMB encourages vigilance and adherence to the recommendations in the latest Best Managements Practices.

Incidents in the Singapore Straits continue to rise with 43 in 2024 compared to 37 in 2023 and 38 in 2022. The 2024 IMB Piracy and Armed Robbery report reveals that 93% of vessels targeted were boarded and 11 large vessels over 100,000 deadweight tonnage (DWT) were targeted in this strategically important seaway.

Harm to crew continued, with 13 taken hostage, five threatened and one injured during the incidents. While considered low-level opportunistic crimes, the use of guns and knives increased to eight and 19 in 2024 respectively, compared to three and 15 in 2023. Most incidents



were reported during the hours of darkness and while vessels were underway.

A year-on-year increase in reported incidents has been observed in the Indonesian archipelago, up from 10 in 2022 and 18 in 2023 to 22 in 2024. While 20 incidents remain under the definition of armed robbery, two fall under the definition of piracy. In these two incidents, crew members were taken hostage for the duration of the incidents. Overall, 31 crew were taken hostage and one threatened. Knives were reported in 10 incidents and guns in three.

The highest number of incidents in a decade was reported at anchorages in Bangladesh. IMB recorded 14 incidents in 2024, of which 13 were onboard ships anchored at Chattogram and one at Mongla anchorage. Two crew were taken hostage and a further three threatened. Knives were reported in seven incidents.

ICC urges negotiation over retaliation on trade tariffs

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In interviews with CNBC, BBC as well as leading newspapers and newswires, Mr. Denton warned tariffs could lead to significant disruptions in trade, resulting in severe economic consequences for businesses and the communities they serve. Describing the potential tariff hikes as confusing, Mr. Denton said there was little clarity on the US administration's ultimate policy objectives, adding to the prevailing concerns among businesses worldwide.

Mr. Denton underscored the vital role of the rules-based system in maintaining global trade stability, calling on governments to keep cool heads and avoid a destructive cycle of retaliation. "An unfettered global tariff escalation is in no one's interest," he said. "Widespread retaliation risks a dislocation of trade that could precipitate a global recession, and we could see a contraction in trade of historic proportions – with severe economic implications for businesses and families around the world."

Mr Denton stressed the importance of concerted negotiation as the default response to tariffs reiterating that the overall strategy remained unclear and could be designed to "escalate to de-escalate". Mr Denton also highlighted the potential impact of tariffs on the US economy warning prolonged tariffs could lead to significant price spikes for household items and food, and have a negative impact on domestic industrial output due to import dependencies.

Urging countries to prioritise negotiation over retaliation, Mr Denton highlighted ICC's role helping companies navigate import or export restrictions as the world's business organisation representing over 45 million companies worldwide. "Avoiding a destructive cycle of retaliation is in all our interests," he said.

Bangladesh Economy

UN Secretary General visited Bangladesh : discussed Rohingya repatriation issues

During his four-day visit to Bangladesh, UN Secretary-General António Guterres toured the Rohingya camps and pledged to take all possible measures to avert further suffering, as severe aid reductions jeopardize food assistance and essential relief operations. UN relief operations are at risk due to funding cuts declared by key donors, including the United States and multiple European countries.



Mr. Guterres described Cox's Bazar as "ground zero" for the impact of these cuts, warning of a looming humanitarian disaster if immediate action is not taken. "We are at risk of cutting the food rations in this camp," he said. "That would be an unmitigated disaster that we cannot accept because people will suffer and even people will die."

Mr. Guterres emphasised that his visit, which took place during the holy month of Ramadan, was a mission of solidarity with the Rohingya refugees and the Bangladeshi people who generously host them. "I am here to shine a global spotlight on the plight – but also the potential – of Rohingya refugees," he said. "The more than one million Rohingya refugees here are proud. They are resilient. And they need the world's support."

He praised the support offered by Bangladesh and local communities who have shared their land, forests, water and resources with the refugees, calling it nothing short of "enormous." Bangladesh is hosting over one million Rohingya refugees who fled violence in neighbouring Myanmar. The largest exodus followed brutal attacks by Myanmar security forces in 2017, a series of events that the then UN High Commissioner for Human Rights, Zeid Ra'ad al-Hussein described as "textbook example of ethnic cleansing."

The Secretary-General emphasised that the international community cannot turn its back on the Rohingya crisis. "We cannot accept that the international community forgets about the Rohingyas," he said, adding that he will "speak loudly" to world leaders that more support is urgently needed.

"It is essential that the international community does everything to make sure that peace is reestablished in Myanmar and that the rights of the Rohingyas are respected, that discrimination and persecution like the one we have witnessed in the past, will end." He stressed that the solution to the crisis "must be found in Myanmar." "We will not give up until conditions allow for the voluntary, safe and sustainable return for all refugees here."

Mr. Guterres also highlighted the dire conditions in the camps, worsened by climate change. "These camps – and the communities that host them – are on the frontlines of the climate crisis. Summers are scorching, and the chance of fires skyrocket. In the cyclone and monsoon seasons, floods and dangerous landslides destroy homes and lives," he said.

Beyond immediate aid, he stressed the need for education, skills training and opportunities for the refugees, warning that many families feel they have no option but to risk perilous sea journeys in search of a better future.

During the visit Guterres noted the "pivotal moment" the country is facing as it navigates a period of significant transition and reform as he met interim government Chief Adviser Professor Muhammad Yunus and other leaders.

The UN chief also "assures the people of Bangladesh that the United Nations stands ready to assist the country in fostering peace, national dialogue, trust and healing during this pivotal moment of political transition". Earlier on 14 March the UN Secretary General himself expressed his full support for the reform process initiated by Bangladesh's interim government.

"I want to express our total commitment to the reform process. We are here to support your reforms. We wish you all the best. Whatever we can do, let us know," he told Professor Yunus during his hour-long meeting. He expressed his hope the reforms would lead to a free and fair election and a "real transformation" of the country adding, "I know the process of reforms can be complex".

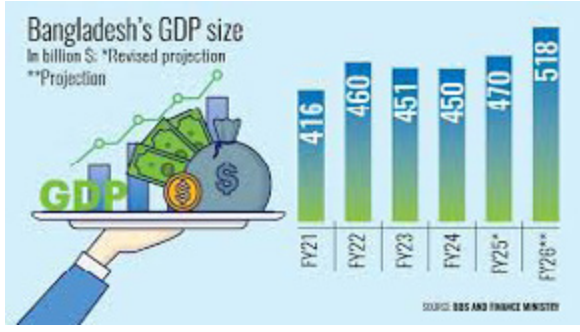
Professor Yunus thanked the UN Secretary General for visiting the country at such a crucial time saying, "You couldn't come at a better time. Your visit is timely not only for the Rohingya people but also for Bangladesh".

Bangladesh's GDP projected to surpass $500 Billion in FY26

The finance ministry is likely to project that the country's gross domestic product (GDP) will surpass the $500-billion mark for the first time in the upcoming fiscal year (FY), anticipating an economic rebound in FY 2025-26. The ministry made the estimate during a recent budget-related meeting attended by Finance Adviser Salehuddin Ahmed.

The Finance Division estimates that Bangladesh's GDP at current prices will reach $517.7 billion (Tk 6,315,923 crore) in FY26. For the ongoing fiscal year, the initial GDP projection was $491 billion (Tk 5,597,414 crore) at current prices. However, it is likely to be revised downward by $21 billion to $470 billion (Tk 5,645,114 crore), according to finance ministry.

This means the size of GDP will grow by 10.21 percent at current prices in FY26 than the revised estimate for the ongoing fiscal year. However, according to the revised estimate, GDP may increase by 4.44 percent in the current fiscal year. In the last fiscal year of 2023-24, Bangladesh's GDP stood at $450 billion (Tk 50,026,537 crore), according to data released by the Bangladesh Bureau of Statistics (BBS).



The finance ministry expects the economy to rebound in the coming years, with GDP crossing the $500-billion mark. Similarly, Asian Development Bank (ADB), World Bank, and International Monetary Fund (IMF), have projected higher growth in the coming years, despite lowering their economic growth projections for FY25.

For the next fiscal year, the finance ministry may project real GDP growth at 6 percent and inflation at 6.5 percent. In its latest monetary policy, the Bangladesh Bank (BB) projected private sector credit growth at 9.8 percent by June this year, which aligns with the finance ministry's revised projection.

For the upcoming fiscal year, the finance ministry has projected that private sector credit growth will grow to 11 percent. Along with the rising trend in exports and remittances, the overall volume of imports is expected to increase in the coming years. Although import volumes were in negative territory before December last year, overall imports rose by 3.53 percent during the July–December period, according to central bank data.

In FY26, the finance ministry also expects imports to reach 10 percent. The government expects GDP size to cross the $500 billion mark, considering the above indicators.

Remittances rose 22% in 2024, hitting a record $27 billion

Bangladesh received nearly $27 billion in remittances in 2024b – reflecting a 22% year-on-year increase – bolstered by a 9% rise in the official dollar rate and a decline in money laundering during the final five months. According to data from the Bangladesh Bank (Central Bank) m, remittances through formal channels totalled $26.67 billion from January to 28 December, an increase of about $4.7 billion from $21.92 billion in 2023.

As of 28 December, the latest remittance total is $2.42 billion, ranking second in the highest remittance months in history. The highest remittance, $2.59 billion, was received in July 2020 during the Covid period.

According to Central Bank data, the country's gross foreign exchange reserves reached $21.33 billion on 27



December, as per the IMF formula based on the Balance of Payments and International Investment Position Manual (BPM6).

According to experts, the remittance market is highly sensitive to exchange rates. When the dollar rate rises, remittance inflows tend to increase. September 2023 serves as a clear example: banks were instructed not to collect remittances at higher rates, and the central bank penalized the treasury heads of at least 10 banks for buying remittance dollars at inflated rates. As a result, remittances in September 2023 totalled only $1.33 billion.

However, after the interim government took power in August 2024 and increased the dollar rate, banks faced less pressure on remittance collection. This shift is now yielding positive results. Analysis of central bank data

shows that in early January 2024, the official dollar rate was Tk110. In the July-December monetary policy, the central bank devalued the currency by Tk7 – the largest single-day devaluation in history. Banks were then instructed to buy and sell dollars based on a crawling peg mid-rate of Tk117, with verbal guidance to add a maximum of Tk1, bringing the rate to Tk118.

After the interim government took office in August, the rate was increased to Tk120. By December, the dollar rate rose to Tk128, but the central bank's verbal instructions capped transactions at Tk123. This represents an increase of at least Tk10 or 9%. Bankers said this upward trend in the dollar rate has contributed to the rise in remittances.

To further boost remittance inflows, the economist suggested offering social recognition to remitters alongside providing a favourable dollar rate.

ADB to provide $1b annually for Bangladesh's inclusive development

Asian Development Bank (ADB) Country Director Hoe Yun Jeong on 5 January said it will provide



Bangladesh with $1 billion annually in concessional financing over the next five years. He assured enhanced financial support, including grants, to advance Bangladesh's environmental goals. He expressed a strong interest in river cleaning projects. He said this while meeting with Syeda Rizwana Hasan, Advisor to the Ministry of Environment, Forest and Climate Change, and the Ministry of Water Resources, at the Forest Department in Dhaka.

Additionally, he highlighted ADB's commitment to increasing community engagement and public consultations during project implementation. The discussions also focused on ADB's commitment to supporting Bangladesh's climate resilience and environmental sustainability. During the meeting, Syeda Rizwana Hasan emphasised ADB's increased focus on climate-focused and socially inclusive activities over traditional infrastructure projects.

Highlighting her government's ambitious plans to restore eight major rivers across the country's eight divisions, she urged ADB to prioritise river-cleaning initiatives around Dhaka. The Advisor also stressed the need for tangible actions on the ground instead of merely formulating action plans.

She called for concessional loans and sought ADB's support in addressing key environmental challenges, including solid waste management, sewage treatment, salinity intrusion, waterlogging, and human-elephant conflicts.

Senior officials, including the Environment Secretary, Joint Secretary, Chief Conservator of Forests, and representatives from ADB, were present at the meeting, underscoring the collaborative efforts to address Bangladesh's environmental challenges.

World Bank forecasts 4.1% GDP growth for Bangladesh in FY25

The World Bank (WB) has forecasted a 4.1% economic growth rate for Bangladesh in the current fiscal year (FY 2024-25), citing subdued investment and industrial activity amid heightened political uncertainty.

This projection, slightly higher than the WB's October estimate of 4%, reflects persistent challenges, including inflation, energy shortages, and import restrictions that have dampened industrial output and household purchasing power.



The WB report predicts growth will rebound to 5.4% in FY26, contingent on political stability, successful financial reforms, and improved trade and business conditions. Easing inflation is expected to support private consumption, though the 12-month average inflation rose to 10.34% in 2024, up from 9.48% in the prior year.

Bangladesh's growth projection for FY25 is higher than the International Monetary Fund's (IMF) estimate of 3.8%, which factored in output losses from the

July 2024 political unrest, floods, and tighter fiscal policies. However, both forecasts indicate that FY25 growth could be the lowest since the COVID-19 pandemic in FY20.

The Bangladesh Bureau of Statistics reported GDP growth of 1.81% for the July-September quarter of FY25, the lowest since the second quarter of FY21. With inflation remaining elevated and economic activity dampened by mid-2024 political turmoil, the WB revised its FY24 growth estimate to 5%, down by 0.6 percentage points.

WB approved additional $30M loan for PGCB expansion

The World Bank (WB) would provide US$30 million additional loan to improve Bangladesh's power transmission lines in the eastern zones. The lender and the Economic Relations Division (ERD) on 23 January signed a loan agreement to this effect in Dhaka. ERD Secretary Shahriar Kader Siddiki and Acting Country Director of the Bank Mr Gayle Martin signed the loan deal.

The Bank will provide the loan from its scale-up facility (SUF) fund. It will charge 2.0 per cent interest rate. The maturity of the loan is 30 years with five years grace period. Under the "Enhancement and strengthening of power transmission network in eastern region project", the Power Grid Company, Bangladesh (PGCB) will upgrade the electricity transmission line in greater Comilla, Chittagong and Noakhali districts.

With the support of the WB, the PGCB is implementing the project from 2018 which is scheduled to be completed in June this year. Earlier, the global lender has confirmed $450.64 million worth of loans in 2018 for completing the project. Out of the total commitment, the Bank diverted $50 million funds to other projects during the Covid-19 period.

The PGCB recently sought the additional funds from the WB for completing the unfinished works under the ongoing project.

WEF warns inflation as Bangladesh's major economic challenge for next two years

The World Economic Forum in a recently published report identified inflation as the biggest threat to Bangladesh for the next two years. In its Global Risks Report 2025, the WEF, an international advocacy non-governmental organisation and think tank, marked extreme weather events such as floods and heatwaves, and pollution as other two of the top three risks for the country.

Moreover, unemployment or lack of economic opportunity and economic downturn such as recession and stagnation were recognised as the last two in top five risks. Bangladesh's economy has been facing a number of issues, including rising inflation, increasing external debts, volatility in the foreign exchange market, dwindling foreign reserves and slow investment and business growth.

The rate of inflation remained at the double digit level for the past three months in a row while the country's gross domestic product growth dropped to 1.8 per cent in the first quarter of the 2024-25 financial year marked by the regime change amid a mass uprising. The 12-month point-to-point inflation rate in Bangladesh rose to 10.89 per cent in 2024 from 9.41 per cent a year earlier. Bangladesh's unemployment rate rose to 4.49 percent in the July-September quarter of 2024 from 4.07 percent a year earlier.

The WEF report stated that in densely populated countries such as Bangladesh and India, pollution has become one of the most critical challenges to tackle. The WEF identified water supply shortage, misinformation and disinformation, erosion of human rights and/or civic freedoms, pollution, and labour/talent shortage as the top threats for the neighbouring country India.

The report also focused on the world order, saying, 'Western-led global order is expected to continue its decline over the next decade, but will nonetheless remain an importance locus of power. Alternative power centres are likely to strengthen, not just led by China, but also by key emerging powers, including India and the Gulf states.'

The report highlighted an increasingly fractured global landscape, where escalating geopolitical, environmental, societal and technological challenges threaten stability and progress. The WEF report incorporates insights from over 900 experts worldwide. The Centre for Policy Dialogue, a leading Bangladeshi think tank, played a role in contributing to the findings of the WEF report on Bangladesh.

Bank Asia and EBL secure $70M loan from IFC

Bank Asia PLC and Eastern Bank PLC (EBL) have signed separate agreements with the International Finance Corporation (IFC), a member of the World Bank Group focused on the private sector in developing countries, to avail themselves of a total of $70 million in loans.

Sohail RK Hussain, managing director of Bank Asia; Ali Reza Iftekhar, managing director and CEO of EBL; and Allen Forlemu, regional industry director, Financial Institutions Group, Asia Pacific at the IFC, signed the deals in Dhaka. Each bank will receive $35 million.

Bank Asia said it would use the loan for capacity building in the micro, small, and medium enterprise (MSME) sector. Meanwhile, EBL said it would use the loan to support its working capital and trade-related lending programme.

Bank Asia, with its strong balance sheet and nearly 8 million customers, is uniquely positioned to expand its SME portfolio by leveraging its agent banking network, said Hussain. "Bank Asia is the pioneer of agent banking in Bangladesh," he noted.

"EBL is a strong partner of Bangladesh's development growth. This partnership with the IFC will help us extend working capital and trade finance solutions to local corporates and SMEs," said Iftekhar. However, EBL stated that it currently manages 5 percent of the country's total trade business and considers small and medium-sized enterprises (SMEs) a core component of its growth strategy.

The bank also stated that it finances everything from large-scale infrastructure and manufacturing projects to complex trade transactions. "IFC has been a steadfast partner in Bangladesh's financial sector, working to expand access to finance for micro, small, and medium enterprises, which are the backbone of the country's economy," said Forlemu.

The investment in the two banks is a part of the IFC's ongoing commitment to strengthening Bangladesh by providing much-needed liquidity to export- and import-oriented SMEs, he said. Ensuring the resources will not only enable SMEs to grow, innovate, trade, and create jobs but also help them build long-term resilience, navigate evolving economic challenges, and foster sustainable economic development, he added.

Shafiuzzaman and ANM Mahfuz, additional managing directors of Bank Asia; Zia Arfin, senior executive vice-president; and Wilfried Tamegnon, manager of the Financial Institutions Group for Bangladesh, Nepal, and Sri Lanka, IFC, were present.

Source : The Daily Star

MTB secures $25 million term loan deal with Norfund

Mutual Trust Bank PLC (MTB) and Norfund have signed a USD 25 million term loan facility agreement to enhance financial inclusion in the country.

Norwegian ambassador to Bangladesh Håkon Arald Gulbrandsen said, "This partnership reflects the strong bilateral ties between Norway and Bangladesh. We believe this facility will play a vital role in fostering SME growth and promoting financial empowerment, particularly for women-led enterprises."

Khalid Mahmood Khan additional managing director and chief business officer of MTB said "The loan aims to enhance financial inclusion in the country, particularly for underserved SMEs and micro-enterprises. This demonstrates our confidence in our partnership with MTB during this transitional period for the country and underscores our commitment to our mission and long-term vision with MTB."

MTB Managing Director and CEO, Syed Mahbubur Rahman, expressed his gratitude to Norfund for the successful closure of this repeat transaction, emphasising its significance in strengthening financial collaboration.

Saweera (Max) Rachawong, Norfund Investment manager, and Syed Mahbubur Rahman, MTB's managing director and CEO, attended the signing ceremony.

Bangladesh remains global leader in ship-breaking industry

Bangladesh maintained its position as the world's top ship-breaking destination in 2024 despite a fall in imports of scrapped vessels compared to 2023. The country imported 130 scrapped ships last year which was 23.53 per cent less than 170 ships imported in the preceding year 2023, according to data from the NGO Ship-breaking Platform (NSP) -- an NGO advocating for safe and ethical ship dismantling.

However, industry insiders claimed that imports of ship witnessed significant decline both in number and in tonnage due to letter-of-credit (L/C)-opening issues. They also noted that total tonnage of imported ships fell hinting at a shift towards smaller vessels.

"We are unable to open L/C for large-sized vessel due to dollar shortage while it needs approval from the central bank for opening L/C over $3.0 million," said Hossainul Arefin, executive committee member of Bangladesh Ship Breakers and Recyclers Association (BSBRA). Obtaining various approvals, including environmental clearances, can take up to two months, accruing bank interest during the delay, he said.

Besides, the industry's reclassification from "orange" to "red" has increased the number of required certifications, he claimed. Ships brought in previously used to weigh 40,000 to 50,000 tonnes on average. But ships imported now are weighing about 2000 tonnes, according to industry insiders.

Despite the industry's assurances of improved safety measures and declining accidents, rights groups remain concerned about the human and environmental hazards associated with ship-breaking globally. According to NGO Shipbreaking Platform, in 2024, India imported scrapped ships, with 101, followed by Turkey 84, Pakistan 24, and the European Union 25 and the rest of the world 45 ships dismantled.

In 2022, Bangladesh imported 122 end-of-life ships for dismantling, down from 254 in 2021. This follows a downward trend since 2019 when the country brought in 236 ships. The figures for 2020 and 2018 were 144 and 185, respectively. Local ship-breakers attributed the decline starting in late 2019 to factors including the Covid-19 pandemic and subsequent shutdowns.



They reported a business rebound in 2021 due mostly to pent-up demand, but the recent dollar crisis and high-interest rates are again negatively impacting trade. According to BABRA, the total tonnage of imported ships fell to less than 1.0 million tonnes which was around 3.0 million tonnes in the fiscal year of 2018-19 when Bangladesh imported a total of 272 ships for dismantling.

According to the platform, some 409 ships were dismantled globally in 2024, of which 255 ended up in South Asian yards and Bangladesh remains the shipping industry's first choice for scrapping, despite grave consequences for workers, local communities and fragile coastal ecosystems.

It said nine workers lost their lives dismantling ships in South Asia in 2024, with another 45 workers injured due to unsafe working practices. It also mentioned that SN Corporation - which operates a yard on the beach of Chattogram, Bangladesh - saw one of last year's worst accidents. While dismantling an oil tanker, a massive explosion claimed the lives of six workers and left six others with critical injuries, it added.

Investigations revealed serious negligence and disregard for safety protocols, as well as inadequate hazardous waste management. SN Corporation, which boasts holding a so-called Statement of Compliance with the Hong Kong Convention from Japanese classification society ClassNK, has lost its environmental clearance in Bangladesh as a result of the investigations, it noted.

Responding to queries over safety, Mr Arefin claimed that there are only 30 to 35 yards in operation that want to be compliant and working over the issues. He, however, said so far seven yards have received 'green certificate' while another 20 are in the process of getting such certification at their own financing.

"That a facility such as SN Corporation - and the more than 100 beaching yards that have similarly obtained Statements of Compliance - supposedly fulfils the requirements of the Hong Kong Convention says much about the low standards set by the IMO," said Ingvild Jenssen, executive director of the NGO Ship breaking Platform.

Apparel exports witnessed strong growth in FY25

Bangladesh's apparel industry has witnessed strong export growth in its key markets—Europe and the US—in the first seven months of the 2024-25 fiscal year, raising optimism for sustained demand and increasing work orders.



According to data from BGMEA, exports to the European Union (EU) grew 13.91% year-on-year, reaching $11.81 billion between July and January. The surge comes as some orders have been diverted from China amid ongoing trade tensions between the US and China.

The US market, Bangladesh's largest single export destination, saw even stronger growth, with shipments rising 16.45% to $4.47 billion in the same period. As a result, the EU's share of Bangladesh's total apparel exports increased from 49.31% to 50.15%, while the US share rose from 18.27% to 18.99%.

Industry experts credit this growth to economic recovery in major markets, leading to higher consumer demand for apparel. Another key factor is the US-China trade war, which has led buyers to shift orders away from China, boosting Bangladesh's export figures.

Within the EU, Germany emerged as Bangladesh's biggest market, with apparel exports increasing 13.47% year-on-year. Other major European markets, including Spain, France, and the Netherlands, also saw strong demand for Bangladeshi garments. Exports to the UK, which accounts for 10.83% of total shipments, recorded a 4.55% increase during this period.

Shipments to non-traditional markets grew by 6.42%, with Japan and Australia leading the demand. However, exports to Russia, South Korea, China, the UAE, and Malaysia have declined.

Despite the positive trend, industry leaders stress the importance of overcoming challenges to maintain momentum. Leaders point out that, ensuring timely wage payments for workers during the two upcoming Eid festivals and maintaining a stable energy supply will be crucial for sustaining growth.

With global trade tensions reshaping supply chains, Bangladesh has a unique opportunity to strengthen its position in the international apparel market—provided it continues investing in innovation, sustainability, and capacity expansion.

In 2024, Bangladesh's Ready-Made Garment (RMG) exports to both traditional and non-traditional market totalled US $38.48 billion. The country is making notable progress in non-traditional markets like Japan and Australia, reflecting efforts to diversify. Non-traditional markets contributed US $6.33 billion, or 16.46 percent of total RMG exports. Among these markets, Japan led with US $1.12 billion, followed by Australia at US $831 million, India at US $606 million, Turkey at US $426 million, and Russia at US $343 million.

Bangladesh exported $7.2 billion worth of garments to the US, its single largest export destination, in 2024. The US accounted for 18.72 percent of Bangladesh's total garment exports last year. The European Union remained the dominant market, accounting for 50.34 percent of total RMG exports, which amounted to US $19.37 billion.

The UK contributed US $4.3 billion, representing an 11.25 percent share. Within the EU, key markets included Germany, which imported US $4.83 billion, followed by Spain with US $3.42 billion, and France with US $2.14 billion. Additionally, exports to Canada reached US $1.24 billion, accounting for 3.23 percent of the market.

Seven-year surge: aromatic rice production nearly doubles

The production of aromatic rice has nearly doubled in Bangladesh over the past seven years, with farmers showing interest in growing the grain in order to profit from its higher prices compared to traditional parboiled rice. Farmers produced 5.79 lakh tonnes of aromatic rice in the fiscal year 2017-18, while the amount produced in the fiscal year 2023-24 was 10.23 lakh tones.

Mohammad Khalequzzaman, director general of the Bangladesh

Rice Research Institute (BRRI), said exports are the main reason for increased cultivation. The government allowed exports of premium quality rice a few years ago. As a result, many farmers focused on producing aromatic rice, which led to a significant rise in production, he added.

Khalequzzaman further stated that another reason for the expansion



of aromatic rice cultivation is that this variety of grain provides better yields and is tastier compared to local varieties. Aromatic rice is cultivated in various districts of the country, with the same variety often being referred to by different names depending on the region. This type of rice is grown during the Aman season. BRRI data shows that 33 types of aromatic rice are currently being cultivated in Bangladesh.

Bangladesh starts exporting potatoes to Nepal

Bangladesh exported 84 tonnes of potato to Nepal through



the Banglabandha land port in Panchagarh, which also connects the country to neighbouring India and Bhutan. The local exporter, called Things to Supply, used clearing and forwarding agent Taseen Trade Link to ship the potatoes, which were delivered to the Siddhi Binayak Potato Store in Nepal.

A shipment of 42 tonnes was daily sent on 19 and 20 January, marking the start of this season's potato exports via the port, said Mithun Roy, assistant manager of Banglabandha land port. The potatoes were sourced from Pirganj upazila in Thakurgaon and exported at $152 per tonne, according to Mominur Islam, a representative of Taseen Trade Link. He said the potatoes were shipped to Kakarbhitta in Nepal, with regular exports expected to continue.

About 95 percent of all imports through Banglabandha land port consist of stone from India and Bhutan, with others including tea-processing machinery, molasses, ginger and onion from India and Nepal.

Meanwhile, Bangladesh mainly exports raw jute, cotton rags, glass, medicine, batteries, food products and tissue paper through the port to India and Nepal.

BEZA sets ambitious goal: 20 SEZs to be developed in 20 years

The Bangladesh Economic Zones Authority (Beza) has announced an ambitious three-phase implementation plan aimed at establishing economic zones across the country. This initiative, part of the draft National Master Plan of Economic Zones, seeks to promote balanced industrialisation, job creation, and sustainable infrastructure development while attracting both local and foreign investments.

During a recent workshop titled Economic Zone Prioritisation and Phasing, Offsite Infrastructure Planning and Development Mechanism, Beza officials outlined their strategy, which includes the establishment of 20 economic zones by 2046. The phased approach is designed to optimise resources and address challenges related to land acquisition, infrastructure readiness, and investor confidence, ensuring a structured and sustainable development process.

Since the launch of the industrialisation plan in 2015, only 10 economic zones have become operational. Among these, two are government-run—namely the National Economic Zone in Chittagong and the Sreehatta Economic Zone in Sylhet—while the remaining eight are managed by private entities. Notably, these private zones include City Economic Zone, Meghna Industrial Economic Zone, and several others, which collectively employ around 60,000 individuals, with a significant portion working in the RMG sector.

At the workshop, Beza Executive Chairman Ashik Chowdhury emphasised the importance of the master plan in driving growth and innovation within the RMG industry. “We are creating a space where businesses can thrive, particularly in sectors like textiles, which have a low capital requirement and high employment potential,” he stated. “Our goal is not just to build economic zones; we aim to shape the future of Bangladesh’s industrial landscape, especially in RMG.”

The first phase of the plan, targeting the fiscal years 2025 to 2030, will prioritise zones already in development and those

with high investor interest. Key infrastructure developments, including roads, power supply, and water management, will be implemented to attract investments in the RMG sector, which has long been a cornerstone of Bangladesh's economy.



Chowdhury outlined that by 2030, these initial zones are projected to create over 300,000 jobs, significantly contributing to export earnings and further solidifying Bangladesh's position in global trade, particularly in the RMG market.

The second phase, scheduled from FY '31 to FY '35, will focus on introducing large-scale industries, including the RMG sector's expansion into automobile manufacturing and pharmaceuticals. This phase will enhance connectivity through railways and expressways while promoting public-private partnerships.

The final phase, extending from FY '36 to FY '46, aspires to transform Bangladesh into a global industrial hub, incorporating AI-driven logistics and eco-friendly initiatives. This vision includes the establishment of green economic zones that embrace renewable energy and sustainable practices, allowing the RMG sector to thrive in an increasingly competitive landscape.

Despite the promising outlook, challenges such as land acquisition and environmental regulations remain. However, Beza's master plan aims to position Bangladesh as a regional industrial powerhouse, creating millions of jobs and diversifying the economy beyond Dhaka and Chittagong, with a strong focus on the RMG sector.

Wealthy nations' climate debt to Bangladesh hits $5.8 trillion

Bangladesh, a country grappling with an increasing external debt burden, is owed a staggering $5.8 trillion in climate debt by rich, high-polluting nations, according to a report by ActionAid. The report, titled "Who Owes Who?", highlights the urgent need for debt cancellation and global financial justice.

Based on historic and projected atmospheric appropriation using low-range estimates since 1992, wealthy nations owe Bangladesh $5.8 trillion in climate debt, the report said. It also underscored the stark imbalance between the debts that low- and lower-middle-income countries owe and the obligations that high-income countries continue to evade.

The report said that as we enter 2025, 54 countries are in a debt crisis and are being forced to cut spending on basic public services and climate action in order to pay external debts. Bangladesh, whose external public sector debt stood at $84.44 billion as of September 2024, made debt repayments totalling $4.77 billion to its creditors in 2023.

The country on the Bay of Bengal, one of the most vulnerable to climate change, has to divert its resources towards debt repayment rather than essential public services, while wealthier nations fail to meet their own financial obligations relating to climate justice and reparations.



In 2024, Bangladesh spent 16.9 percent of its national revenue on external debt repayments, while only 3.08 percent was allocated to health and 11.73 percent to education. "Bangladesh needs debt cancellation and freedom from colonial debt structures to address both the debt crisis and climate change," ActionAid Bangladesh Country Director Farah Kabir said.

The new report highlights the debt burden of low- and lower-middle-income countries versus the financial obligations of rich nations regarding climate damages, compensations, and unmet commitments, she added.

The Global South, which broadly represents countries mostly in Latin America, Asia, Africa, and Oceania, must secure

debt cancellation and push for the establishment of a new UN Framework Convention on debt this year. She emphasised the impact of the climate crisis, especially on women and girls.

The ActionAid report said that lower-income countries collectively paid $138 billion just to service their debts last year, sacrificing health, education, people's rights, and sustainable national development to satisfy wealthy creditors. It said that, based on the most systematic studies, the climate debt that rich polluting countries owe low- and lower-middle-income countries is $107 trillion.

This is more than 70 times greater than the total external debt of $1.45 trillion that these countries collectively owe. The report urges global leaders to unite in demanding debt cancellation as part of payment of the climate debt and other reparations owed by high-income countries.

"As Bangladesh and other vulnerable nations continue to struggle under the weight of an unjust financial system, the findings of this report reinforce the need for urgent global action to address both debt injustice and the climate crisis."

Chittagong Port sets new benchmark for container handling in 2024

Despite political unrest earlier in the year and recurrent floods, Chittagong Port has witnessed a record-breaking year in 2024, registering a 7.42% growth in container handling compared to 2023. Rear Admiral SM Moniruzzaman, chairman of the Chittagong Port Authority, disclosed the information on 1 January during a visit to port activities.



The port handled a total of 3.276 million containers and 123.9 million tons of goods during the year. Cargo handling also saw a 3.11% growth. Besides, the port recorded a revenue income of Tk5,055.99 crore, a 21.39% increase from the previous year's Tk4,165.18 crore. The revenue surplus stood at Tk2,948.97 crore, marking a 37.60% rise compared to the previous year's Tk2,143.10 crore. The revenue expenditure was Tk2,107.2 crore, which is 4.20% less than last year's Tk2,202.8 crore.

According to sources Chittagong Port, ranked 67th among the world's 100 busiest ports, has been facing several challenges in recent years. The ongoing dollar crisis led to restrictions on luxury goods imports, slowing container and cargo handling at the port. In 2023, container handling dropped to 305,000 tons, while cargo volume fell to 122 million tons.

Leading UAE firms set to invest in Chittagong Port

After DP World of the United Arab Emirates, AP Moller Maersk of Denmark, and Red Sea Gateway Terminal of Saudi Arabia, Abu Dhabi Ports Group is the fourth major port handler and logistics company to show interest in Bangladesh's port management.

Abu Dhabi Ports Group and Masdar, two UAE corporations, have announced plans to engage in Bangladesh's port development, management, and logistics as well as the renewable energy industry. The investment plans were presented to Chief Adviser Professor Muhammad Yunus by Fatima Almadhloum Alsuwaidi, Head of Development & Investment, Asia-Pacific Region, Masdar, and Ahmad Ibrahim Al Mutawa, CEO of Abu Dhabi Ports Group (ADPG).

After DP World of the United Arab Emirates, AP Moller Maersk of Denmark, and Red Sea Gateway Terminal of Saudi Arabia, Abu Dhabi Ports Group is the fourth major port handler and logistics company to show interest in Bangladesh's port management.



By funding, running, and maintaining container and multipurpose terminals and facilities in a joint venture with the Chittagong Port Authority, Abu Dhabi Ports Group has indicated interest in building one of the

three Bay Terminals that have been suggested. Al Mutawa, the group's CEO, expressed gratitude to the Bangladeshi government for their hospitable attitude and expressed hope that the investment will boost ship traffic in Bangladeshi ports. Masdar, a renewable energy business, suggested investing US$500 million to build a 250 megawatt solar power facility on reclaimed coastal property.

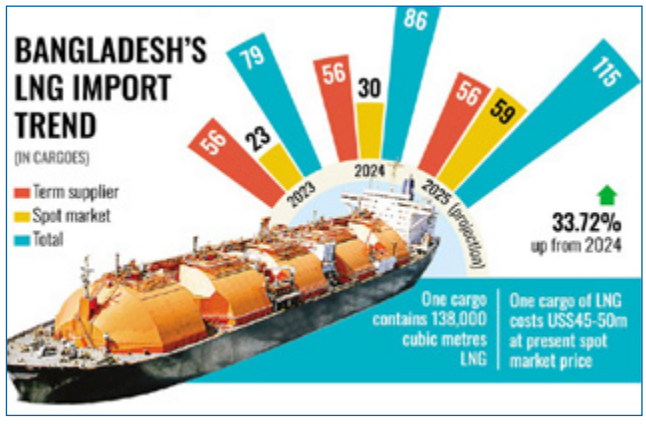
Bangladesh set to rely significantly on LNG in 2025

Bangladesh will have to depend more on volatile spot market in 2025 to import costly liquefied natural gas (LNG) to feed mounting demands from industries, power plants and other gas-guzzling consumers as domestic natural gas output is on the wane.

The country, for the first time, has planned to source a major portion of LNG from spot market compared to long-term LNG suppliers this year resulting in an increasing pressure on foreign currency reserves. The country's spot LNG imports are set to double this year compared to 2024.

According to Petrobangla official state-run Petrobangla has planned to import a total of 115 LNG cargoes -- 59 from spot market and 56 from long-term suppliers, which marks a 33.72 per cent increase compared to that of the previous year. Last year, the country imported a total of 86 LNG cargoes -- 56 from long-term suppliers and 30 from spot market.

Bangladesh imported half of the last year's total spot LNG cargoes or 15 in the past three months - October, November and December. The increase followed the resumption of operations of Summit LNG Terminal after a seven-month shutdown caused by overhauling, technical glitches and damage from cyclone Remal.



Summit's floating storage and re-gasification unit (FSRU) was offline from January to mid-April due to maintenance and technical issues. After resuming operations, Summit's FSRU re-gasified LNG for around one and a half months until late May before it was struck by a floating pontoon during the cyclone. The FSRU resumed operations in mid-September after recovering from the damage.

Despite the cessation of operations during the initial weeks in 2024, US's Excelerate Energy's FSRU - Excellence - resumed operations following the overhauling and 20 per cent expanded re-gasification capacity to 4.50 million tonne per year from mid-January. Bangladesh imported only 15 LNG cargoes in between June to September in 2024 while it had imported 23 spot LNG cargoes in 2023.

The country has been importing the same number of LNG cargoes -56 - from its two existing long-term LNG suppliers-Qatargas and OQ Trading International-over the past three years when the LNG demand across the world grew after initiation of Russia-Ukraine war.

Bangladesh signed LNG agreement with US company for 5.0 MTPA supply

US's Argent LNG has inked a non-binding agreement with the government of Bangladesh to supply up to 5.0 million tonnes per annum (MTPA) of liquefied natural gas (LNG). The Bangladesh Investment Development Authority (BIDA) on 25 January announced the signing of a transformative Heads of Agreement (HOA) between the government of Bangladesh and Louisiana-based Argent LLC for the purchase of LNG. . The deal was signed by BIDA Executive Chairman Ashik Chowdhury and Chairman and CEO of Argent LNG Jonathan Bass in a ceremony at the Bangladesh Embassy in Washington on 24 January.



The agreement underscores growing energy collaboration between the two nations, reflecting Bangladesh's role as a rising economic force in South and Southeast Asia and the US's position as a reliable supplier of clean energy. It is also expected to contribute to global energy transition efforts, reducing reliance on higher-carbon fuels while fostering economic growth.

Argent Energy is developing a 25 MTPA LNG facility in Louisiana from where it intends to supply LNG to Bangladesh. If the Argent LNG project in Port Fourchon is completed, its cargoes could be sold to Petrobangla, according to the agreement. In Bangladesh, private sector is also free to import LNG and re-gasified LNG (RLNG) under "The LNG or RLNG Infrastructure Installation, Import and Supply Policy 2019 (amended 2023)'.

Private parties concerned will have the liberty to sell re-gasified LNG at the prices negotiated with their buyers under the amended LNG-import policy adopted by the government. Private parties, local or foreign, are free to import both LNG and RLNG, re-gasify LNG by building floating storage and re-gasification unit (FSRU) and sell the re-gasified liquefied natural gas to consumers of their choice.

To facilitate smooth import of LNG and supply of RLNG to consumers, the private sector will have to build international-standard jetties or platforms, storage tanks, re-gasification plants and pipeline networks. The importers can also use the natural-gas pipeline or distribution network of the Petrobangla to supply their RLNG to the end-users with its prior permission and on payment of wheeling charges.

Bangladesh sees growth potential amid Trump's trade policies

Bangladesh's apparel exporters see a window of opportunity in U.S. President-elect Donald Trump's trade policies, particularly regarding tariffs on China and Mexico. They believe these changes could benefit Bangladesh by driving more work orders from international clothing retailers and brands to the country.

In recent months, Bangladesh's garment exports to the U.S. have been increasing as more American retailers place orders, shifting production from China. Industry insiders suggest that Trump's proposed tariffs—potentially as high as 60%—on Chinese goods will encourage further relocation of apparel orders to Bangladesh in the coming years.



Bangladesh is already a preferred sourcing destination for American buyers due to its competitive pricing, high production capacity, and improved workplace safety standards. Over the years, Bangladesh has maintained a strong presence in the U.S. market despite facing a 15.62% import duty.

While the U.S. grants zero-duty benefits to 97% of imports from Least Developed Countries (LDCs), garments are excluded from this privilege. Bangladeshi exporters have repeatedly urged the government to negotiate with U.S. officials to lower tariffs on their goods.

Exporters emphasize that Bangladesh must address key challenges to fully capitalize on this shift. Ensuring adequate energy supply—particularly gas and electricity—is essential for factories to maintain full production capacity. Rising gas prices for industrial use remain a concern that needs urgent resolution.

Industry leaders stress the importance of improving law and order, which could boost investor confidence and further enhance the country's ability to attract international retailers.

Bangladesh's garment sector has undergone significant improvements since the Rana Plaza collapse in 2013, leading to enhanced workplace safety measures. These efforts have reassured international brands about compliance standards, strengthening Bangladesh's reputation as a reliable sourcing hub.

The recent removal of the double fumigation requirement for U.S. cotton imports—an issue that persisted for nearly 50 years—has also improved trade relations between the two countries. This regulatory change, initiated at the request of the Biden administration, simplifies imports and reduces costs for Bangladeshi manufacturers.

Ha-Meem group commissioned 4.4MWp rooftop solar power plant

Ha-Meem Group has installed a second rooftop solar power plant capable of producing 4.4-megawatt peak (MWp) of electricity, raising its total renewable power generating capacity to 12.2MWp. MWp measures the maximum power output of a solar photovoltaic (PV) system under ideal conditions.The 12.2MWp system cost around Tk 540 million, with approximately Tk 70 million coming as a grant from the "Program to Support Safety Retrofits and Environmental Upgrades in the Bangladeshi Ready-Made Garments Sector." Ha-Meem Group says this is the largest solar PV system among those at Bangladeshi-owned garment and textile factories. Ha-Meem Group aims to reach net zero by 2050,

meaning balancing the amount of greenhouse gases it produces with the amount it removes from the atmosphere.

The country's largest industrial rooftop solar power system was



installed at the Korean Export Processing Zone in Chattogram in 2020. This plant, operated by Youngone Corporation, currently generates 40MWp of electricity and is scheduled to produce 50MWp by the end of this year.

As of February 2025, Bangladesh has made significant strides in its solar energy sector, reflecting a growing commitment to renewable energy sources. The country's installed solar energy capacity has reached approximately 1,105 megawatts (MW) for grid-connected systems, with an additional 442 MW from off-grid installations, bringing the cumulative total to around 1,547 MW. Notable contributions include the Teesta 200 MW Solar Park in Gaibandha, launched in 2023, which stands as the largest solar power plant in Bangladesh.

The government has set ambitious goals to increase the share of renewable energy in the national grid, aiming for 10% by 2025 and 100% by 2050, as outlined in the 8th Five Year Plan and the Nationally Determined Contributions (NDC). In December 2024, the Bangladesh Power Development Board (BPDB) issued 12 tenders totaling 353 MW for grid-connected solar power projects, with bid submissions due by February 3, 2025.

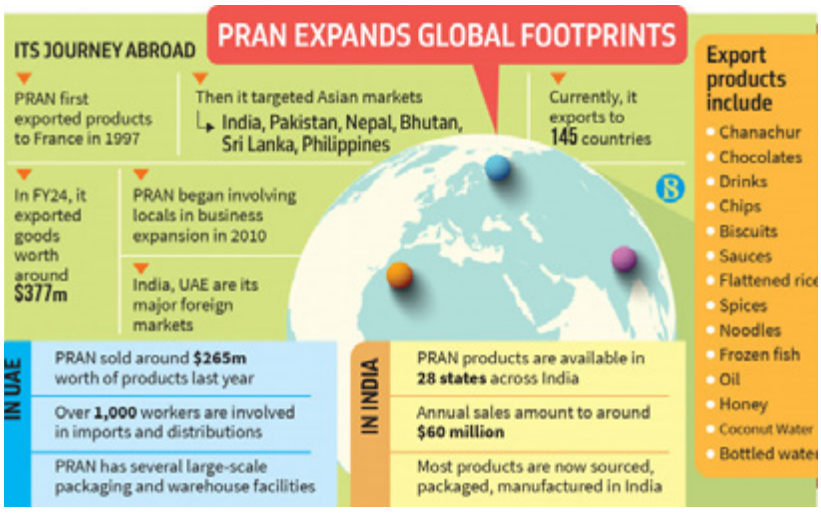
Despite the progress, there is a concern about the limited number of investment-ready renewable energy projects for 2025-2026. Currently, only about 500 MW of projects are at an advanced stage of construction, which may hinder the country's ability to meet its renewable energy targets.

Studies have indicated that Bangladesh has the potential to generate sufficient solar energy to meet its entire electricity demand by utilizing untapped Khas land, rooftops, water bodies, and arable land.

PRAN expands globally: enters UAE market for the first time in 2003

In 2003, Pran, a leading food processor and conglomerate in Bangladesh, made its first foray into the United Arab Emirates (UAE) market. The company purchased a second-hand car from a shop in Sharjah for 15,000 dirhams (around Tk 5 lakh) and hired one Bangladeshi employee to run its operations.

The modest business model meant the company could offer only three products: a lychee drink, chanachur, and puffed rice. The early days of the business were quite challenging, as Bangladeshi products had no presence in the UAE market, which was dominated by Indian and Pakistani items.



However, those days are firmly in the past. Currently, Pran has expanded its range of offerings in the UAE market to 950 items, demonstrating the brand's strong presence in the Middle East. From small grocery stores to supermarket chains, Pran's diverse range of products has become a household name among the South Asian diaspora and beyond, with sauces, noodles, juices, spices, mustard oil, coconut water, biscuits, and puffed rice being the most in-demand items.

"Now, more than 1.5 million Bangladeshis in the UAE are our customers. When we started our business in the UAE, expatriate Bangladeshis were our initial target demographic. Once we reached them, we targeted South Asians and local consumers," said Ahsan Khan Chowdhury, Chairman and Chief executive officer of Pran-RFL Group, adding that many Nepalis,

Arabs, and Filipinos now regularly enjoy their products.

In the 2023-24 fiscal year, Pran exported products worth $245 million to the UAE through its dealer, Emerging World Group, a Dubai-based company that markets Pran's products across the Middle East, Europe, Africa, America, and Oceania.

Emerging World Group has expanded its workforce to 735 employees and operates a fleet of 350 vehicles, ensuring the smooth sales, marketing, and distribution of products. Chowdhury mentioned that Emerging World is working on securing a large bank loan. If approved, there are plans to establish a manufacturing unit in Dubai. At present, most products are imported from Bangladesh, while some are sourced from contracted manufacturers in other countries, he added.

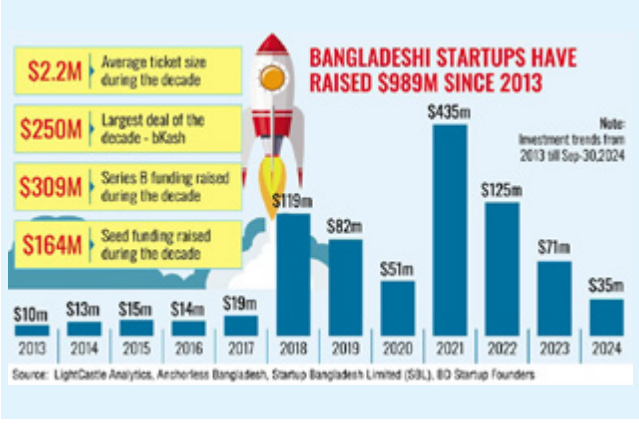
Chowdhury believes Pran's commitment to quality and affordability has played a significant role in its rapid growth.

However, competition in one of the world's most luxurious destinations is stiff. In the beverage market, Pran's competitors include Rani, PepsiCo, Coca-Cola, and Star. In the spice category, the main competitors are Pakistan's Mehran and Shan, along with South Indian companies like Vijaya. In the noodles segment, key competitors include Indomie, Maggi, and Buldak.

Pran products are now exported to 145 countries worldwide. In 2024, the company exported goods worth $377 million.

Startups show hope of raising $1.5 billion in funding over the coming years

A vista of investment prospects is drawn by an agency that says Bangladesh can hope to raise US$1.5 billion with startups in few years with strong government support and a thriving local ecosystem in place.



A report by LightCastle Partners states that initiatives like the National Startup Policy, Fund of Funds, and Shark Tank will further propel startups to showcase their innovative solutions on public platforms, increasing their chances of securing funding.

Since 2013, local startups in Bangladesh have raised $989 million, with a record-high $435 million in 2021. However, in 2024, the top eight startups sectors raised nearly $35 million, marking a decline of over 36 per cent compared to that of 2023, for adversities especially on the political front.

Logistics and mobility startups led investments in 2024, raising $13.5 million, with Pathao alone securing $12 million. The financial services sector followed with $7.6 million, driven by ShopUp's $6.5 million.

Energy and climate startups garnered $3.3 million, including Solshare's $1.2 million, while software, technology, and enterprise startups collectively raised $3.3 million, with Markopolo securing $1.5 million. E-market and retail startups brought in $3.0 million in 2024, with PriyoShop contributing $2.3 million.

In the education sector, startups raised $1.5 million, led by One Minute with $1.0 million. Healthcare sector secured $1.3 million, and food and agriculture startups raised $1.2 million in total in the year.

"Bangladesh has come a long way in its journey as a tech hub. If government policy support continues and investment culture is nurtured, we will soon see results similar to Indonesia, India, or China," says Waseem Alim, CEO of Chaldal.

Other recommendations include diversifying funding channels beyond traditional venture capital by leveraging angel investors, government-backed funds, domestic investors, and blended finance instruments.

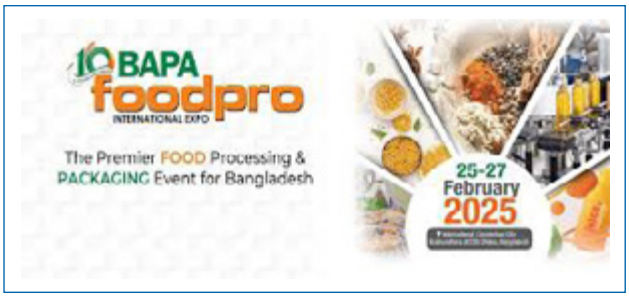
Food processors aim for $2 billion export target

The Bangladesh Agro Processors Association (BAPA) aims to double its export earnings to $2 billion this year, up from around $1 billion in recent years. The announcement was made at the opening ceremony of the "10th BAPA-Foodpro International Expo 2025", a three-day event that began at the International Convention City Bashundhara (ICCB) on 25 February.

With more than 200 companies from 22 countries, including prominent participants from the USA, India, China, Italy and Australia, the expo has become a vital platform for international

collaboration and business partnerships.

Experts and business leaders from around the world have gathered



to discuss new technologies, production trends and strategies for market expansion, positioning Bangladesh as a key player in the global food processing industry.

BAPA officials said they are at a crossroads, where innovation, technology and international partnerships will drive the growth. They are determined to achieve the $2 billion export target in 2025. Export earnings from this amounted to almost $1 billion in fiscal year 2023-24.

The country's food processing industry has experienced rapid growth in recent years, driven by technological advancements and rising global demand for processed foods. Last year, BAPA members earned $200 million from food exports, reaching 140 countries, with notable growth in markets such as the Middle East, Europe and Southeast Asia.

Md Abul Hashem, president of BAPA, emphasised the need for innovation within the sector to remain competitive. "We are focused on ensuring that our food products meet global standards while also incorporating new technologies to improve production and packaging. Our goal is to increase exports and open new markets for Bangladeshi products," he said.

Source : The Daily Star

China becomes the second-largest investor in BEPZA Zones

Chinese investment in all eight export processing zones (EPZs) of the Bangladesh Export Processing Zones Authority (Bepza) and its economic zone in Chattogram is only exceeded by domestic investment.

So far, companies from a total of 38 countries have invested in the Bepza EPZs. Bangladesh ranks first in terms of investment, with 148 of its local companies having vested interests in these industrial enclaves. China holds the second position as 108 of its companies have invested in EPZs, while South Korea follows with 62 companies.

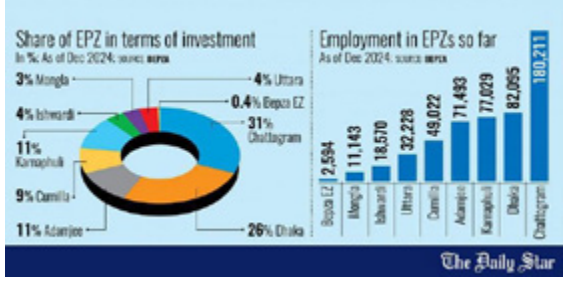
The number of foreign firms invested in local EPZs also includes 30 from Japan, 19 from India, 19 from the UK, 17 from the US, 10 from Canada, seven from Sri Lanka, and six from the Netherlands.

Bepza Chairman Major General Abul Kalam Mohammad Ziaur Rahman informed that US President Donald Trump has announced plans to impose a 10 percent tariff on Chinese goods from February 1. "This will raise the price of Chinese products in the American market. Consequently, the products will lose competitiveness," he said.

So, many Chinese entrepreneurs have started relocating their industries to other countries, with Vietnam, Cambodia, Indonesia, Sri Lanka, Myanmar, and Bangladesh becoming their preferred destinations. "Among these, Bangladesh ranks as the top choice," Rahman said.

Rahman also highlighted the demographic challenges in China. "The number of young people in China has decreased, leading to a shortage in its workforce. As such, those available are demanding significantly higher wages." The Bepza chief addressed concerns regarding foreign direct investment (FDI) in Bangladesh, particularly in the aftermath of last August, when the Awami League government was ousted by a mass uprising.

"Numerous investors are actively reaching out with plans for new investments, which reaffirms the country's potential for FDI," he said. At present, there are 449 industrial establishments operating in the eight EPZs under Bepza and the BEPZA Economic Zone in Chattogram. They have generated employment for 524,385 people, with a total investment of $6,914 million.



The combined area of the eight EPZs and BEPZA Economic Zone is only 3,445 acres. However, these industrial areas contributed 29 percent of the country's total FDI in fiscal 2023-24. Data from the Bangladesh Bank shows that FDI inflows amounted to $1,468 million in the last fiscal year, with $424 million of the total coming as investments in the EPZs.

Ashraful Kabir, member for investment promotion at BEPZA, noted that by reducing reliance on garment making, the EPZs are strengthening the country's economic foundation through product diversification and export expansion. "Beyond garments and

garment accessories, 48 percent of the products manufactured in the EPZs are now diversified items," he said.

Bepza began developing its ninth industrial area, the Bepza Economic Zone, in 2018 on 1,138 acres of land in Mirsarai, Chattogram. The project, which is still underway, aims to construct 539 industrial plots and 45 factory buildings. So far, 42 domestic and foreign investors have signed agreements with Bepza to collectively invest $970.91 million in this zone. Of the planned industrial plots, 249 have already been allocated.

Bepza has also initiated land development for two EPZs in the Jashore and Patuakhali districts. The Patuakhali EPZ, spanning 410.78 acres, will feature 306 industrial plots. It is expected to attract investment of $1,530 million, generate $1,836 million in annual exports, and create 100,000 opportunities for direct employment and 200,000 opportunities for indirect employment.

The Jashore EPZ, covering 503 acres, will comprise 400 industrial plots. Bepza anticipates that this zone will draw investments of $2,000 million, generate $2,400 million in annual exports, and create 150,000 direct jobs and 300,000 indirect jobs.

Source : The Daily Star

EPL Accessories to invest $8M in new manufacturing plant at BEPZA Economic Zone

The Bangladesh Export Processing Zones Authority (BEPZA) has signed a lease agreement with EPL (Export Link) Accessories Limited, a Bangladeshi company, to establish an accessories manufacturing industry in the BEPZA Economic Zone (EZ). The company plans to invest US$ 8 million in the project, creating employment opportunities for 610 Bangladeshi nationals.

The agreement was signed on January 1 by the Member (Investment Promotion) of BEPZA, Mr Md Ashraful Kabir, and the Managing Director of EPL (Export Link) Accessories Limited, Mr Kazi Monowar Hossain, in the presence of BEPZA Executive Chairman, Major General Abul Kalam Mohammad Ziaur Rahman.

The company will produce a range of accessories, including foam, cartons, poly, gum tape, etc. Additionally, the company will have the capacity for foam and fabric lamination, screen printing, and embroidery. BEPZA Executive Chairman thanked EPL (Export Link) Accessories Limited for investing in the BEPZA EZ and assured the company of providing all necessary support for smooth business operations.

The signing ceremony was attended by senior BEPZA officials, including Member (Engineering) Md Imtiaz Hossain, Member (Finance) ANM Foyzul Haque, Executive Director (Investment Promotion) Md Tanvir Hossain, Executive Director (Enterprise Services) Md Khorshid Alam, Project Director of BEPZA EZ Mohammad Anamul Haque, Executive Director (Public Relations) ASM Anwar Parvez, and representatives of EPL (Export Link) Accessories Limited.

Prime leaf processing plans $8.84m investment in BEPZA Economic Zone

Prime Leaf Processing, a joint venture between Singapore, the UAE, and India, is set to invest $8.84 million to establish a state-of-the-art tobacco processing facility within BEPZA EZ. The agreement was formalized on 1 January at the BEPZA Complex in Dhaka, with BEPZA Member (Investment Promotion) Md. Ashraful Kabir and Chairman of Prime Leaf Processing Company Ltd., Meng Li, signing on behalf of their respective organizations.

The signing ceremony was attended by BEPZA Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman, alongside senior officials and company representatives.

Prime Leaf Processing's new plant will produce 36,000 tons of cut rags and cut rolled expanded steam annually and is expected to generate employment for 100 Bangladeshi nationals. This investment strengthens BEPZA's strategy to diversify its industrial base and provide a favorable business environment for global investors.

BEPZA Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman expressed his appreciation to Prime Leaf Processing for selecting BEPZA EZ for their investment. He reaffirmed BEPZA's commitment to offering world-class support to investors and creating a secure, conducive environment for business operations. "BEPZA is proud to be the choice of an increasing

number of foreign investors. We look forward to seeing Prime Leaf Processing's success and encourage other global companies to consider Bangladesh's abundant opportunities," he added.



Meng Li, Chairman of Prime Leaf Processing, thanked BEPZA for its continued support in establishing the company's factory at BEPZA EZ. "We are excited to commence operations by August 2025 and are confident that our investment will have a positive impact on the local economy and workforce," he said.

The signing ceremony was attended by senior BEPZA officials, including Member (Engineering) Md. Imtiaz Hossain, Member (Finance) A N M Foyzul Haque, Executive Director (Enterprise Services) Md. Khorshid Alam, Executive Director (Public Relations) ASM Anwar Parvez, as well as representatives from Prime Leaf Processing.

With this new agreement, BEPZA EZ has secured a total proposed investment of $926.5 million from 40 companies, further demonstrating the zone's growing appeal to a diverse range of industries.

Pran plans Tk. 6 billion in expansion in poultry sector by 2027

Local agro-processing giant Pran plans to invest an additional Tk 6000 million in its poultry business within the next two years, responding to the country's growing demand for eggs and chicken. Pran's existing poultry farm in Habiganj's Chunarughat area currently produces as many as 5 lakh pieces of eggs per day.

The company will allocate a large portion of the new investment to set up four advanced egg farms in Noakhali, Shariatpur, Chittagong and Mymensingh, with a combined daily production capacity of 20 lakh pieces of eggs. Besides, Pran will invest in poultry breeding and white meat production.

"We are now in the process of acquiring land in Noakhali, Shariatpur, Chittagong and Mymensingh to set up four advanced egg farms," said Kamruzzaman Kamal, director of marketing at the Pran-RFL Group. Kamal said that roughly Tk 400 crore will be invested in these egg farms, while an additional Tk 200 crore will be allocated to breeder and broiler farms.

He said that the breeder farm is expected to begin chick production this year, and the broiler farm for meat production is scheduled to begin operations next year. Currently, Bangladesh eats away around 4.5 crore eggs per day, with production levels generally meeting this demand.



Small farmers produce nearly 80 percent of eggs and chickens, while large poultry corporations supply the remaining 20 percent, according to the Bangladesh Poultry Association, a platform of small poultry farmers and traders.

The association estimates that the production costs for small farmers are Tk 10.50-11.00 per egg and Tk 155-170 per kilogramme of chicken. In contrast, large corporations benefit from economies of scale, reducing their production costs to Tk 8.00-9.00 per egg and Tk 130-140 per kilogramme of white meat.

Pran's fully automated egg production facilities, equipped with temperature control and minimal manual handling, ensure consistent production throughout the year, making the process more cost-effective. According to industry insiders, the annual per capita egg consumption in Bangladesh was 104 in 2020. Currently, it stands at around 135, with projections indicating a further increase to around 160 by 2030.

Currently, around 18 corporate houses are involved in the production of poultry feed, eggs, day-old chicks and chickens.

RFL to invest Tk 2 billion in a new factory for global expansion

PRAN-RFL Group has taken an initiative to build a 100% export-oriented plastic factory in Kaliganj Industrial Park of Gazipur, with an investment of over Tk2000 million to expand its footprint in the global market. The business conglomerate signed an agreement with China's Haitian Group on 2 March on the installation of factory equipment.

He said a major agreement with Haitian will facilitate the import of machinery from China for producing export-oriented household plastic products. Under the deal, machinery and infrastructure installation will be completed within three months.

Officials at the PRAN-RFL Group said the new factory will enable annual exports worth Tk450 crore, create 2,500 jobs, and boost the company's export growth by over 30%. Salah Uddin Shikder, assistant general manager (AGM) of RFL Durable Plastic, said Bangladesh's RFL products are exported primarily to India, followed by Germany, the US, Canada, Australia, Korea, Spain, the United Kingdom, and the United Arab Emirates (UAE).

"There is high demand in these countries for our household plastics, bicycles, melamine, home construction materials, polybags, hangers, non-leather footwear and plastic furniture," he added. "Our new target markets are Europe, the US and North America, where there is demand for containers, toys, tableware and kitchenware of various designs," said Salah Uddin Shikder. "An American company has already placed a $6 million order, and we are in talks with several others."



He said per capita plastic consumption in the US is 150 kg, with China currently dominating the market. "However, the US-China trade war has created an opportunity for us, particularly in exporting disposable and PET products," said Shikder.

RFL began exporting household plastic products to India in 2007 and now exports 500 products across 30 categories to 80 countries. The company earned around $100 million in revenue during the fiscal 2023-24.

RFL products are currently available in supermarkets such as Walmart in the US, Dollarama and Loblaws in Canada, Carrefour in France, Lidl in Germany, Target in Australia, Loksi in Korea and Woolworths and Argos in the UK. Due to high demand, these buyers are establishing separate units, he added.

IFU commits $12.5 million to boost AKS Khan Pharmaceuticals' growth

The Danish Investment Fund for Developing Countries (IFU) invested USD 12.5 million in AKS Khan Pharmaceuticals, to expand quality, accessible medicines and diagnostics to 8.0 million patients annually.



The investment from IFU will enable AKPL to reach 8.0 million patients annually within five years, expanding its ecosystem of pharmacies and diagnostics, and scaling up innovative services including home X-ray and ultrasound for vulnerable and elderly patients. A major component of the growth strategy will focus on increasing the company's presence beyond the capital.

Rising demand in both local and international markets, coupled with attractive prices for aromatic rice, motivated farmers to expand cultivation in recent years. As such, traditional indigenous varieties are being overshadowed as farmers shift to those offering double the yield and higher profitability. While local varieties typically produce 187 to 299 kilograms (kgs) of rice per bigha, high-yielding varieties can produce between 448 and 821 kgs per bigha.

The Department of Agricultural Extension (DAE) reports that the country's climate and soil conditions are well-suited for cultivating aromatic rice. Naogaon, Rajshahi, Panchagarh, Rangpur, Mymensingh, Dinajpur, Sherpur, and Thakurgaon are major hubs

for the commercial production of aromatic rice in Bangladesh. However, the demand for aromatic rice is rising due to improvements in the socioeconomic conditions of the country's population.

Due to this, farmers are becoming increasingly attracted to crops that offer good prices, leading to a near doubling of aromatic rice production in recent years. Besides, even major corporate groups have entered the aromatic rice market. But while production has grown rapidly, consumer demand has not kept pace, prompting many traders to urge the government to facilitate exports.

As per data from the Export Promotion Bureau (EPB), export earnings from aromatic rice amounted to $2.88 million in the fiscal year 2019-20 before decreasing to $2.06 million in the next year. In the fiscal year 2021-22, $1.07 million worth of aromatic rice was exported, but exports were halted in the following fiscal year, 2022-23, amid a ban. In the fiscal year 2023-24, exports amounted to just $0.06 million. The EPB reports also showed that no aromatic rice has been exported as of December in the fiscal year 2024-25.

IDCOL commits investment in sustainable steel production

The Infrastructure Development Company Limited (IDCOL) has disbursed Tk500 crore to finance BSRM Steels Limited's steel manufacturing facility in Mirsharai, Chattogram. The new BSRM plant, launched on 1 February 2025, is set to be a game-changer for Bangladesh's steel industry, adding 500,000 tonnes of rebars, 100,000 tonnes of wire rods, and 250,000 tonnes of billets annually.

"IDCOL believes that industrial progress and environmental sustainability must go hand in hand," Mr Alamgir Morshed, executive director and CEO of IDCOL, said at the launching ceremony of the new plant of BSRM Steels Limited. "Our investment in BSRM is not just about funding a plant—it's about setting a new standard for responsible manufacturing in Bangladesh," he added.

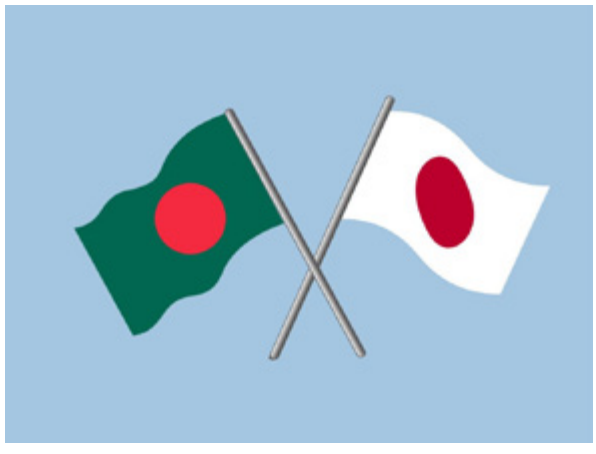
Japan grants new $1.8M aid for Rohingyas

Japan has provided US$1.8 million to the World Food Programme (WFP) for life-saving food assistance to the Rohingya in Cox's Bazar and Bhasan Char. Without livelihood opportunities, the Rohingya rely entirely on humanitarian assistance to meet their basic needs. WFP provides food assistance to the entire Rohingya population living in Bangladesh—now over 1 million people.

This assistance will be used to prevent malnutrition, generate income, and rehabilitate e-voucher outlets, and it will reach up to 191,000 refugees.

"Now in its eighth year, the Rohingya crisis requires sustained support. We are deeply grateful for Japan's unwavering solidarity with the Rohingya people as they continue to face relentless challenges—from fires to cyclones, floods, and insecurity in the camps. Japan's latest contribution is crucial in helping us provide critical assistance to Rohingya families, particularly women and children," said Dom Scalpelli, WFP Country Director.

Ambassador SAIDA expressed his hope that the support from the Government of Japan would improve the living conditions of Rohingya. "We are pleased to have decided to provide $1.8 million in life-saving food, nutrition, and livelihood assistance to the displaced Rohingya people through WFP. We hope this assistance will help alleviate the severe food and malnutrition crisis and improve the quality of life of the people living in the camps. This contribution underscores Japan's unwavering commitment to humanitarian aid and our dedication to addressing hunger and malnutrition. By supporting the Rohingya community, we alleviate immediate suffering and contribute to the broader goal of fostering stability and peace in the region," he said.



Since the beginning of the emergency in August 2017, Japan has supported the Rohingya refugee response in Bangladesh, contributing over USD $230 million to WFP and other UN agencies as well as NGOs in Bangladesh, including through this new funding.

Transform provides grants to two Bangladeshi small and medium enterprises (SMEs)

Transform, an impact accelerator led by Unilever, the UK Government and EY, has announced grants of up to Tk 10 million each for two Bangladeshi SMEs. The grants were awarded to Deshifarmer and Techno Plastic Solutions, which were selected from over 50 applicants for their innovative solutions promoting climate resilience.

Deshifarmer is an agri-tech platform set up to support smallholder farmers struggling to access the market and facing high levels of food waste. Its end-to-end solutions connect farmers directly to consumers, cutting out intermediaries and increasing farmers' income, while ensuring safe, traceable food products for consumers.

Transform's support will be pivotal in scaling the enterprise's initiatives, promoting climate-smart agriculture on a larger scale and reducing greenhouse gas emissions. Deshifarmer aims to benefit 3,000 farmers and 20,000 consumers in its first year of working with Transform.

Techno Plastic Solution tackles ocean plastic pollution by increasing collection infrastructure in coastal communities and empowering its members with training and efficient collection equipment.

With Transform's help, the enterprise will be launching a pilot programme in Kuakata to specifically target discarded fishing nets and PET bottles. It is projected to collect as much as 100 tonnes of monthly plastic waste.

Launched in October 2023, the Bangladesh Climate Challenge is an initiative aimed at identifying and supporting enterprises working on climate resilience. In addition to grant funding, Transform supports visionary enterprises to scale their solutions through a combination of business insights, practical experiences, resources and networks.

This is the first time that Unilever, the UK Government and EY have worked together locally in Bangladesh to find and select entrepreneurs for the programme. It follows similar initiatives that Transform recently ran in India and East Africa.

Top US Businessman Beach urged increased investment in Bangladesh

Top US businessman Gentry Beach on 30 January called on Chief Adviser Muhammad Yunus and expressed his desire to invest in Bangladesh. Beach, who is the CEO and founder of Highground Holdings, said his company has already acquired multiple assets in Bangladesh and would like to invest more in the country's energy, finance and a number of other sectors.

"You've done a great job," Beach told the chief adviser, adding that the law and order situation has improved and stability has returned. "It is time for more investment to come to this country. We are excited to be here," Beach, who is also the chairman of Paramount USA, told Yunus. He said his company was also interested in investing in real estate, especially in low-cost social housing, aerospace, and defence sectors.

Yunus welcomed Beach for making an investment at "a critical time" in the country. He said the Interim Government was carrying out reforms to attract more foreign direct investment in Bangladesh. "The country is ready for business. The business conditions are now right. We are beginning a new chapter in our history," the chief adviser said.



Yunus said Bangladesh needs more US investments in many sectors including gas explorations in onshore and offshore fields. Beach, whose company has invested in Africa and plans to invest in Pakistan, said more American investment would mean a rise in labour wages. "We will make Bangladesh great again," he said.

Special Envoy to Chief Adviser Lutfey Siddiqi Bangladesh Investment Development Authorities chairman, Ashik Chowdhury, and senior secretary to SDG affairs, Lamiya Morshed, were also present on the occasion.

Elon Musk shows interest in bringing Starlink to Bangladesh

Elon Musk, head of the US Department of Government Efficiency and owner of satellite internet service provider Starlink, on 16 February said he is looking forward to launching Starlink in Bangladesh. Earlier, the X account of Bangladesh's chief adviser posted: "Had great meeting with Mr @elonmusk. We agreed to work together and hope to launch Starlink in Bangladesh soon."



Musk replied: "Looking forward to it!" The Chief Adviser's Press Wing issued a statement saying that Prof Muhammad Yunus had an extensive discussion with Musk to explore future collaboration and advance efforts to introduce Starlink in Bangladesh.

According to the statement, the two discussed the transformational potential of Starlink's satellite communications, particularly for Bangladesh's enterprising youth, rural and vulnerable women, and remote communities. Dr. Muhammad Yunus also invited Musk to visit Bangladesh for the potential launch, to which Musk responded positively.

UN warns of halving Rohingya refugee rations without urgent funding

The United Nations has warned it will have to cut monthly food rations to Rohingya refugees in Bangladesh from $12.50 to $6 from April, unless it can raise funds to avert a measure that would worsen hunger in the world's largest refugee settlement.



Mohammed Mizanur Rahman, Bangladesh's top official overseeing the refugee camps said "What they are receiving now is already not enough, so it's hard to imagine the consequences of this new cut,". A spokesperson for the U.N. World Food Programme (WFP) in Dhaka said the cuts could be averted if the organization raised enough money in the coming weeks, adding in a statement to Reuters that it was seeking $81 million.

Bangladesh is sheltering more than one million Rohingya, members of a persecuted Muslim minority who fled violent purges in neighbouring Myanmar mostly in 2016 and 2017, in overcrowded camps in the southern Cox's Bazar district where they have limited access to job opportunities or education.

Roughly 70,000 fled to Bangladesh last year, driven in part by growing hunger in their home Rakhine state. WFP said it had been trying to raise funds to keep the rations at $12.50 per month but had failed to find donors. A cut in rations to anything less than $6 would "fall below the minimum survival level and fail to meet basic dietary needs," it said.

In its statement WFP said $6 a month would still not allow refugees to meet the "minimum standard" for energy and nutrition and pregnant and breastfeeding women with higher nutrient needs were particularly at risk. China will now issue some $179 billion in special bonds to lift growth.

The funding gap was due to a broad shortfall in donations rather than a decision by the Trump administration in the United States to cut foreign aid globally, the WFP said, adding that U.S. support for food aid for the Rohingya had continued.

The U.S. has been the top donor to the refugee response, supporting the U.N. in providing emergency food and nutrition assistance since 2017.

The head of the U.N. refugee agency Filippo Grandi said in a post on X during a visit to Cox's Bazar that if donor support to the camps "decreases dramatically - which may happen - the huge work done by the Bangladesh government, aid agencies and refugees will be impacted, putting thousands at risk of hunger, disease and insecurity.

A previous round of ration cuts to Rohingya in 2023 that reduced the amount of food rations to $8 monthly led to a sharp increase in hunger and malnutrition, according to the U.N. Within months, they said, 90% of the camp population "struggled to access an adequate diet" and more than 15% of children suffered from malnutrition, the highest rate recorded.

Global/Regional News

Economists warn of growing 'Trumpcession' risk amid global market decline

The risk that the US economy will enter recession this year is rising, according to economists, as Donald Trump's chaotic approach to tariffs continued to hit markets. Shares on Wall Street fell sharply on 10 March as investors bet the president's unpredictable tariff trade war and handling of the economy would hit growth, amid a recent plunge in business and consumer confidence.



On another day of selling pressure in global markets, the Dow Jones industrial average was down 1.5%, while the S&P 500 was down 2.4%. Share prices also fell in Europe, as the FTSE 100 tumbled 0.9% in London, Germany's Dax was down 1.7% and France's CAC fell 0.9% on 10 March.

Economists said the risks of a "Trumpcession" had increased as the president's brinkmanship and stop-start approach to tariffs rattled global investors, exemplified by last week's decision to pause US tariffs on goods from Canada and Mexico for the second time in as many months.

Trump declined on 9 March to rule out the possibility that the US economy could tumble into recession this year as he warned businesses and households to brace for a "period of transition" and the potential for higher inflation.

Analysts said the president could have used the interview with Fox News as an opportunity to calm jitters in financial markets but that he instead chose to press on with an increasingly chaotic approach to his second term in office.

Kathleen Brooks of the trading platform XTB said Trump was putting his political goals ahead of the strength of the economy and the stock market. "[His] flip-flopping on tariffs, and his old-fashioned views of America first, is weighing on consumption and knocking confidence."

Wall Street economists have downgraded their growth forecasts for the US, warning that Trump's trade wars are proving more damaging for the US economy than first anticipated. Analysts at Goldman Sachs said on that the chances of a US recession had increased from 15% to 20%, as it revised its forecasts to incorporate higher tariffs and inflation, alongside a hit to gross domestic product and employment.

Morgan Stanley cut its 2025 GDP growth forecast from 1.9% to 1.5%. "While we did expect growth-constraining policies (tariffs and immigration controls) to precede growth-supportive initiatives (tax cuts and deregulation), their severity has been greater than we anticipated. This is especially the case with tariffs, which have come in faster and broader than we had pencilled in," it said.

Many economists still reckon the US will avoid the widely accepted definition of a recession – two consecutive quarters of shrinking output – but warn that the latest figures show the risks are mounting.

Data from the US economy in recent weeks showed an unexpected fall in consumer spending in January, a widening of the US trade deficit to a record $131bn (£101bn) in the same month, as firms rushed to move goods before the introduction of tariffs, and the biggest fall in consumer confidence in four years in February.

The Atlanta Federal Reserve's GDPNow model, which predicts growth based on available economic data, suggests the US economy could contract by 2.4% in the first quarter (annualised). The reading can be volatile and is influenced heavily by the ballooning US trade deficit, which is likely to be unwound in future months.

"Markets are now starting to get concerned about the prospects for growth in 2025," said Paul Donovan, the chief economist at UBS global wealth management. "Trump's tariff policy has been unpredictable, with a series of retreats so rapid they almost collide with the next tax hike announcement.

"The rather chaotic US tariff policy still allows companies to sell a story to their customers to cover for price increases, and some may also try to raise prices in anticipation of tariffs that actually end up being retreated from."

China-US trade war escalates as Beijing implements new tariffs

Beijing's tariffs on certain US agricultural goods in retaliation for President Donald Trump's latest hike on Chinese imports came into force



10 March, as trade tensions mount between the world's two leading economies. Since retaking office in January, Trump has unleashed a barrage of tariffs on major US trading partners, including China, Canada and Mexico, citing their failure to stop illegal immigration and flows of deadly fentanyl.

After imposing a blanket 10 percent tariff on all Chinese goods in early February, Trump hiked the rate to 20 percent. Beijing reacted quickly, its finance ministry accusing Washington of "undermining" the multilateral trading system and announcing fresh measures of its own. Those tariffs come into effect on 10 March and see levies of 10 and 15 percent imposed on several US farm products.

The tariffs will not apply to goods that left before March 10, however, as long as they arrive in China by April 12. Analysts say Beijing's retaliatory tariffs are designed to hurt Trump's voter base while remaining restrained enough to allow room to hash out a trade deal. The increasing trade headwinds add to difficulties faced by Chinese leaders currently seeking to stabilise the country's wavering economy.

Sluggish consumer spending, a prolonged debt crisis in the vast property sector and high youth unemployment are among the issues now facing policymakers. Analysts say China's exports -- which last year reached record highs -- might not provide the same economic lifeline for Beijing as its trade war with Washington intensifies.

Experts say the full effects of the recent wave of tariffs have yet to be fully felt, though early signs already indicate a downturn in shipments. China's exports grew 2.3 percent year-on-year during the first two months of 2025, missing expectations and slowing significantly from the 10.7 percent growth recorded in December.

"As exports face downside risk with trade war looming, the fiscal policy needs to become more proactive," wrote Zhiwei Zhang, president and chief economist at Pinpoint Asset Management. The latest trade data came as Chinese officials congregated in Beijing for the country's largest annual political gathering, known as the "Two Sessions".

During a speech to delegates on 5 March, Premier Li Qiang laid out the government's economic strategy for the year ahead, acknowledging "an increasingly complex and severe external environment". Li also announced that the government's official growth target for the year ahead would be "around five percent" -- the same as 2024.

Many economists consider that goal to be ambitious, considering the hurdles facing China's economy. "If fiscal spending starts to ramp up again soon then that could more than offset the near-term hit to growth from tariffs," wrote Julian Evans-Pritchard of Capital Economics. "However, given the wider headwinds... we still aren't convinced that fiscal support will be sufficient to deliver anything more than a short-lived boost," he added.

Trump's 25% tariffs on steel and aluminum imports take effect, escalating global trade tensions

President Donald Trump's increased tariffs on all U.S. steel and aluminum imports took effect on 12 March, stepping up a campaign to reorder global trade norms in favor of the U.S. that drew swift retaliation from Europe.

Trump's action to bulk up protections for American steel and aluminum producers restores effective global tariffs of 25% on all imports of the metals and extends the duties to hundreds of downstream products made from the metals, from nuts and bolts to bulldozer blades and soda cans.

The European Commission responded almost immediately, saying it would impose counter tariffs on 26 billion euros ($28 billion) worth of U.S. goods from next month. Close U.S. allies Canada, Britain and Australia criticised the blanket tariffs, with Canada mulling reciprocal actions and British Business and Trade Secretary Jonathan Reynolds saying "all options were on the table" to respond in the national interest.

Australian Prime Minister Anthony Albanese said the move was "entirely unjustified ... and against the spirit of our two nations' enduring friendship" but ruled out tit-for-tat duties. "Tariffs and escalating trade tensions are a form of economic self-harm,

and a recipe for slower growth and higher inflation. They are paid by the consumers," Albanese told reporters.

The countries most affected by the tariffs are Canada, the biggest foreign supplier of steel and aluminum to the U.S., Brazil, Mexico and South Korea, which all have enjoyed some level of exemptions or quotas. The runup to the tariff deadline came with some drama on 11 March as Trump threatened Canada with doubling the duty to 50% on its steel and aluminum exports to the U.S.

But Trump backed off those plans after Ontario Premier Doug Ford agreed to suspend his province's decision to impose a 25% surcharge on electricity exports to the states of Minnesota, Michigan and New York until earlier U.S. tariffs were removed.

Ford said he would fly to Washington on Thursday with Canadian Finance Minister Dominic LeBlanc for talks with Commerce Secretary Howard Lutnick and other Trump officials to discuss revising the U.S.-Mexico-Canada Agreement on trade.



The incident whip-sawed U.S. financial markets already jittery over Trump's broad tariff offensive, but left unchanged Trump's original plans to strengthen the Section 232 national security tariffs on steel and aluminum imposed in 2018 during his first term.

A White House spokesperson described the U.S. pressure on Canada as a "win" for the American people. The U.S. Customs and Border Protection agency cut off imports qualifying for duty-free entry under quota arrangements well before the midnight deadline, saying in a bulletin to shippers, opens new tab that quota paperwork needed to be processed by 4:30 p.m. local time on 11 March at U.S. ports of entry or the full tariffs would be charged.

China pledges to expand economic openness to the world in 2025

China is “determined” to continue opening up its economy to the world in 2025, a top economic planning official said on 3 January as Beijing steels itself for potential trade turmoil when US President-elect Donald Trump takes office.



The world’s second-largest economy has struggled to revive growth following the COVID-19 pandemic and remains beset by a debt crisis in the crucial housing sector, chronically low consumption and high youth unemployment. Prospects may darken further after Trump’s inauguration on January 20 - the mercurial US leader hiked tariffs on Chinese imports during a wide-ranging trade war in his first term in office, and has promised more of the same. But officials from China’s top planning body, the National Development and Reform Commission (NDRC), said that “no matter how the external environment changes, full of uncertainty, China’s determination and actions to open up to the outside world will remain unchanged”. “In the new year we will certainly take many new measures... to steadily expand systemic openness and further build a business environment that is marketized, under rule of law, and internationalized,” NDRC deputy director Zhao Chenxin said at a press conference on 3 January.

He said China plans to encourage greater foreign investment in “advanced manufacturing, modern services, high-tech, energy saving and environmental protection”. Authorities have been clear they want to reorient the economy around such areas of high-tech innovation, for example in the green energy sector — leaving behind the double-digit “growth at all costs” of the past.

The country’s installed capacity of wind and solar power reached a combined 1.31 billion kilowatts, accounting for 40.5 percent of total power generation capacity last year — up from 36 percent in 2023. But some figures hinted at more long-term challenges for the economy, chief among them an ageing population. The country’s total childcare providers reached the 100,000 mark in 2024, while the

number of elder care facilities hit 410,000, Zhao said. China's central bank said it will cut banks' reserve requirement ratio and interest rates at "proper time" during a quarterly meeting of its monetary policy committee held last week, according to a statement published on 3 January.

The committee of the People's Bank of China (PBOC), suggested strengthening monetary policy adjustments and adopting a more forward-looking, targeted and effective approach, according to the fourth quarter meeting held on Dec 27. The remarks echoed a Financial Times report which cited the central bank as saying that the PBOC is likely to cut interest rates from the current level of 1.5 percent "at an appropriate time" in 2025. Such remarks align with policymakers' commitment made last year towards creating a more market-driven interest rate curve. Analysts anticipate the central bank will make further changes this year to ensure credit demand is more responsive to monetary policy moves.

The PBOC said that it would prioritize "the role of interest rate adjustments" and move away from "quantitative objectives" for loan growth, the FT reported, as it embarks on a program of interest rate reform that government advisors have called "an arduous task". The economy's main rate is its seven-day reverse repo rate, which the PBOC last cut to 1.5 percent from 1.7 percent in late September. China's 10-year and 30-year treasury yields both hit record lows on expectations of fresh monetary easing. "(The PBOC will) enrich and improve monetary policy toolkit, conduct buying and selling of treasury bonds and pay attention to changes in long-term yields," the central bank said in the statement.

It also pledged to smooth the transmission mechanism of monetary policy and improve the efficiency of money utilization. Such comments underlined a broader plan to spur growth in the world's second-largest economy, where a severe property crisis has eroded consumer wealth and household spending and most government stimulus was going to producers and infrastructure.

China's decision-making Politburo last month shifted the nation's monetary policy stance to "appropriately loose" from "prudent," in a first such move since its "prudent" stance was adopted in 2010. The PBOC's pledges also come as China braces for more trade tensions with the United States as Donald Trump returns to the White House. The bank vowed it will stabilize foreign exchange market expectations and keep yuan reasonably stable. Government advisers are recommending Beijing keeps its growth target unchanged this year at around 5 percent, but have also called for more forceful fiscal stimulus to bolster depressed domestic demand.

Scientists confirm 2024 as the hottest year ever recorded

Global temperatures in 2024 exceeded 1.5 Celsius above the pre-industrial era for the first time, bringing the world closer to breaching the pledge governments made under the 2015 Paris climate agreement, scientists said on 10 January. The World Meteorological Organization confirmed the 1.5C breach, after reviewing data from U.S., U.K., Japan and EU scientists.

"Global heating is a cold, hard fact," United Nations Secretary-General António Guterres said in a statement. "There's still time to avoid the worst of climate catastrophe. But leaders must act – now."

The bleak assessment came as wildfires charged by fierce winds swept through Los Angeles, with 10 people dead and nearly 10,000 structures destroyed so far. Wildfires are among the many disasters that climate change is making more frequent and severe.

The European Union's Copernicus Climate Change Service (C3S) said climate change was pushing the planet's temperature to levels never before experienced by modern humans. Scientists have linked climate change to greenhouse gas emissions, mainly from burning fossil fuels. The planet's average temperature in 2024 was 1.6 degrees Celsius higher than in the 1850-1900 pre-industrial period, C3S said. The last 10 years are the 10 hottest years on record, the WMO said.

Climate change is worsening storms and torrential rainfall, because a hotter atmosphere can hold more water, leading to intense downpours. Atmospheric water vapour reached a record high in 2024, and the U.S. National Oceanic and Atmospheric Administration said it was the third-wettest year on record.

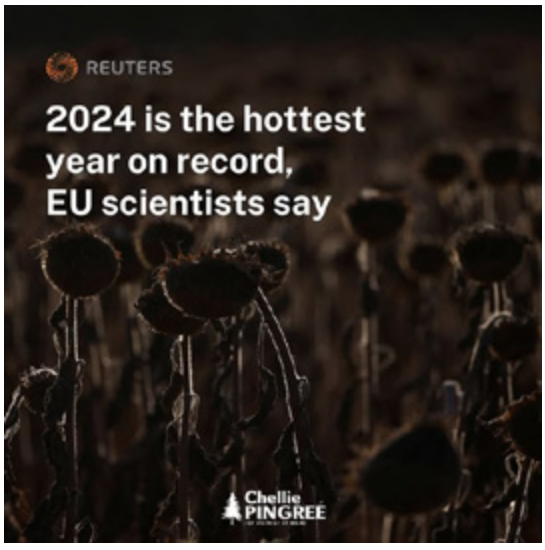
In 2024, Bolivia and Venezuela suffered disastrous fires, while torrential floods hit Nepal, Sudan and Spain, and heat waves in Mexico and Saudi Arabia killed thousands. While climate change now affects people from the richest to the poorest on Earth, political will to address it has waned in some countries.

Governments promised under the 2015 Paris Agreement to try to prevent the average global temperature rise from exceeding 1.5C above pre-industrial levels.

U.S. President-elect Donald Trump, who takes office on Jan. 20, has called climate change a hoax, dismissing the global scientific consensus. During his first term in office he withdrew Washington from the

Paris Agreement, and he has vowed to push greater fossil fuel production and roll back President Joe Biden's push toward alternative energy.

Recent European elections have shifted political priorities towards industrial competitiveness, with some European Union governments seeking to weaken climate policies they say hurt business. Matthew Jones, a climate scientist at the University of East Anglia in Britain, said climate-linked disasters will grow more common "so long as progress on tackling the root causes of climate change remains sluggish".



EU climate commissioner Wopke Hoekstra said the 1.5C breach last year showed climate action must be prioritised. "It is extremely complicated, in a very difficult geopolitical setting, but we don't have an alternative," he told Reuters.

The 1.5C milestone should serve as "a rude awakening to key political actors to get their act together," said Chukwumerije Okereke, a professor of climate governance at Britain's University of Bristol. Britain's Met Office confirmed 2024's likely breach of 1.5C above pre-industrial levels, while estimating a slightly lower average temperature of 1.53C for the year.

Buontempo noted that 2024 did not breach that target since it measures the longer-term average temperature, but added that rising greenhouse gas emissions put the world on track to blow past the Paris goal soon. Countries could still rapidly cut emissions to avoid temperatures from rising further to disastrous levels, he added. "It's not a done deal. We have the power to change the trajectory," Buontempo said.

Concentrations in the atmosphere of carbon dioxide, the main greenhouse gas, reached a fresh high of 422 parts per million in 2024, C3S said. Zeke Hausfather, a research scientist at U.S. non-profit Berkeley Earth, said he expected 2025 to be among the hottest years on record, but likely not top the rankings. He noted that temperatures in early 2024 got an extra boost from El Niño, a warming weather pattern now trending toward its cooler La Nina counterpart. "It's still going to be in the top three warmest years," he said.

Cambridge scientists develop technology to convert pollution into fuel: a major climate breakthrough

Scientists have developed a solar-powered device that can pull pollution from the air and convert it directly into fuel for cars and planes. The new reactor, built by a team from the University of Cambridge, takes its inspiration from photosynthesis, requiring no cables or batteries in order to turn atmospheric carbon dioxide (CO2) into syngas.

The researchers say the reactor offers a new solution to the climate crisis, providing an alternative to current Carbon Capture and Storage (CCS) technologies. CCS has been touted as a way of slowing down or even reversing the worst effects of climate change, with the UK government recently committing £22 billion to the technology.

Current CCS methods have been criticised for being too energy-intensive, and for not recycling the captured CO2. Safety concerns have also been raised about storing pressurised CO2 underground. "What if instead of pumping the carbon dioxide underground, we made something useful from it? said Dr Sayan Kar from Cambridge's Yusuf Hamied Department of Chemistry.



"CO2 is a harmful greenhouse gas, but it can also be turned into useful chemicals without contributing to global warming... If we made these devices at scale, they could solve two problems at once: removing CO2 from the atmosphere and creating a clean alternative to fossil fuels."

The device works by soaking up CO2 from the air at night through

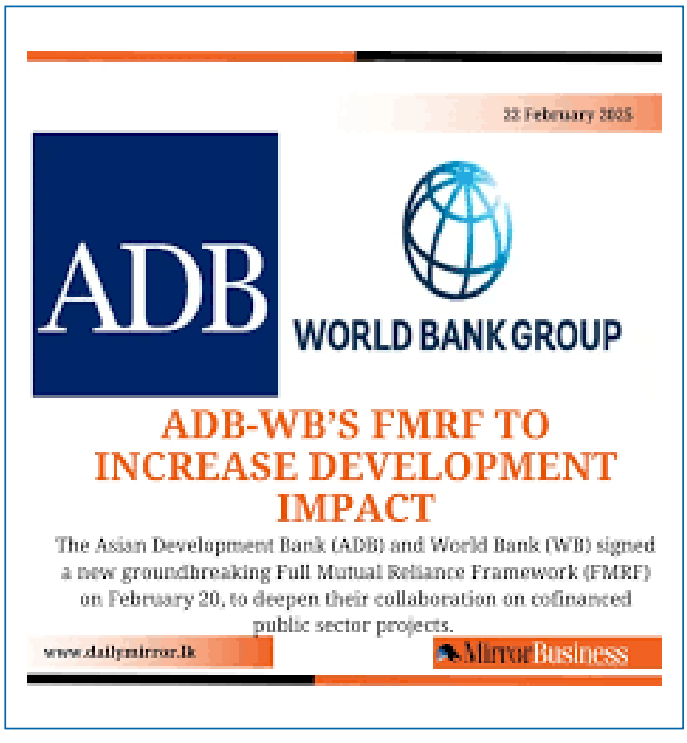
specialised filters, then using sunlight during the day to start a chemical reaction to convert it into syngas, which can serve as an alternative to gasoline. Syngas can also be used to create chemicals and pharmaceutical products, while the ease of use would allow individuals living and working in remote locations to create their own fuel.

"Instead of continuing to dig up and burn fossil fuels to produce the products we have come to rely on, we can get all the CO2 we need directly from the air and reuse it," said Professor Erwin Reisner, who led the research. "We can build a circular, sustainable economy – if we have the political will to do it."

The device was detailed in a study, titled 'Direct air capture of CO2 for solar fuel production in flow', published in the journal Nature Energy. The scientists are now hoping to commercialise the technology through the support of Cambridge Enterprise.

ADB and World Bank Group Partner on Full Mutual Reliance Framework to increase development impact

The Asian Development Bank (ADB) and the World Bank (WB) signed a new groundbreaking Full Mutual Reliance Framework (FMRF) on 20 February to deepen their collaboration on cofinanced public sector projects. This first of a kind arrangement between MDBs aims to streamline project processing and implementation and deliver faster and more efficient results to borrowing clients.



Under FMRF, borrowers in WB-ADB co-financings can rely on one set of rules – using the policies and procedures of either WB or ADB– on all aspects of project design, preparation, appraisal, supervision, completion and evaluation. FMRF is expected to generate efficiencies, time and cost-savings, better outcomes and a closer alignment of policies – advancing the aims of a more cohesive "Multilateral Development Bank System".

The framework also responds to calls by the international community, including the G20, for multilateral development banks (MDBs) to work more cohesively to maximize impact and address escalating development challenges more efficiently and with better results.

"The Full Mutual Reliance Framework is a significant step in our collaboration with the World Bank and will deliver lasting benefits to communities and economies across Asia and the Pacific," said ADB President Masatsugu Asakawa.

"By leveraging our respective strengths, we can enhance efficiency, scale impact, and provide a strong platform for sustainable and inclusive growth."

"This partnership between the World Bank Group and the Asian Development Bank is a testament to the deep trust and abiding confidence between our institutions," said World Bank Group President Ajay Banga. "It reflects a broader shift in development finance—where collaboration, not competition, delivers greater impact. By combining our strengths, we are making it faster, easier, and more cost-effective for countries to access the support they need. More than just an agreement, this is a model for how development banks can work together to drive better outcomes for the people we serve."

The framework will initially apply to selected public sector projects during a four-year initial phase, starting in 2025, to refine operational approaches and assess outcomes. Building on earlier cofinancing efforts between the two institutions, such as the Procurement Framework Agreement of 2018, the FMRF incorporates lessons learned from engagements with civil society organizations, borrower countries and other stakeholders.

The FMRF is expected to serve as a model for deeper collaboration among MDBs and help address pressing development needs while fostering knowledge sharing and innovation.

20-year new Russia -Iran Agreement to strengthen defense alliance

Russian President Vladimir Putin and his Iranian counterpart Masoud Pezeshkian deepened military ties between their countries on 17 january by signing a 20-year strategic partnership that is likely to worry the West. Under the agreement, Russia and Iran will boost cooperation in a range of areas including their security services, military drills, warship port visits and joint officer training.



Neither will allow their territory to be used for any action that threatens the other and will provide no help to an aggressor attacking either nation, according to the text, which also said they would work together to counter military threats.

But it did not include a mutual defence clause of the kind included in a treaty between Russia and North Korea, which the West says has seen North Korean troops deployed to fight in Ukraine, something Moscow has neither confirmed nor denied. Nor was there specific mention of arms transfers, a topic of particular concern to the U.S. and its allies, though the two sides said they would develop "military-technical cooperation".

Pezeshkian, on his first Kremlin visit since winning the presidency last July, hailed the treaty as an important new chapter in bilateral relations, while Putin said Moscow and Tehran shared many views on international affairs. "This (treaty) creates better conditions for bilateral cooperation in all areas," said Putin, emphasising the upside for economic ties and trade, which he said was mostly carried out in the two countries' own currencies.

"We need less bureaucracy and more concrete action. Whatever difficulties are created by others, we will be able to overcome them and move forward," Putin added, referring to Western sanctions on both countries. Putin said Russia regularly informed Iran about what was going on in the Ukraine conflict and that they closely consulted on events in the Middle East and the South Caucasus region.

Russia and Iran were the main military allies of Syrian President Bashar al-Assad, who fled to Moscow after being toppled last month. The West also accuses Iran of providing missiles and drones for Russian attacks on Ukraine. Moscow and Tehran say their increasingly close ties are not directed against other countries.

Putin said work on a potential gas pipeline to carry Russian gas to Iran via Azerbaijan was progressing despite difficulties. He added that, despite delays in building new nuclear reactors for Iran, Moscow was also open to potentially taking on more nuclear projects.

Singapore and Malaysia sign Agreement to establish a major Economic Zone

The leaders of Malaysia and Singapore formalized an agreement establishing a special economic zone linking their two nations' border region, with the aim of attracting 50 projects in the first five years of its establishment.

Malaysia Prime Minister Anwar Ibrahim and Singapore Prime Minister Lawrence Wong officiated a ceremony on 7 January for the economic zone in Malaysia's southern state of Johor — which shares one of the world's busiest border crossings with Singapore. The signing was postponed to January after Wong contracted Covid.

"It's an important project which was built on the complementary structure of Singapore and Johor so that we can both be more competitive, enhance our value proposition and jointly attract more investments to our shores," Wong said in Putrajaya, Malaysia's administrative capital. The two countries pledged to promote and facilitate 100 projects within the first ten years. They're counting on incentives including special corporate and income tax rates to lure in new investment.

Officials in Johor have previously said they expect the zone to create as many as 100,000 new jobs and add $26 billion per year to the Malaysian economy by 2030. Much of that would likely come from new investment and Singapore-

based firms expanding or shifting production to Johor, which has more land and a larger employment base to draw on than the city-state.

Spanning over 3,500 square kilometers (1,350 square miles), the special economic zone is expected to be more than four times larger than Singapore and nearly twice the size of China's Shenzhen — the city bordering Hong Kong whose success Malaysia is hoping to emulate with the SEZ.

"Very rarely do you find two countries working as a team," Anwar said at the ceremony. "You can't see it in any part of the world where two countries decide to work together, promote both countries, attract investments." Yet strengthening ties between Johor and Singapore has proven elusive in the past. Over 300,000 people cross the Johor-Singapore land border everyday, most of them for work, and traffic on the two causeways linking the nations often cause hours-long delays.

A previous effort to knit the region together — including through a more than $20 billion high-speed rail project — stalled because of disagreements over costs and other hurdles. Economy Minister Rafizi Ramli told a briefing last week that the priority is to unwind the bottleneck in the movement of people and goods, and to ensure businesses can operate in Singapore and Johor.



Not everyone is convinced it will happen so soon. "There are concerns regarding bureaucratic capacity and the management of expectations for businesses crossing the border into Johor," said Asrul Hadi Abdullah Sani, a partner at strategic advisory firm ADA Southeast Asia ahead of the signing of the agreements.

Johor's proximity to Singapore has long been one of its biggest assets. That was shown most recently by a boom in data centers in the Malaysian state, the result of Singapore's moratorium on the construction of new data centers from 2019-2022, in part over concerns about energy supplies.

Still, the countries provided few fresh details beyond what was already outlined in a memorandum of understanding signed last year. That pact touched on clearly defined goals for facilitating the cross-border movement of people — which includes passport-free travel and QR-code-based clearance systems.

On its part, Malaysia has struggled to roll out a digital vehicle entry permit system and has only started trials for QR-code clearances at its checkpoints — programs already implemented at scale by Singapore. Some analysts said it's unclear if both countries have made enough progress on streamlining investment and tax policies to truly catalyze fresh investment. Singapore has the region's lowest corporate income tax rate at 17%, compared to 24% in Malaysia.

Solar energy overtakes coal as the leading power source in the EU

Europe's transition to renewable energy comes at a time when US President Donald Trump, upon inauguration, pulled out of the Paris Agreement aiming to pursue a "drill, baby, drill" energy policy. Solar power surpassed coal as a source of electricity in the European Union (EU) for the first time in 2024, according to a report released on 23 January by climate think tank Ember.



Solar energy has become the EU's fastest-growing power source, contributing 11% to its supply. Overall, strong growth in solar and wind have boosted the share of renewables to 47%, up from 34% in 2019. Only 10% of the bloc's power was generated with coal. The report highlighted a continued decline in fossil fuel dependency, with gas generation falling for the fifth consecutive year and overall fossil-fueled power dropping to a historic low of 29%.

The European Green Deal, enacted in 2019, has been pivotal in accelerating the EU's transition to clean energy. Soaring gas prices following Russia's invasion of Ukraine also forced Europe to turn to renewable energy, seeking cheaper, cleaner alternatives. Falling gas demand in the EU significantly reduced reliance on Russian gas. With the increasing use of new wind and solar capacity, the region has avoided fossil fuel imports worth almost $61 billion (€58.6 billion) since 2019, the report said.

Rebuilding Gaza could cost at least $53b, according to UN estimates

More than $53 billion will be required to rebuild Gaza and end the "humanitarian catastrophe" that has gripped the war-ravaged territory,



including $20 billion in the first three years alone, according to UN.

The global body said in a report that a "political and security framework" must also be put in place so that recovery and rebuilding can begin, and a groundwork can be laid for a political process to quickly end the Israeli occupation "and establish a viable two-State solution."

Much of Gaza – including schools, hospitals, and other civic infrastructure – has been reduced to rubble by a withering Israeli military offensive following an unprecedented Hamas attack on October 7, 2023. "The interim assessment offers an early indication of the enormous scale of recovery and reconstruction needs in the Gaza Strip," UN Secretary-General Antonio Guterres said in the document, cautioning that it was not a full assessment.

"The report estimates the recovery and reconstruction needs in the short, medium, and long term across the Gaza Strip at $53.142 billion. Of these, the near-term needs in the first three years are estimated to be around $20.568 billion," he added.

In a resolution adopted in December calling for an immediate and unconditional ceasefire in Gaza, the UN General Assembly had asked Guterres to provide an assessment of the territory's needs within two months. The report assessed that with "over 60 percent of homes" destroyed in the year-plus war between Israel and Palestinian group Hamas, the housing sector requires around $15.2 billion.

The commerce and industry sector will need an estimated $6.9 billion, as will the health sector, according to the report. Reviving the agricultural industry will take around $4.2 billion, transport will require $2.9 billion, water and sanitation an estimated $2.7 billion, and education $2.6 billion.

The report also noted the particularly high costs of $1.9 billion anticipated for the environmental sector "as a result of the massive debris laced with unexploded ordnance and the high cost associated with removal of debris."

The United Nations has estimated that the war has generated more than 50 million tons of debris, including human remains, unexploded ordnance, asbestos, and other hazardous substances. "Critically, the Palestinian Authority must be at the center of planning for and the implementation of recovery and reconstruction in Gaza," Guterres said in the report, which was dated January 30.

That was days before US President Donald Trump said he wanted to "take over" Gaza, redevelop the territory, and oust the more than two million Palestinians living there. His plan has prompted a global backlash and has been rejected by Palestinians.

Microsoft set to invest $80 billion for AI-driven data centers

Microsoft is planning to invest about $80 billion in fiscal 2025 on developing data centers to train



artificial intelligence (AI) models and deploy AI and cloud-based applications, the company said in a blog post on 3 January. Investment in AI has surged since Open AI launched ChatGPT in 2022, as companies across sectors seek to integrate artificial intelligence into their products and services.

AI requires enormous computing power, pushing demand for specialized data centers that enable tech companies to link thousands of chips together in clusters. Microsoft has been investing billions to enhance its AI infrastructure and broaden its data-center network. Analysts expect Microsoft's fiscal 2025 capital expenditure including capital leases to be $84.24 billion. The company's capital expenditure in the first quarter of fiscal 2025 rose 5.3% to $20 billion.

As Open AI's primary backer, the tech giant is considered a leading contender among Big Tech companies in the AI race due to its exclusive partnership with the AI chatbot maker. More than half of Microsoft's $80 billion investment will be in the United States, Vice Chair and President Brad Smith said in the blog post.

Microsoft to invest $3 billion in India, to expand AI and cloud capacity

Microsoft (MSFT.O), opens new tab will spend $3 billion to expand its Azure cloud and artificial intelligence (AI) capacity in India, CEO Satya Nadella said on 7 January, doubling down on a country with tech expertise and low costs to help turn such investments profitable.

The two-year investment, its biggest ever in the country, will also be used to upskill Indians in AI, a Microsoft spokesperson said, clarifying this outlay was on top of the company's recently announced plan to invest $80 billion on AI-enabled data centers in fiscal 2025.

India is a key growth market for U.S. tech giants, with executives ranging from Nvidia (NVDA.O), opens new tab boss Jensen Huang to Advanced Micro Devices (AMD.O), opens new tab CEO Lisa Su visiting the country in recent months, promising big investments.

Microsoft, which has more than 20,000 employees across 10 Indian cities, is aiming to both help the local tech community develop and tap into its talent base, Nadella said at a conference in the southern Indian city of Bengaluru.

He noted the community's contribution to Microsoft, specifically to their involvement in AI projects on GitHub Copilot, the company's generative AI-based tool for developers. "India is the second-largest (developer community on GitHub) after the United States. In fact, it's projected to be the largest in 2028." "We also have contributions from India AI projects that are just second to the United States." Then it was on to South Korea for another deal.

Microsoft, like its tech peers, has come under pressure to show that the billions it has invested in AI technology will start to reap profits. GitHub, though, is one of its few AI bets that has generated returns. In July, Microsoft said the tool had an annual run-rate of $2 billion. Microsoft plans to train 10 million people in AI in India by 2030, Nadella said. The company upskilled 2.4 million people last year.

Like other big tech executives, the Indian-born Nadella enjoys strong popularity in a country where engineering degrees are seen as a path to prosperity. Hundreds of people gathered on 7 January to hear his keynote, which is part of the "Microsoft AI Tour."

Among them was Prashant Bhanawat, a software engineer whose company uses Azure AI services, who said he waited for more than three hours to enter the conference venue. "This is a chance for us to see the products in development before they are rolled out, and to obviously see Satya Nadella."

OpenAI aims to raise $40 Billion in latest funding round: Report

OpenAI, the maker of ChatGPT, is seeking to raise $40 billion in a fresh round of funding that would value the startup at a staggering $340 billion, the Wall Street Journal Reported on 30 January. Japan's SoftBank is leading the investment round and is in talks to invest $15-25 billion in the deal that would make it the ChatGPT-maker's biggest financial backer.



The reports came after Chinese startup DeepSeek sparked panic with a powerful new chatbot developed at a fraction of the cost of its US competitors, dealing a blow to markets. The Softbank investment was first reported by the Financial Times. The investment plan comes just three months after OpenAI closed its previous funding round that valued the company at $157 billion.

Doubling its valuation would be unprecedented in Silicon Valley history and signals the vast sums needed to build world-leading AI models from scratch, much of it on cutting-edge computing and infrastructure.

SoftBank and OpenAI are part of the Stargate drive announced by US President Donald Trump to invest up to $500 billion in artificial intelligence infrastructure in the United States. The new funds would partly go to help OpenAI fulfill its roughly $18 billion commitment to Stargate, the Journal said.

The Japanese firm's mooted investment would come on top of its commitment of more than $15 billion to Stargate, the FT said, citing people with direct knowledge of the negotiations. "Ultimately, the Japanese company could spend more than $40bn on its partnership with OpenAI," the report said.

SoftBank was not immediately available for comment when contacted by AFP. OpenAI did not immediately respond to a request for comment. Shares in Softbank rose three percent in Tokyo trading on 30 January. The company, founded by Japanese

tycoon Masayoshi Son, made spectacularly successful early bets on Yahoo! and Alibaba in the 1990s but some of its other investments have bombed.

Securing huge funding from Saudi Arabia, Abu Dhabi and others, Son -- an early backer of Trump -- has sought to pivot into AI, helped by SoftBank's stake in chip designer Arm. Elon Musk has openly poured scorn on Stargate, saying on X this month that the main investors "don't actually have the money".

EU plans to allocate €200 billion for AI development

The European Commission announced a fund specific to AI gigafactories to allow companies to train their AI models. Europe will mobilise €200bn euro for investment in artificial intelligence, European Commission President Ursula von der Leyen announced at the AI Action Summit in Paris on 11 February.

Of this, €20bn will be earmarked for AI gigafactories, which, according to the Commission, is needed to allow for "collaborative development" the most complex AI models. The announcement comes on the heels of French President Emmanuel Macron's announcement on 9 February of a €109 billion investment plan for AI projects in France in the coming years. Macron said the investment is "the equivalent for France of what the US has announced with 'Stargate'," referring to OpenAI's $500b programme.

Von der Leyen said that she wants "AI to be a force for good and for growth". "We are doing this through our own European approach – based on openness, cooperation and excellent talent. But our approach still needs to be supercharged. This is why, together with our member states and with our partners, we will mobilise unprecedented capital through InvestAI for European AI gigafactories," she added.

The newly installed US President Donald Trump announced a joint venture, with Stargate, OpenAI, Oracle and Softbank, to invest billions of dollars in AI infrastructure in the country. The joint venture team will set up a separate company, deploying $100bn (€96bn) immediately and increasing the investment up to $500bn (€480bn) over the coming four years.



The Commission announced seven initial AI factories in December and will soon announce the next five. The gigafactories will have around 100,000 last-generation AI chips, around four times more than the AI factories currently being set up. The aim is that companies, including smaller ones, can access large-scale computing power for future development.

Last year, French AI developer Mistral AI warned about the high demand for using supercomputer facilities to train models.

The gigafactories funded through InvestAI aims to be the largest public-private partnership in the world for the development of trustworthy AI, according to the EU executive. The Commission's initial funding for InvestAI will come from existing EU funding programmes which have a digital component, such as the Digital Europe Programme, Horizon Europe, and InvestEU.

EU member states can also contribute by committing investment from existing earmarked cohesion funds. Funding of AI gigafactories with a mix of grants and equity will serve as one of the pilot cases for strategic technologies announced in the EU's Competitiveness Compass, its strategy for boosting growth.

UK government plans to dismiss civil servants who do not achieve cost savings

Senior civil servants in the United Kingdom (UK) could lose their jobs if they fail to make savings, while those who do will receive bonuses, the government said on 6 February. The moves come as part of an effort by the Cabinet Office, the ministry that supports the prime minister in running the government, to create a "more agile and modern" state.



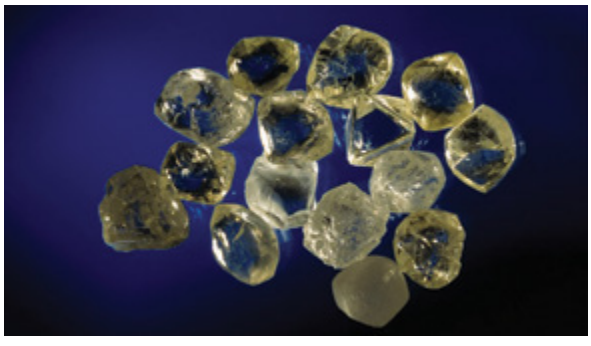
Under the new policy, all senior civil servants will have to meet a set of core standards, including being able to demonstrate they have made savings, the ministry said in a statement. Those who do not meet the minimum standards will be placed on a performance development plan, which could lead to dismissal if no improvement is observed.

"We need to reform the state to make it more agile and modern so we can transform the public services people rely on every day," said Cabinet Office Minister Pat McFadden. "It is vital that senior leaders are not just encouraged, but held responsible for this," he added. "We will introduce new checks to identify and tackle poor performance where we find it, and to recognise the good work of senior leaders across the civil service," he added.

Government departments have been told to find savings worth five per cent of their budgets as the UK struggles to rein in public borrowing against the backdrop of a stagnant economy.

Scientists achieve breakthrough by creating a new 'super diamond

Chinese scientists have created an artificial "super diamond" much greater in hardness than real ones, an advance that could lead to breakthroughs across several key industries that rely on the material. Natural diamonds mostly have a cubic lattice – or arrangement of their carbon atoms – but a hexagonal crystal structure is known to provide a much stronger material.



However, researchers said, the applications of such a hexagonal diamond (HD), known as lonsdaleite, have been "largely unexplored" due to the low purity and minuscule size of most samples obtained. Previously, the hardest diamonds known have been found only in asteroid and meteoroid impact craters.

For instance, lonsdaleite was first discovered in the Canyon Diablo meteorite in Arizona in 1967. The synthesis of this material in labs has also remained unverified beyond a few studies. Now, a new study, published in the journal Nature Materials, reports the synthesis of "well-crystallised, nearly pure HD" by heating highly compressed graphite.

Researchers led by Liu Bingbing and Yao Mingguang from northeastern China's Jilin University show that HD can be formed from what scientists call a "post-graphite phase" when graphite is compressed under temperature gradients. "Here we report the synthesis of well-crystallised, nearly pure HD by heating highly compressed graphite, which is applicable to both bulk and nanosized graphitic precursors," scientists wrote.

They found that this approach led to the formation of a millimetre-sized, highly structured block containing stacks of ultrasmall HD nanolayers. This "super diamond" structure, according to scientists, exhibits high thermal stability "up to 1,100C and a very high hardness of 155 Giga Pascals (GPa)."

In comparison, natural diamonds have a hardness of around 100 GPa and a thermal stability up to around 700C. The material's high thermal stability and hardness "suggest its great potential for industrial applications", scientists wrote in the study. They said the findings also provide a framework for graphite-to-diamond conversion under high pressure and temperature, further opening opportunities for fabricating the material to suit applications.

"Our findings offer valuable insights regarding the graphite-to-diamond conversion under elevated pressure and temperature, providing opportunities for the fabrication and applications of this unique material," they wrote.

A 2021 study led by scientists at the Lawrence Livermore National Laboratory in the US also reported creating hexagonal diamonds, SCMP reported. They said the material could be a "superior alternative" to conventional diamonds in widespread applications including in machining or drilling. Such hexagonal diamonds may also be fashioned into engagement rings, scientists said.

Vietnam poised to emerge as regional manufacturing and tech hub in 2025

Vietnam has the potential to become a manufacturing hub in the region this year, especially in fields involving technology, as global companies have expressed interest in expanding operations in the country. Foreign direct investment (FDI) into Vietnam reached nearly US$31.4 billion in the first 11 months of 2024, with disbursed FDI estimated at about $21.7 billion, an increase of 7.1 per cent compared to the same period in 2023.

The year 2024 was the third consecutive year that the country disbursed over $20 billion in FDI. Vietnam is among the top 15 developing countries attracting the most FDI globally. The northern province of Bac Ninh led the country with total registered investment capital of nearly $5.04 billion, accounting for 16 per cent of the total national investment capital, more than three times higher than the same period in 2023.

The coastal province of Quang Ninh ranked second with $2.29 billion of registered capital, followed by HCM City with $2.28 billion, then Hai Phong, Hanoi and Binh Duong. Among the 110 countries and territories investing in Vietnam in the first 11 months, Singapore led with a total investment capital of nearly $9.14 billion, accounting for over 29 per cent of the total investment, a 53.7 per cent increase compared to the same period in 2023.

Investments into high-value sectors like electronics, semiconductors and green technology led the amount of FDI into Vietnam in 2024, and will likely continue to do so this year. Recently, the Government and leading American chipmaker NVIDIA signed an agreement to establish the Vietnam Research and Development Centre and Artificial Intelligence (AI) Data Centre in Vietnam.

This is a historic milestone for the country, preparing it to become the leading AI research and development hub in Asia and the third globally, after the US and Taiwan (China). From April 1 this year, Singapore-based Google Asia Pacific Pte. Ltd. will transfer the rights and obligations of its advertising partners in Vietnam to Google Vietnam Company Limited, based in HCM City, marking its first official operations in Vietnam.



During a meeting with Party General Secretary To Lam in New York on September 25, 2024, SpaceX's senior vice president for global business and government affairs Tim Hughes revealed that the American spacecraft provider planned to invest $1.5 billion in Vietnam. The Trump Organization said it will invest a similar amount in Hưng Yên Province.

In November, Foxconn, an electronics supplier for Apple, announced an $80 million investment in chip manufacturing in Bac Giang Province, where Mark Zuckerberg's Meta also plans to expand its virtual reality equipment production. Instead of only attracting investment in assembly operations as in previous years, Vietnam is quickly becoming an important part of the global technology world.

This trend is becoming clearer with the potential for significant policy changes under the upcoming presidency of Donald Trump, which could accelerate the shift of production to Vietnam. The country may experience more sustainable and faster growth, which will lessen its dependence on the real estate sector.

New findings suggest the Great Wall of China is centuries older than previously believed

Archaeological excavations in eastern China's Shandong province suggest that some of the oldest sections of the Great Wall were built 300 years earlier than previously thought. Recent digs in the Changqing area show that the engineering marvel wasn't a single construction project, but a series of fortifications built during multiple dynasties.

The Great Wall was built to secure ancient China's northern borders against nomadic groups from the Eurasian Steppe. Historical records suggest the construction of the Unesco World Heritage monument spanned centuries. However, extant documentation of the wall lacks details that could reveal its true origins.



It was believed that the largest portions of the first walls were constructed around the 7th century BC and joined together under the Qin dynasty around the third century BC. However, new excavations undertaken last year and covering over 1,000 square meters found

sections of the wall dating back to the late Western Zhou Dynasty, which ruled from 1046BC to 771BC, and to the early Spring and Autumn Period of 770-476BC.

The findings shed light on advanced engineering of the ancient Chinese to expand the wall to about 30 meters at the peak of Qi State likely during the Warring States Period. Some ancient texts suggest that sections of the wall went through many phases of development, use, sometimes collapse and abandonment, and attempts at restoration.

Researchers reportedly used a multidisciplinary approach to date these sections of the wall, including analysis of traditional artefacts collected at the site as well as specimens of plant remains and animal bones. Archaeologists found buried sections of roads, house foundations, trenches, ash pits, and walls at the site, Zhang Su, the project leader from the Shandong Provincial Institute of Cultural Relics and Archaeology, told Global Times.

One particularly well-preserved section was built during the Warring States Period from 475BC to 221 BC and is the best preserved, researchers said. This section is the "earliest known Great Wall in China", said Liu Zheng, a member of the Chinese Society of Cultural Relics.

The latest research also establishes the proximity of the Great Wall of this time to the ancient Pingyin city mentioned in historical texts, suggesting the wall was not just a fortification against invasion but also served a strategic role in controlling trade and transportation.

'History will not forgive' failure to seal pandemic deal: WHO chief

The head of the UN's health agency warned on 21 February that history would not forgive countries if they failed to strike a pandemic treaty at the last hurdle. World Health Organization leader Tedros Adhanom Ghebreyesus made the comments with progress slow and time running out for the talks.



Countries had reached the cusp of concluding a landmark agreement on how to tackle future pandemics together, as they wrapped up the penultimate week of talks, said Tedros. "You have made progress -- maybe not as much as you would have hoped but still there is progress," he said as the penultimate round of talks closed at the WHO headquarters in Geneva. "We are at a crucial point as you move to finalise the pandemic agreement" in time for the WHO's annual decision-making assembly in May. "You are so close. Closer than you think. You are on the cusp of making history."

But with only five more days of formal negotiations left, scheduled for April 7-11, countries agreed to hold informal meetings in March to try to find compromises on the trickiest issues. Tedros urged countries not to sink the agreement on a word, a comma or a percentage in the text, imploring them not to make perfect the enemy of the good. "History will not forgive us if we fail to deliver," he warned.

The 13th round of talks kicked off under a cloud. The United States, having already quit the WHO under President Donald Trump, informed the UN health agency they would play no further part in the treaty talks. European diplomatic sources said Washington walking away had not dampened optimism for a deal.

"The world needs a sign that multilateralism still works," Tedros insisted on 21 February. "Reaching a WHO pandemic agreement in the current geopolitical environment is that sign of hope."

In December 2021, fearing a repeat of Covid-19 -- which killed millions of people, crippled health systems and crashed economies -- countries decided to draft an accord on pandemic prevention, preparedness and response. While much of the draft text has been agreed, there are still disputes over sharing access to pathogens with pandemic potential and the sharing of benefits derived from them -- vaccines, tests and treatments.

"The conclusion of the agreement in May will be a testimony to our commitment to global health -- and the continuing relevance of the WHO in a time of major political challenges," the group said. Eswatini, speaking for 49 African countries, said they were "ready to burn the midnight oil", despite the sluggish pace. "We are optimistic that the remaining issues, though critical, are manageable," it said. Ethiopia feared losing momentum, but pledged to "work hard to narrow the gap".

Civil society organisations closely following the talks broadly lamented the slow progress. Fearing time running out, some urged countries to strive for a solid foundational agreement, banking gains that could be built on later.

WTO News

Angela Merkel highlights multilateralism's role in global co-operation and women's participation in trade

In a speech on 7 March, on the eve of International Women's Day, former German Chancellor Angela Merkel stressed the importance of preserving and improving multilateralism as a key tool to foster international collaboration and expand women's participation in international trade. Dr Merkel was delivering the seventh lecture in the Presidential Lecture Series at the WTO's headquarters in Geneva. She served as Chancellor of Germany from 2005 to 2021, the first female leader to hold this office.



In her lecture titled "Empowering women through multilateral cooperation", Dr Merkel highlighted the importance of establishing rules and standards to ensure women have equal access to economic opportunities. She underscored that supply chain diversification presents unique opportunities for women, particularly in emerging and developing economies. She called on more women to be engaged in these expanding markets and for countries to draw on a broader talent pool, driving innovation and growth.

The former German Chancellor noted that global institutions like the WTO play a significant role through initiatives such as the Informal Working Group on Women and Trade and various other initiatives that produce empirical evidence of the benefits of multilateralism for women. Additionally, the WTO collaborates with other international bodies, such as the World Bank, the International Development Fund (IDF) and the Organisation for Economic Cooperation and Development (OECD), to advance policies that enhance women's participation in the global economy. These partnerships aim to create equitable trade policies that ensure women's access to finance and opportunities in global markets, she said.

Beyond women's rights, Dr Merkel emphasized the broader significance of multilateralism in achieving economic stability. Acknowledging the current challenges of multilateral cooperation, she called on the audience to maintain strong convictions about what international cooperation has achieved in recent decades in terms of economic growth and poverty reduction around the world.

Stressing the relevance of the WTO as the organization that accounts for 98 per cent of global trade, Dr Merkel stressed the pivotal role the multilateral trading system has played in providing global economic stability, fostering international trade and promoting open and fair markets to the advantage of both industrialized and developing countries. Drawing from the lessons from past global economic crises, she emphasized the role governments and international organizations have played in mitigating financial and health crises and enabling economic resilience.

One of the priority areas for discussion she mentioned was the WTO Appellate Body and the need to restore it as it has an essential role in enforcing trade agreements and maintaining the credibility of the organization. Ensuring there is an Appellate Body that has teeth and is operational will be central to global trade governance in the future, she noted.

The former German Chancellor said the European Union is proof that multilateralism is complicated but with sufficient political will it offers a win-win solution for all. She expressed hope that all the important players on the international trade scene would be able to understand this and not reject the fact that the path of consensus always leaves the doors open for mutual benefits.

In her welcoming remarks, WTO Director-General Ngozi Okonjo-Iweala referred to Dr Merkel as a "stalwart supporter" of the multilateral trading system and the WTO. She is someone who was a "central actor in the global arena" over a 16-year tenure that was marked by economic and health crises, she added.

Dr Merkel's lecture was followed by a fireside chat moderated by Richard Quest, CNN's international business correspondent. Held in conjunction with International Women's Day, the lecture and discussion served as an opportunity to highlight female leadership and women's empowerment in international economic governance.

WEIDE Fund for women entrepreneurs to start roll-out in four beneficiary countries

The Women Exporters in the Digital Economy (WEIDE) Fund, launched by the WTO Secretariat and the International Trade Centre (ITC) in February 2024, announced the selection of four pilot beneficiary countries on 7 March ahead of International Women's Day. Business support organizations in the Dominican Republic, Jordan, Mongolia and Nigeria have been selected from a competitive call for proposals to implement programmes that can empower women entrepreneurs to grow their business through international trade and digitalization.



WTO Director-General Ngozi Okonjo-Iweala said: "As you all know, digital trade is the fastest-growing segment of global commerce, with trade in digitally delivered services reaching an astounding US$ 4.25 trillion in 2023. With digital trade, women entrepreneurs have the opportunity to leapfrog market barriers in a way that was impossible before. This fund represents a unique opportunity for women entrepreneurs to develop their businesses, create jobs, and expand into international markets."

"In our first four partner countries, the WEIDE Fund will kick off with business plan competitions, giving women entrepreneurs a chance to access tailored financial and technical support. Applications will open in these countries, inviting women entrepreneurs to submit their business plans and proposals. Our goal is ambitious but clear: in this first phase we want to empower 400 women entrepreneurs, reshaping the entrepreneurial landscape of these countries and setting a new standard for inclusive economic growth," DG Okonjo-Iweala said.

ITC Executive Director Pamela Coke-Hamilton said: "Each of these institutions has an impressive track record of empowering the women entrepreneurs in their countries, and deep expertise in the new technologies and tools that are part and parcel of our increasingly digital world. They are ready and raring to go—and we are too."

The following four business support organizations will be supporting implementation in the beneficiary countries: ProDominicana, the Jordan Enterprise Development Corporation (JEDCO), the Mongolian National Chamber of Commerce and Industry (MNCCI), and the Nigerian Export Promotion Council (NEPC).

Two tracks of assistance will be available for women entrepreneurs. Track One, the Discovery Track, will help women-led micro and small businesses increase their competitiveness, with a focus on improving digital skills, expanding professional networks and enhancing market access. The programme of support is expected to last approximately 9-12 months.

Under Track One, the WEIDE Fund will provide an initial grant of between US$ 2,000 and US$ 5,000 to each selected business to provide working capital or for the purchase of equipment. This grant will be disbursed in two instalments, with each business required to set clear business objectives, demonstrate commitment to the aims of the Fund and undergo performance checks. In addition, technical assistance will include business coaching and a resulting business plan that will guide the entrepreneur on how to use the resources provided through the discovery grant.

Track Two, the Booster Track for more established enterprises, will help exporting/export-ready women-led small and medium sized businesses scale up their export activities and expand their markets, with a focus on using digital platforms to do so. The programme for each business is expected to last approximately 18 months.

Under Track Two, the WEIDE Fund will provide a booster grant of up to US$ 30,000. Moreover, the technical assistance associated with the Booster Grant includes bespoke coaching to help the enterprise develop a business acceleration plan.

Unveiled by the WTO Secretariat and the ITC in February 2024 at the 13th Ministerial Conference (MC13) in Abu Dhabi, the WEIDE Fund aims to increase the participation of women entrepreneurs in global value chains, resulting in expanded economic opportunities and improved livelihoods. It also aims to increase the adoption of digital technologies by women entrepreneurs, including expanding their presence on digital platforms. Since its launch, the WEIDE Fund has already raised US$ 22 million, with a goal of reaching US$ 50 million.

New WTO publication "Trade for Peace: Pathways to Sustainable Trade and Peace"

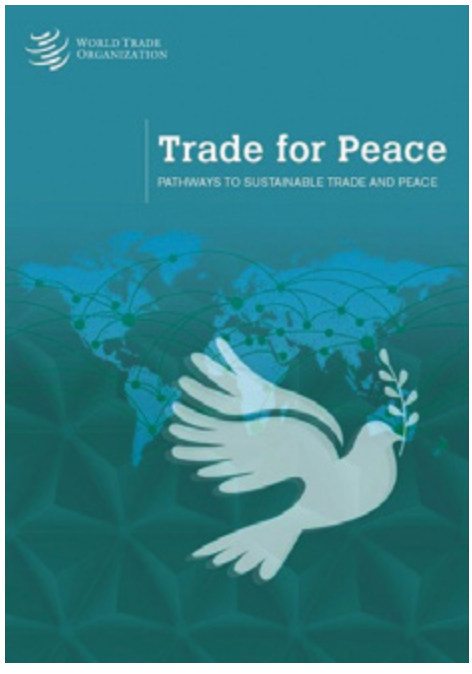
The WTO officially launched its first Trade for Peace publication on 20 February during the fourth edition of the Trade for Peace Week. The publication makes an important contribution to discussions on the intersection between trade and peace, emphasizing the potential of trade and economic resilience to foster stability, particularly in fragile and conflict-affected states (FCS).

The book launch highlighted how the Trade for Peace publication "Pathways to Sustainable Trade and Peace" supports the work of policymakers, academics and practitioners by providing an in-depth exploration of the complex relationship between trade and peace.

The publication is composed of 16 chapters written by 31 authors, representing more than nine partner institutions, including the Institute for Economics and Peace (IEP), the International Labour Organization (ILO), the International Monetary Fund (IMF), the International Trade Centre (ITC), Interpeace, the Peterson Institute for International Economics (PIIE), the United Nations Development Programme (UNDP), the United Nations Economic Commission for Africa and the World Economic Forum.

"Trade is an indispensable part of building the secure, sustainable, and inclusive world we want and need," notes WTO Director-General Ngozi Okonjo-Iweala in the publication's foreword. "For trade to yield peace dividends, particularly in the difficult context of FCS, the trade community needs to work with other partners. It is my hope that this volume can help lay the groundwork for such collaboration to advance a 21st century vision of Trade for Peace," she adds.

WTO Deputy Director-General Xiangchen Zhang delivered the opening remarks, highlighting the importance of the publication in the current challenging times. "This book is a concrete output from the research pillar of the Trade for Peace Programme, which aims at deepening the understanding of the trade-peace nexus and addressing the gap in literature on the interlinkages between trade and peace in its various dimensions. It is the first WTO publication on the topic with the goal of providing insights on how trade and peace interact and how governments and other stakeholders can leverage trade to foster economic development and stability," he said.



Panellists included the co-editor of the publication Mustapha Sadni Jallab, Chief of the Knowledge Management Section at the WTO, and five authors — Alan W. Wolff, Distinguished Visiting Fellow at PIIE and former WTO Deputy Director-General, Itonde Kakoma, President and CEO of Interpeace, Franck Bousquet, Deputy Director of the Institute for Capacity Development at the IMF, Barbara Ramos, Chief of Strategies and Policies for Trade and Investment at the ITC, and Serge Stroobants, Director of Europe and the Middle East and North Africa (MENA) region at the IEP.

Participants in the hybrid event also included Maika Oshikawa, Director of the WTO Accessions Division, co-editors Patrick Low, former Chief Economist at the WTO, and Roberta Piermartini, Chief of the Applied Economic Research Section at the WTO, as well as several other authors featured in the publication.

Moderated by Amanda Miashiro, Legal/Economic Affairs Officer at the WTO Accessions Division and co-editor of the publication, the event discussed the complexity of trade and peace in light of a changed global political landscape. Panellists emphasized that fragility worldwide is increasing, with the average levels of peace at historical lows.

The discussion raised key questions about which legal frameworks and conditions must be in place for trade to be a driver of peace and stability and how to transform the capacity of actors operating in fragile and conflict-affected contexts to not only be conflict-sensitive but also to actively contribute to peace outcomes.

Panellists further recalled that peace is intertwined with the history of the multilateral trading system. They also highlighted the role of the g7+ WTO Group in advancing the Trade for Peace agenda for FCS. Shedding light on how fragility issues deeply affect societies, small and medium-sized enterprises and the economy, panellists stressed the importance of understanding conflict drivers and specificities of fragile regions

to be able to fortify macroeconomic policies and state capacity, improve competitiveness and contribute to socioeconomic recovery.

According to IEP data, the global economic impact of violence was more than US$ 19.1 trillion in 2023, which prompted a discussion on how trade could play a more effective role in reducing the cost and impact of economic violence by promoting peace.

In addition to the publication launch, this session unveiled the Trade for Peace Research and Knowledge Database. This hub is dedicated to collecting ongoing research studies and other resources on the linkages between trade and peace, serving as a tool for stakeholders to support evidence-based policy development and strategy.

WTO chairpersons for 2025

Regular bodies

General Council	H.E. Mr. Saqer Abdullah Almoqbel (Kingdom of Saudi Arabia)
Dispute Settlement Body	H.E. Ms. Clare Kelly (New Zealand)
Trade Policy Review Body	H.E. Mr. Asset Irgaliyev (Kazakhstan)
Council for Trade in Goods	H.E. Mr. Gustavo Nerio Lunazzi (Argentina)
Council for Trade in Services	H.E. Mr. Ram Prasad Subedi (Nepal)
Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS)	Mme. Emmanuelle Ivanov-Durand (France)
Committee on Trade and Development	H.E. Dr. Mzukisi Qobo (South Africa)
Committee on Balance-of-Payments Restrictions	H.E. Dr. José R. Sánchez-Fung (Dominican Republic)
Committee on Budget, Finance and Administration	H.E. Mrs. Carmen Heidecke (Germany)
Committee on Trade and Environment	H.E. Mr. Erwin Bollinger (Switzerland)
Committee on Regional Trade Agreements	H.E. Mr. José Valencia (Ecuador)
Working Group on Trade, Debt and Finance	H.E. Mr. Suon Prasith (Cambodia)
Working Group on Trade and Transfer of Technology	H.E. Mr. Salomon Eheth (Cameroon)



The WTO General Council, on 18 February 2025, noted consensus on a slate of names of chairpersons for WTO bodies.

China initiates WTO dispute complaint regarding US tariff measures

China has requested WTO dispute consultations with the United States in regard to new tariff measures applied by the United States on goods originating in China. The request was circulated to WTO members on 5 February.

China claims that the 10 per cent additional ad valorem duties applied on all goods originating in China, as well as measures with respect to the availability of drawback and duty-free de minimis treatment, which apply to all products of Chinese origin, are inconsistent with US most-favoured-nation obligations under Article I:1 of the General Agreement on Tariffs and Trade (GATT) 1994 and US tariff obligations under Article II:1(a) of GATT 1994.?



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

WTO-WIPO colloquium for intellectual property teachers opens in Geneva

The 20th edition of the colloquium for intellectual property (IP) teachers opened on 3 February in Geneva. Organized jointly by the World Intellectual Property Organization (WIPO) and the WTO, this capacity-building event, which runs until 14 February, brings together 28 IP teachers and researchers from across the world.

This annual colloquium is designed to update and develop the capacity of IP experts to support their economies' independent research, policy analysis and teaching in the field of IP law. The 2025 edition was launched by WTO Deputy Director-General Johanna Hill, in the presence of Hasan Kleib, WIPO Deputy Director General.

In her opening remarks, DDG Hill emphasized the significance of the colloquium as a testament to the collaborative partnership between the WTO and WIPO. "The synergies between our two organizations have been key to supporting our members as they navigate the complex, constantly evolving landscape of intellectual property and its implications for global trade and economic development," she said.

The event also provides opportunities for experience-sharing between participants and the WTO and WIPO secretariats. In addition, participants will engage with leading international research colleagues to explore practical strategies for improving research methodologies in the light of emerging international best practice and for contributing effectively to policy-making processes.

Launched in 2003, the WTO-WIPO colloquium for IP teachers is also an opportunity to establish and strengthen contacts between the WTO, WIPO and IP experts, with a view to continuing dialogue and cooperation in teaching and research in the field of intellectual property. Over the past 20 years, the colloquium has provided capacity-building for more than 400 IP experts from across the world.

Davos: DG suggests deep breaths and to "chill" over trade tensions; ministers show WTO support

Director-General Ngozi Okonjo-Iweala invited world leaders, government officials, and businesspeople to "just chill" and "take a deep breath" amid rising trade policy uncertainties during her participation in the World Economic Forum Annual Meeting in Davos, Switzerland, from 21 to 24 January. She also attended an informal ministerial gathering on WTO issues, hosted by the Swiss government at the end of the week, during which ministers displayed "strong support for the WTO and the rules-based trading system".

The WEF's annual meeting was held under the theme "Collaboration for the Intelligent Age". In her speaking engagements and interactions

with heads of state, government officials and business leaders, DG Okonjo-Iweala highlighted the importance of the WTO for the world economy and for addressing current global challenges. She also underlined the risks of further economic fragmentation and the trade opportunities arising from advancements in artificial intelligence and the green economy. In addition, she warned against escalating trade tensions, which could potentially trigger a damaging trade war.



At an event on 21 January titled Finding Growth in Uncertain Times, she stated that trade has remained resilient despite recent crises, emphasizing that "trade will still be a source of growth." She highlighted findings from a recent WTO study indicating the potential for double-digit trade growth if artificial intelligence tools are adopted, as they can reduce trade costs and boost productivity. DG Okonjo-Iweala also underscored the WTO's relevance beyond the issue of tariffs, noting its role in ensuring food and product safety standards for imported goods. She cautioned against the risks of further trade fragmentation: "We've done simulations that show that fragmenting into two geopolitical trading blocs and adding trade policy uncertainty may lead to a real loss in global GDP in the longer term of 6.4%. This is like losing the economy of Japan and Korea combined."

DG Okonjo-Iweala discussed the role of trade in environmental preservation at the session Squaring the Climate-Trade Circle on 22 January. "You can't have the adoption of clean energy technology without trade," she said. She also proposed that countries produce and export goods in line with their environmental comparative advantage, or the products causing the least damage in terms of carbon emissions.

On 23 January, DG Okonjo-Iweala took part in a townhall titled Debating Tariffs alongside Valdis Dombrovskis, European Commissioner for Economy and Productivity. "It is easy to use tariffs, it is attractive as a policy tool, but I hope we have a strong analysis of what this means," she said. When asked about potential new tariffs being discussed in the United States, the Director-General warned against a spiral of retaliation that could impact the global economy, as observed in the 1930s when raising tariffs worsened the economic crisis. "If we have tit-for-tat retaliation and we go to where we were in the 1930s, we are going to see double-digit global GDP losses. That's catastrophic. Everyone will pay, and the poor countries will pay even more," she stressed.

On 24 January, the Director-General attended a ministerial gathering on WTO issues at the invitation of Guy Parmelin, Swiss Federal Councillor and head of the Department of Economic Affairs, Education and Research. Ministers considered the way ahead for the Organization and initial plans for the 14th WTO Ministerial Conference, to be held in March 2026 in Yaoundé, Cameroon.

DG Okonjo-Iweala encouraged members to move away from "business as usual" and long-held positions. She invited them instead to advance work on the organization's reform. "The context is changing, we must deliver, and we must modernize," she said. According to the summary of the meeting shared by Mr Parmelin, ministers "underlined the significance of the WTO and the rules-based, transparent and predictable multilateral trading system".

Over 80 per cent of global merchandise trade is on most-favoured-nation basis

The WTO's non-discriminatory "most-favoured-nation" (MFN) trading principle, whereby WTO members extend any trade advantage granted to one trading partner to all other partners, remains a cornerstone of global trade. More than four-fifths of international merchandise trade is conducted on this basis despite the proliferation of preferential trade agreements and other trade measures, as demonstrated by a recent WTO working paper.

The MFN principle ensures non-discrimination in global trade, fostering stability and fairness in the global trading environment. This principle has retained its centrality despite the rise of preferential trade agreements (PTAs) since the 1990s resulting in some divergence from MFN principles.

PTAs encompass hundreds of bilateral and regional agreements

while unilateral schemes like the Generalized System of Preferences allow developed economies to grant preferential tariffs to imports from developing economies. There are also trade policy measures that may diverge from the MFN principle, as they apply to specific WTO members rather than to the entire WTO membership.

However, a novel dataset from the WTO's Integrated Database (IDB), including detailed statistics on preference utilization and supplementary sources, shows that MFN trade is still very largely prevalent.

The dataset categorizes global imports in 2022 into four segments:



(1) MFN duty-free trade; (2) MFN dutiable trade; (3) MFN dutiable trade eligible for, but not using, preferential market access; and (4) trade under preferential duty regimes. The scale of trade remedy measures (such as anti-dumping and countervailing duties), as well as trade tensions between China and the United States, are quantified.

In contrast, trade values for other categories, particularly those in the agricultural sector, are smaller. While "Cotton, silk and wool" stands out due to its MFN trade share of 95 per cent, many other agricultural categories have lower shares. For instance, "Fruits and vegetables" has an MFN share of just 48 per cent.

Members explore role of trade as a tool for development and the way forward

WTO members attended a retreat on 16 January in Geneva to look at ways of responding to the challenges that developing economies and least-developed countries face when engaging in trade. Director-General Ngozi Okonjo-Iweala said in her opening remarks: "The development dimension remains central to furthering the Organization's purpose of raising living standards, creating jobs and advancing sustainable development."

DG Okonjo-Iweala added: "The world is rapidly changing. This retreat offers a unique opportunity to begin to think differently and use this Organization to get results."

Highlighting that the WTO can help to further global cooperation and resilience, DG Okonjo-Iweala stressed: "Many developing economies have used trade successfully as a tool to advance their economy and development. But not everyone benefited from this. How can we better use trade to advance the interests of those who have not benefited?"



The chair of the General Council, Ambassador Petter Ølberg of Norway, underscored the crucial role trade plays in advancing development. He said: "Let's ensure that trade continues to drive development by delivering tangible results, particularly for the most vulnerable economies."

Leveraging WTO rules to tackle malnutrition

Food trade is not a luxury — it is a must. Over 30 countries would face starvation if international food trade were to come to a halt. While the risk of food insecurity is severe for less developed countries that rely upon trade, dependence on trade for food security is also a concern for wealthier nations. Gulf Arab nations, facing severe water shortage, import 80-90 per cent of their food, Singapore imports 90 per cent, and Haiti imports 50 per cent. Globally, 25 per cent of food production is traded internationally.

Today, nearly 5,000 trillion kilocalories are traded daily — more

than double the amount in 2000 — while daily per capita food trade has increased from 930 kilocalories to 1,640 kilocalories in the last 25 years. The sector's value has reached US$ 2.3 trillion, cementing its critical role in the global economy.



The benefits of trade are often viewed in economic terms, but its human impact — on malnutrition in particular — cannot be ignored. Malnutrition stunts development, weakens immunity, and deteriorates bone and muscle health.

This year's WTO Annual Agriculture Symposium on 9 December 2024, in which the Global Alliance for Improved Nutrition (GAIN) and a number of other intergovernmental agencies participated, highlighted the intricate link between trade and nutrition.

Trade is vital for global nutrition security. In 2010, the diversity of foods available for consumption via trade was almost 60 per cent greater than the variety produced domestically; by 2020, this had risen to nearly 90 per cent. Access to a broader range of foods supports healthier diets and better health outcomes.

Trade decisions can have far-reaching consequences. Since the outbreak of the war in Ukraine, disruptions to sunflower oil supplies have led to skyrocketing prices. As a result, Indonesia, facing understandable domestic pressures, interrupted its palm oil exports. The downstream impact on importing economies included the suspension of Bangladesh's edible oil fortification programme. This illustrates how policy changes in one region can inadvertently cause nutritional deficiencies thousands of miles away.

A 2022 study in the journal Nature Food quantified the stakes: international trade in nutritious foods such as vegetables, fruits, legumes, and nuts contributed to a reduction in mortality from non-communicable diseases of 1.4 million deaths globally.

The question is how trade can be leveraged to maximize its positive impact on nutrition. One solution lies in aligning trade policies with health goals. High tariffs on nutritious foods or subsidies for unhealthy products undermine public health. Trade policies should incentivize healthy food choices and discourage unhealthy ones.

Progress is already being made. GAIN has successfully advocated for the reduction of import duties on vitamin and mineral mixes in Pakistan, enabling fortification programmes to resume. And there are many other examples of a successful alignment of trade policy and nutrition goals. In 2024 Nigeria cut tariffs from 20 per cent to 5 per cent on maize, brown rice, wheat and cowpeas. Fiji had previously reduced tariffs on certain imported vegetables and fruits from levels as high as 32 per cent to 5 per cent, explicitly promoting healthier diets. Similarly, Samoa and Tonga have introduced taxes on fatty meats and sugary drinks.

The WTO Agreement on Sanitary and Phytosanitary Measures and the Technical Barriers to Trade Agreement empower governments to ensure the safety of imported food and to use nutrition and warning labels, as well as other tools, to raise consumer awareness and combat misinformation. Other agreements, such as the Trade Facilitation Agreement, reduce red tape and expedite customs procedures, minimizing food and nutrient losses by speeding up supply chains.

The impact of the WTO rulebook on nutrition cannot be underestimated. By helping its members to understand the effects of trade policy on nutrition, the WTO can play a key role in driving the transition toward healthier and more nutritious food systems. Together, we must trade away malnutrition from the face of the earth.

WHO, WIPO and WTO hold first joint briefing for Geneva-based officials

The World Health Organization (WHO), the World Intellectual Property Organization (WIPO) and the World Trade Organization (WTO) organized on 26 February the first in a series of Trilateral Cooperation briefings for health, trade and intellectual property (IP) diplomats based in Geneva. Held as a closed meeting at WHO Headquarters, members of the three organizations shared experiences on supporting sustainable innovation ecosystems through health, trade and IP.

The imperative to adopt an integrated approach to issues at

the crossroads of health, IP and trade has been at the heart of the longstanding collaboration among the three Geneva-based organizations.

Governments and policymakers are faced with the challenging task of identifying the right mix of policy options to best advance domestic policy objectives to facilitate sustainable innovation. Participants discussed how to facilitate ongoing domestic and regional policy discussions through a more coherent and comprehensive approach.

Members with diverse levels of development and from different regions of the world shared valuable experiences about the implementation of laws and policies in support of sustainable innovation ecosystems and access to the outcomes. This was followed by a roundtable discussion and further complemented by information provided by the three organizations on trilateral and other relevant work.

The WHO-WIPO-WTO Technical Assistance Platform was also briefly introduced at the meeting. It allows members to easily request joint technical assistance from the three organizations to access the full range of expertise at the intersection of health, trade and IP in a coordinated manner.

WTO launches application for 2025 Young Trade Leaders Programme

The WTO is inviting applications for the 2025 Young Trade Leaders Programme, an initiative aimed at fostering a better understanding of the WTO's work and international trade among young people and creating a network of Young Trade Leaders around the world.

Candidates selected to be WTO Young Trade Leaders will be exceptional young people who have a clear understanding of how trade can be of benefit to people and planet. They will bring fresh perspectives and ideas about the role of trade and the WTO while also having the opportunity to learn about the organization's work and advance its mission.

Selected Young Trade Leaders have the opportunity to: Gain a greater understanding of the workings of the WTO and international trade; Publish articles, blogs, podcasts and social media content on trade-related topics; Attend an in-person one-day training programme at the WTO in Geneva; Contribute to and/or coordinate a session at the Public Forum 2025; Benefit from existing WTO training programmes; Benefit from WTO Secretariat advice and mentoring; Receive support when organizing WTO-related activities in their home countries.



Applicants must be: Between the ages of 18 and 28 on the closing date for applications, with a strong interest in international trade; A citizen of a WTO member; Neither currently affiliated with the WTO, nor have a relative who is currently WTO-affiliated; Able to demonstrate a good level of written and spoken English - knowledge of a second WTO working language (French or Spanish) is an asset; Attuned to the need for diplomacy, show a willingness to respect diverse perspectives, willing to foster understanding of trade issues and promote constructive dialogue.

How to apply : Candidates should submit their application by filling out the online application form and uploading the relevant documentation.



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