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BUILD is the first ever national Public Private Dialogue (PPD) Platform working to promote the private sector development through policy reforms that intends to lift up the business and investment climate of Bangladesh

## Editorial

### Repatriation Policy Needs to be Simplified for Investors

Repatriation is capital flow from a foreign country to the country of origin. This usually refers to returning returns on a foreign investment in the case of a corporation or transferring foreign earnings home in the case of an individual. Like other South and South East Asian Countries, the policies of repatriation in Bangladesh are very clear, there are specific foreign exchange guidelines of the Bangladesh Bank. Board of Investment now Bangladesh Investment Development Authority (BIDA) looks after repatriation issues who are registered with them as foreign investors, joint venture or any other mode, as per the provision of their law. Authorized Dealers (AD) of different Banks are supposed to abide by the rules of the Bangladesh Bank while transferring money.

The method of repatriation is conservative and allows foreign investors to repatriate a small amount of their investments in Bangladeshi private companies. Overseas investors cannot repatriate the true value of a company. The types, nature and need of repatriation increases with the changing nature of businesses and expansion of entrepreneurship diversity, but the policies are not often aligned as required.

There are different types of repatriation, the process is also different, Bangladesh mostly depends on foreign expertise and companies for technical know-how and thus needs foreign consultants too. Royalties for using brand names and for hiring consultants, the training they need to pay money and thus need to repatriate foreign currency. Profit repatriation is another dimension which is clearly mentioned in the policy that foreign investors are allowed to repatriate their dividend income, profit and there is some tax exemption allowed in several cases. The implementation gap between announced policies and practical scenario is one of the causes of concerns for this industry.

A recent World Bank study shows that policy of Bangladesh is good and it is clearly written the amount which is to be repatriated once audited by the concerned agency. In practice, there are implementation gaps and documentation requirements are also stringent. BUILD has recently conducted a small study to suggest some policy simplification through its Financial Sector Development Working Committee. BB statistics says that Bangladesh repatriates different amount in USD in a year under different areas, but the hassles of repatriation continue.

Both foreign and domestic investors require repatriation for the cause of their businesses in different forms, sometimes as per the requirements of the buyers, policies of the destination countries, while for foreign investors to reimburse their profit or repatriate their allowed earnings. With the integration of business to the whole world, the need for different types of repatriation has been increasing. BUILD would suggest for an integrated process for repatriation of technical know how, royalties, consultancy fees, training, etc.

**Ferdaus Ara Begum**  
CEO, BUILD

### BUILD Trustee Board Meets Principal Secretary



The new Trustee Board Members of BUILD had a meeting with Md. AbulKalam Azad, Principal Secretary to the Prime Minister Office (PMO) on July 27, 2016.

The meeting discussed how BUILD and the PMO could collaborate further in areas of research, policy, and advocacy for private sector development. The Trustee Board Members comprised of BUILD Chairman Syed Nasim Manzur, Trustee Board Advisor Asif Ibrahim, Dhaka Chamber of Commerce and Industry President Hossain Khaled and BUILD CEO Ferdaus Ara Begum.

BUILD Chairman Syed Nasim Manzur shortly put light on the meeting agenda and also briefed about upcoming and overall activities of the organization, and sought the attention of the PMO to the 5th Working Committee named Sustainability and Green Growth and why it is important to start working for sustainable business.

The Principal Secretary instantly endorsed the committee and said that that Government encourages setting up industries in economic zones not in residential areas considering the environmental degradation. He assured that the PMO will ponder actions to officiate the framework of the committee. He appreciated the formation of the new committee cochaired by the MOEF Secretary and BGMEA President which will work as a conduit to formalize decisions of the govt. in a model of public-private collaboration.

Asif Ibrahim, Advisor to the Trustee Board of BUILD said that BUILD rotates its functions through different working groups co-chaired mostly by the Secretaries of corresponding ministries from the Government and one from the private sector. In this connection, he added information of other working committees of BUILD as a formalization of a structured Public Private Dialogue platform.

BUILD Chairman urged, we need process simplification and improve our position in reducing the cost of doing business and due to stalled regulatory reforms, we cannot lose our position in the ranking of ease of doing business.

DCCI President Hossain Khaled echoing voice of the Chairman BUILD referred to recent price hike of gas and other utilities causing a serious drawback to the growth of business. He also urged the government to re-consider the decision and not to raise gas price at this moment. At the end of the meeting, the business leaders thanked the Prime Minister's Office for holding the meeting in a short span of time.

### BUILD Trustee Board Meets the EU Ambassador



*BUILD Chairman hands over a set of BUILD publications to the Ambassador and Head of EU Delegation in Bangladesh at the end of the meeting.*

BUILD Trustee Board Members urged the European Union to invest more in Bangladesh for higher business between the two trading partners at a meeting with His Excellency Pierre Mayaudon, Ambassador and Head of EU Delegation in Bangladesh, at the envoy's office on August 1, 2016.

"We look for investment not only in terms of money but we also strongly believe that foreign direct investment can bring innovation, technology, and expertise," said Syed Nasim Manzur, Chairman of BUILD. He also urged development partners to join hands with the business community in Bangladesh to attract FDI. Referring to the Gulshan terror attack, Manzur said it has not stopped two-way trade between the EU and Bangladesh. "Bangladesh is still open to EU investors and others as well," he added. Also, he said major trade bodies like the Metropolitan Chamber of Commerce and Industry, Dhaka Chamber of Commerce and Industry and Chittagong Chamber of Commerce and Industry have come under one umbrella to take initiatives such as BUILD to resolve all the trade and investment related issues they have been facing for years.

The EU envoy also assured businesses of more trade between Bangladesh and EU as the country has been enjoying the duty benefit under its Everything But Arms scheme. As for EU investment in Bangladesh, the Ambassador referred to the EU Business Council (EUBC) that was formed to facilitate trade between the two trading partners. EUBC is comprised of diplomats and business leaders, while BUILD works with business leaders and bureaucrats, which is a great initiative and quite similar to EUBC, the Ambassador added. Also, he said as a single country, Bangladesh has been enjoying duty-free, quota-free market access to the EU and that he looks forward to increasing the business volume between EU and Bangladesh.

Asif Ibrahim, Advisor to the BUILD Trustee Board, said since its inception, BUILD has been able to convince the Government to go for a number of policy reforms for creating a better investment climate. The meeting discussed possible working areas between BUILD and EU Business Council in Bangladesh.

Hossain Khaled, President, Dhaka Chamber of Commerce and Industry, Nurun Newaz Salim, Acting President, Chittagong Chamber of Commerce and Industry and Ali Sabet, Team Leader of INSPIRED among others joined the meeting.

### BUILD's Comment: Monetary Policy 2016-17

BUILD issued its reaction to the new Monetary Policy Statement (MPS) of the Bangladesh Bank (BB) launched on July 26, 2016 for the first half of the fiscal year (FY) 2016-17. The core objectives of the MPS are to keep the inflation rate at a tolerable level, support inclusive and environmentally-sustainable growth and focus on the developmental role in macro-financial stability.

The hike in prices of essentials because of public sector salary increase may have a negative impact on the general mass, especially the low income group as they have to bear the burden. Though the Bangladesh Bank predicted that the inflation may stay at 6 percent, taking cue of their other research, it is seen that non-food inflation remains at a high level. BUILD made the observations following announcement of the Monetary Policy Statement (MPS) 2016 (July to December) of the central bank.

The previous objectives of the announced MPS were to keep the inflation level at tolerable limit, supporting inclusive, environmentally sustainable growth; focusing on its developmental role in macro-financial stability. MPS mentioned that food inflation has been decreased to 4.90 percent from the level of 8.55 percent of 2014 while non-food inflation hits 7.47 percent from the level of 5.41 percent of 2014.

Even though overall inflation reached 6.18 percent in 2016, the forecast of BB is 5.45 percent in December 2017, meaning the rate will go down by 12 percent.

Gini-efficient is 0.32 (2015) for Bangladesh which may increase further in the year ahead while in Vietnam it is 0.38, it added. In India inflation is at the rate of 5.76 percent, while in Vietnam it is 2.28 percent, in Malaysia 2 percent, Thailand 0.46 percent, even in Pakistan it is 2.54 percent.

We think BB should pay more heed than usual measures to help inflation reduce further. "With inflation at a tolerable limit, fiscal measures need to be determined to reduce inflation gradually in a view to making the country's export more competitive and support the overall growth.

The foreign exchange reserve will touch \$33 billion as per MPS, which is enough to meet nine months import bills, it observes. MPS in this respect, utilising the best use of this money mentioned that the money will be spent for implementation of large mega projects. The benefits of this project will be a long-term vision, how this money can be helpful for short term benefits would also need to be sketched out.

It has targeted broad money growth at 15.5 percent, based on GDP growth and CPI inflation targets of FY17. Normally broad money increases when banks lend more to companies and households like private sector. But lending growth in the private sector has been set at 16.5 percent in contrast to public sector lending growth at 15.9 percent, while quality and time bound public investment is of course a priority but at the same time private sector investment also needs a boost.

The investment target of Bangladesh is \$95 billion and FDI \$9.56 billion by the year 2020 as per the 7th five-year plan (FYP) to achieve 8 percent growth rate, meaning private investment needs serious attention.

### 10th Board Meeting of BUILD Held



*Syed Nasim Manzur Chairman, BUILD presides over the meeting in presence of the members of the Trustee Board.*

The 10th meeting of the Board of Trustees (the "Board") of Business Initiative Leading Development (BUILD) was held on August 18, 2016 at Apex Footwear Building (4th Floor), Gulshan 1 and chaired by Syed Nasim Manzur, Chairman, BUILD.

The members of the Trustee Board were received and greeted by the BUILD Chairman. While welcoming all the Trustee Board (TB) members, BUILD Chairman informed that there are ten (10) agenda for discussion. BUILD Chairman then called the 10th meeting of the Board of Trustees to order.

The Board Meeting appraised the activities of BUILD implemented since the meeting opened with approving the Implementation Report and minutes of 9th Trustee Board meeting held on June 21, 2016 at the BUILD Board Room. The meeting broadly discussed agenda which include new research partners interested, Sustainability Plan (SP) of BUILD.

A summary of the activities along with the research, dialogue, advocacy, FGDs, working committee meetings and PSDPCC meetings of the period of June 2016- August, 2016 was presented for information of the Board Members. The board expressed their satisfaction with the activities and approved the report.

The Board of Trustees, constituted in the Deed of Trust in 2013, is responsible for the policy direction that the organization takes from time to time. The Board is vested with the authority and responsibility to exercise control over all the activities conducted by BUILD. Presently there are six members who are representatives of institutions from the successful leading and prime chambers in Bangladesh and a member secretary of the organization to run routine activities. The Board adopts rules, regulations, and policies governing the organization including fiscal and human resources management. The 7-member Board of Trustees usually meets four times per year.

The meeting was attended by Hussain Khaled, President, DCCI, . Mahbubul Alam, President, CCCI and Trustee Board Member, BUILD, Asif Ibrahim, Adviser to BUILD Trustee Board, Ferdaus Ara Begum, Chief Executive Officer (CEO), Trustee Board Member, A.H.M Rezaul Kabir, ndc, Secretary General, DCCI and Trustee Board Member, BUILD, Farooq Ahmed, Secretary General, MCCI, Trustee Board Member, BUILD, Moshaddek Alam, Sr. Communications & Advocacy Associate and Nazrul Islam Chowdhury, Senior Officer, MCCI.

### BUILD and UNDP made Agreement for National Capacity and Environment

BUILD and UNDP Bangladesh have signed a Micro-Capital Grant Agreement on August 22, 2016 for implementing a project on Enhanced national capacity and promotion of an enabling environment for resilience, better service delivery to the poor and vulnerable and redressing grievance.

UNDP Bangladesh Country Director Paulene Thamesis and BUILD Chairman Syed Nasim Manzur signed on each behalf on the deal. The two bodies have agreed to form a PPD Platform and formalizing a 5th working committee on Sustainability and Green Growth and start meeting with the concern public and private sector.

Under the project BUILD will also conduct a study on How private Sector can do Business without Polluting Water: A case of Ready Made garments and Harmonization of CSR Policies in Bangladesh. The Project will prepare some relevant publications, organize workshop, FGDs to collect and collate inputs from the private sector. This project will specially work for raising awareness how private sector can do business without polluting environment.

A series of activities will be implemented under this agreement along with UNDP which will be performed in three stages. The impact of this agreement however is when this permanent change is brought in the way the Government and private sector work together to achieve the nation's development goals and ensure a sustainable and green Bangladesh. The deliverables of this initiative includes;

- ✍ A PPD Platform established and formalized (formalization of 5th Working Committee, stakeholder Mapping and Updating, meeting with the concerned public and private sector people, working paper, working committee meeting, minutes preparation and circulation)
- ✍ How private sector can do business without polluting water: A case of RMG (Developing a strategy and an action plan, FGD, meeting with leading chambers/associations / public / private sector)
- ✍ Harmonizing CSR Policies in Bangladesh (Developing strategy and an action plan with private sector, meeting with leading Chambers / Associations / Public / Private sector).

BUILD Features public-private dialogue on four thematic working areas such as SME Development Working Committee, Taxation Working Committee, Financial Sector Development Working Committee, Trade and Investment Working Committee. In each committee, there are co-chairs from both public and private sectors, mostly by the Secretaries of the concerned Ministries and the Chamber Leaders. Following the design of the working areas, BUILD in association with MOEF, UNDP and BGMEA will feature dialogue on Sustainable Business for Growth & Development (SBGD). In the 5th Working Committee, two Co-Chairs one from the private sector (BGMEA President) and another from the public sector (MOEF Secretary) will conduct meetings. The working committee will be supported by a strong independent Secretariat that will undertake much of the analysis and advocacy to support the dialogue process, and assist in ensuring that BUILD develops specific, measurable and results-based recommendations in terms of sustainability and green growth for the Government to implement.



### BUILD CEO joins Dialogue on CSR



*BUILD CEO speaks at the Dialogue in presence of other speakers*

NGO Health Service Delivery Project (NHSDP) supported by USAID-DFID under the umbrella of Surjer Hashi (Smiling Sun) organized a dialogue on 24th July 2016 at Khamar Bari Agricultural Institute for establishing strategic partnership with Corporate Sector in respect of Health Care (HC) issues. The Health care activities of Surjer Hashi is diversified, these are on Family Planning, Nutrition, Maternal, Newborn, and Child Health etc have been integrated into a package of basic healthcare at an affordable or not cost basis. NHSDP is the USAID's largest investment in the health sector of Bangladesh that supports the delivery of the Essential Service Package (ESP) of primary health care. It serves approximately 25 million people of Bangladesh (15% of total population) through an expansive service delivery network of 25 national NGOs.

The dialogue is an effort to raise and strengthen services and CSR that contribute in so many ways to the community. Joining the dialogue BUILD CEO Ferdaus Ara Begum urged the business community to behave ethically and contribute to economic development while inspiring the quality of life of the workforce and their families as well as local community and society and thus achieving an organizational excellence. Goal-3 of the SDG is for good health and well being-in order to achieve the goal-there are specific targets also.

"Large and multinational companies can set examples in extending their social services and include more & more diversified HC activities in their CSR policies. A national CSR policy is in the process. BUILD prepared a brief policy paper and presented in its last PSDPCC (Private Sector Development policy Coordination Committee) meeting and highlighted the need for a CSR policy which would accommodate the broader perspective of CSR and thus integrate both corporate and society for each others to work to ensure a secured life and sustainable businesses", BUILD CEO said.

Dr. Halida H. Akhter who is the Chief of Party USAID-DFID NHSDP & Senior Country Representative, Pathfinder International said that we want to protect the poorest in Bangladesh from catastrophic health costs through our urban health program and contribution to the NGO health service delivery project. We will be strengthening the coordination between different health service providers in order to create an effective referral system for patients. It is important that they receive the right health care from the right provider, from community outreach services to comprehensive maternal care. Smiling Sun clinics are an important part of that.

### Workshop on National Trade Portal and Single-Window Best Practices held



*BUILD CEO along with other delegates from Bangladesh are seen at the workshop in Colombo.*

A two-day National Trade Portal and Single Window Best Practices Forum was held on August 9-10 in Colombo, under the auspices of USAID and Ministry of Finance, Sri Lanka. The event brings together high-level customs and trade-related officials from South Asian and Southeast Asian Countries to discuss best practices for National Trade Portal and Single Window platforms, to reduce costs of cross-border trade in South Asia.

Minister of Finance, Ravi Karunanayake stated that some trade barriers should remain and retained by reducing non-tariff barriers which could increase volumes transacted in the Asian Region. He added that the high tech single window programme was linked facilitating processes of exports and imports in the country. Economic growth can be improved as they are entering into comprehensive trade economic agreements between India, China, and other countries, he observed.

US Ambassador to Sri Lanka, Atul Keshap noted that among all of the economic groupings of the entire planet, South-Asia's regional and intra-regional trade remains too low. Only about 5% of total trade is intra-regional. An intra-regional investment is less than 1%. of overall FDI in South-Asia, observed the Ambassador. He added that the Indo-Pacific economic quarter is an initiative building closer economic ties across the Bay of Bengal, Asia Pacific, and the Indian ocean regions.

Joining the workshop, BUILD CEO Ferdaus Ara Begum says that policy clarity and policy consistency helps to level the playing field. It fosters transparency and it provides predictabilities. All of these signals to the investor community that you are open for business and will attract foreign and domestic businesses looking for the best places to invest their money and share their knowledge. Trade Portal and Single Window Forum in Sri Lanka showed the preparedness of different countries on Trade Portal and Single Window and how they could complement each other.

Speakers presented successful national trade portals, mapping the steps, progress to date, and impact such portals have had on trade. The forum included a variety of national trade portals and single-window development topics, including designing and establishing national trade portals, legal framework for national trade portals and single-window platforms, institutional coordination for effective platforms, and reconciling national and state-level trade policies. 55 trade-related officials and researchers from India, Bangladesh, Nepal, Bhutan, and Sri Lanka joined the National Trade Portal and Single-Window Best Practices Forum.

## Partner's Corner



### MCCI Holds 3rd Quarterly Luncheon Meeting



H.E. High Commissioner of India, Harsh Vardhan Shringla speaking at the meeting

H.E. High Commissioner of India, Harsh Vardhan Shringla hints at increasing Indian engagement in social and technical areas in addition to trade and infrastructure in Bangladesh. He was speaking as the Chief Guest at the 3rd Quarterly Luncheon Meeting on the 8th August, 2016 at MCCI. Indian High Commissioner Harsh Vardhan Shringla requested the government to simplify the process of repatriating fund and salary back to India to attract more Indian investment in Bangladesh. He made the appeal while addressing the third quarterly luncheon of the Metropolitan Chamber of Commerce and Industry (MCCI) at its office.

"India has already decided to give five-year multiple visas to not only the large manufacturers, but also the small and medium entrepreneurs of Bangladesh as they can visit India frequently for business purpose," he said adding that they have already issued 7,000 business visas.

MCCI President Syed Nasim Manzur in his welcome speech said, "The new bilateral investment is being drafted. We sincerely hope that the new treaty will remove all the roadblocks to Bangladeshi investments into India, particularly in retail, manufacturing and service industries." He also called for systematic efforts to increase cooperation between the two countries, particularly in the areas of trade facilitation, product standard, conformity assessment, trans-shipment of goods and trade-infrastructure developments.

### DCCI Holds Dialogue with Chinese Investors



DCCI President Hossain Khaled presides over the meeting in presence of Liu Fang, President of China Council for the Promotion of International Trade (CCPIT) of Zhaoqing City who led the Chinese delegation.

Dhaka Chamber of Commerce and Industry yesterday urged Chinese entrepreneurs to invest in Bangladesh as many sectors of the country promise tremendous growth potential for foreign investors. DCCI President Hossain Khaled made the call in a meeting in Dhaka between the board of the chamber and an 18-member trade delegation of China Council for the Promotion of International Trade of Zhaoqing City on August 22, 2016. The government is going to establish 100 economic zones in the country within a couple of years.

Liu Fang, President of CCPIT said Bangladesh and China have been maintaining good economic relations for a long time and trade between two countries is increasing gradually. He said Bangladesh has tremendous potential in trade and investment and Chinese investors are willing to invest in the promising sectors of Bangladesh. He invited the DCCI to participate in the Guangdong Maritime Silk Road International Expo to be held in October this year where Bangladeshi businessmen will get an opportunity to meet thousands of entrepreneurs from across the world.

### CCCI, Gujarat Chamber Signed MoU



Officials exchanged papers after signing a Memorandum of Understanding on bilateral trade relations between Chittagong chamber and India's Gujarat chamber on August 25, 2016.

Addressing the meeting, CCCI President Mahbubul Alam urged the Indian delegation to invest in Chittagong considering the geographical advantages and the facilities being provided by the government. Indian business delegation chief BS Agrawal said: "Bangladesh has a good position in the international market for its readymade garments and the country will get more benefits from importing synthetic, fabrics from Gujarat and by setting up industries under joint venture initiatives."

Presided over by CCCI President Mahbubul Alam, the meeting was addressed, among others, by CCCI's Senior Vice-President Md Nurun Newaj Selim, Vice-President Sayed Jamal Ahmed, Deputy High Commissioner of Bangladesh in Mumbai Samina Naz, Indian High Commissioner's First Secretary Rakesh Ramon, AK Khan and Company Ltd Managing Director (MD) Salahuddin Kashem Khan, BSRM's MD Ameer Alihussain, BGMEA's Director ANM Saifuddin and OOCL's GM Captain Gias Uddin Chowdhury.



### Follow-up Meeting with the EU



*The meeting between the EU Advisor Abu Syed Muhammad Belal and BUILD CEO Ferdaus Ara Begum in progress at BUILD.*

The EU Advisor Abu Syed Muhammad Belal met BUILD CEO on August 17, 2016 at BUILD Secretariat. BUILD CEO Ferdaus Ara Begum briefly introduced the Public Private Dialogue (PPD) Platform, its structure and operational nature along with its access to the highest level of bureaucracy for advocating private sector policy reform issues and simplification of regulatory barriers to unlock investment constraints. She explained some common areas of activities where BUILD and EU put hands together.

The Advisor informed that the EU-Bangladesh Business Climate Dialogue focused on five specific areas where EU business community faces problems, including import duties/custom/trade facilitation, licenses and investment in services sector, financial flows, tax regime and pharmaceuticals which was officially launched on 4 February 2015 in Dhaka.

He added that the EUBCB is composed of key EU business representatives who are members of the national chambers of commerce, the Ambassadors and/or Heads of commercial sections of all the EU Member State missions, as well as representatives of the EU Delegation to Bangladesh. It also has a selected number of members representing EU companies having a strong market presence in Bangladesh. EUBCB has been formed to act as a facilitator in dealing with trade and investment issues between the EU and Bangladesh and to play an advocacy role on issues of common interest.

The meeting decided that the EU and BUILD will seek to have more engagements in future to work out areas and synergies of joint collaboration and EU-Bangladesh Business Council (EUBC) will look to identify common areas, and find its scope for working with BUILD Working Committees (SME Development, Financial Sector Development, Taxation and Trade & Investment) with a view to ensuring a level playing field for foreign and local businesses.

The meeting also discussed how both organizations can work hand in hand exploring opportunities and demonstrate. The meeting ended with a hope to invigorate activities towards unlocking business and investment constraints.

This meeting is a follow up meeting of the earlier meeting took place on August 1, 2016 between BUILD Trustee Board Members and his Excellency Pierre Mayaudon, Ambassador and Head of EU Delegation in Bangladesh, at the envoy's office.

### BUILD and BGCCI for Joint Collaboration

Representatives of Business Initiative Leading Development (BUILD) and the Bangladesh German Chamber of Commerce and Industry (BGCCI) sit on August 30, 2016 at BGCCI Office in order for discussing possible areas of work.

Welcoming BUILD representatives Tawfique Ali, President, BGCCI appreciated BUILD's work in different areas and raised some import restriction clause of the Import Policy (Chapter 2, clause 4(d) of Bangladesh where in any produced goods of Israel and any ship carrying Israeli Flag is prohibited in Bangladesh which is causing problems and adding additional cost while rectifying of LC is required. Many countries treated it as a boycott clause, and enquired about the reason for inclusion of such a type of clause in the import policy and thus creating problems while clearing LCs. He requested BUILD to work on this issue because it caused monetary loss because of consuming times. He also focused light on joint activities with BUILD and showed their interest on the policy brief prepared by BUILD to be submitted to the government.

Franz Nienhaus, Executive Director, BGCCI briefly gave a short description of BGCCI and overall activities of the BGCCI in regard to enhance bilateral relationship between Bangladesh and Germany in regard different areas of trade & businesses. He told that their mission is to promote trade between Bangladesh, Germany and the rest of Europe. This chamber provides a platform of networking, promotion and business services. He put forward their concerns in three major areas where they would like to work. The priority areas are: Profit Repatriation process from Bangladesh to Germany, Political Advocacy, Business Sector Identification. He also informed they will work on some publications regarding How to do Business in Bangladesh by the German Business entrepreneurs.

The meeting ended with hope to identify future joint areas of work and modalities to establish a research collaboration upon consultation with the respect Board members.

### Articles of BUILD in National Dailies

#### Reflections on budget implementation

<http://print.thefinancialexpress-bd.com/2016/07/17/146485>

#### Service export sector needs policy revamp

<http://print.thefinancialexpress-bd.com/2016/07/24/147099>

#### Trade Portal and Single Window reduce cost of doing business

<http://print.thefinancialexpress-bd.com/2016/08/27/150235>

## BUILD Scope

### How Private Sector can do Business without Polluting Water

Water is the most vital element among the natural resources. The quality of water is affected by human activities and is declining due to the rise of urbanization, industrial production, climate change and other factors. The resulting water pollution is a serious threat to the well-being of both the Earth and its population. From a water pollution point of view, ready-made garments, garments accessories, leather, sugar, pulp and paper industries are the major contributors. Industry sectors need to be more conscious of their waste disposal mechanism. BUILD in cooperation with UNDP is doing a study on How Private Sector can do Business without Polluting Water: A Case of Ready Made Garments (RMG) to identify the ways how private sector can do business without polluting water and saving money thereby improving production efficiency.

### Harmonization of CSR Policy in Bangladesh

CSR has become of great importance in recent years. Presently CSR in Bangladesh is at a premature stage. Bangladesh Bank has prepared CSR guideline for banks and NBFIs incorporating a provision of spending a certain percentage of their net profits on corporate social responsibility (CSR) activities. NBR has its own policy for Tax rebate on some sectors for CSR. Due to lack of proper coordination between policies esp. who is doing what BUILD in cooperation with UNDP conducts a comprehensive study on Harmonization of CSR Policy in Bangladesh to suggest some ways on how the CSR Policy can be made more helpful for a sustainable business practices and suggest ways for alignment of policy of BB CSR Guidelines and NBR Policies, International Practices, Individual Company CSR along with Proposed National CSR Policy.

### BOILER Meeting at MOI to Discuss and Design Small Boilers



Meeting at the Ministry of Industries for designing small boilers is in progress

A meeting was held in the conference room of the Ministry of Industries on "Design and production of safer low-pressure boiler for Rice mills (Chatal)" on 20th July 2016 under the presidency of .Enamul Haque, Additional Secretary (BIRA), MoI.

A presentation was undertaken by S.M. Zahid Hassan, senior advisor, GIZ on the newly designed boiler for rice mill (Chatal). He mentioned that the GIZ invented boiler is safer and 40%-50% energy efficient than the traditional boilers. Participants expressed their concern about the issues related to boilers used in rice mill like; security, quality of boiler, adverse effect on the environment.

Zawahirul Gani, Managing director, Modern Erection Ltd. mentioned that inclusion of Pressure Gauge, water level indicator, safety Valve in GIZ invented boiler will ensure the safety. To avoid the environment pollution evolved from using a traditional boiler, all boilers can be brought under boiler Act.

Ferdous Ara Begum, CEO, BUILD added that if newly designed boiler's design is safe, environment-friendly and cost effective then it can be included in the boiler Act.

Md. Abdul Mannan, Chief Inspector of Boiler, the Bangladesh Boiler Board stated that a committee can be formed to review and reexamine the technical specification of the newly invented boiler by GIZ with the instruction of Additional secretary (BIRA), MoI. Masudulqbal Md Shamim, Deputy Director, Ministry of Environment and Forests was present at the meeting.

## Reform Implementation

### Reform Implementation of Tax Policies

BUILD prepared a study on Simplification of Tax Policy for Electrical and Electronics Sector and presented in its Taxation Working Committee meeting for rationalizing tax policy and addressing hassles for importing raw materials and maintaining standard and quality issues for some selected electrical and electronics products. NBR accepted a significant number of proposals of this study.

As per proposals of BUILD to support domestic 10-120 MVA transformer manufacturers (HS code 8504.23.90) import duty has been increased from earlier 5% to 10%. This will help domestic manufacturers to be self-sufficient in supplying transformer at the domestic level and increase export.

There are about 5-6 domestic UPS manufacturers operating in the country but a significant amount of raw material is required to be imported from overseas of which motherboard is a significant one for UPS. NBR has agreed to reduce the duty on the motherboard accessories imported under a single HS Code from the present level of 25% to 10%.

Optical Fiber Cable is one of the sectors growing faster. Bangladesh is almost self-sufficient in producing this product. But a number of raw materials used for this sector are imported such as Polyester Tape (HS code 3919.10.00), Jelly Compound (HS code 3824.90.90). NBR is considering duty reduction of these raw materials which are not produced in the country to support the sector.

### Reform Implementation of ADR

A study on Alternative Dispute Resolution-Implementation and Policy was presented at the 2nd Taxation Working Committee of BUILD. BUILD proposed for reducing the time frame for resolving ADR cases. ADR Resolving time line has been reduced to 50 days from 60 days (SRO no. 53-AIN/ 2012/ 632/ VAT). For applying against any notice, the time duration for applicant is 20 working days now instead of 10 working days before (SRO no. 53-AIN/ 2012/ 632/ VAT). BUILD proposed for enhancement of time for getting applicant ready to reply in the notice.

## Photo News



The Centre for Policy Dialogue (CPD) hosted a farewell lunch for outgoing UNDP Country Director Pauline Tamesis (L3). The farewell was attended by Resident Representative for UNDP Robert Watkins (LI), BUILD Advisor Asif Ibrahim (L2) and Distinguished Fellow of CPD Dr Debapriya (R1) Bhattacharya along with other members of the Citizen's Forum for SDGs Bangladesh



BUILD CEO Ferdaus Ara Begum met the Managing Director, Berger Paints Bangladesh Limited Rupali Chowdhury on July 19, 2016 at Berger House, Uttara in an attempt to validate the reform policy paper on Simplification of the policy for profit repatriation.

### BUILD to partner with GIZ for PSES (II)



BUILD CEO hands over set of BUILD publications to PSES Team Leader of GIZ after the meeting.

BUILD CEO Ferdaus Ara Begum joined a meeting with GIZ on August 17, 2016 at GIZ Office. The meeting put light on Safer Disposal of Hazardous substance, International common good Practice of chemical use and disposal system, legislation for hazardous substances and coordinations for unified approach and Patch work among the government agencies and enforcement or incentivization of safer chemical use etc.

Dr. Jurgen Hannak, Team Leader, PSES, GIZ mentioned some challenges in using chemicals and the disposal of chemicals. He mentioned some international steps such as Amsterdam Convention, DETOX, ZDHC. He put stress on Manufacturers' Restricted Substitution List (MRSL). The backward linking SME units of textile and Leather sector like washing plants. In this respect Department of Inspection for Factory Establishment (DIFE) can play an active role to address these issues. He expressed concerns over oxidation resulted from the use of anonymous volume of Agro chemicals in Bangladesh.



Right information at the rightest moment is a must for sustainable business. BUILD prioritized the access to information and took the challenge to ease business for the first time in Bangladesh. The Business Start-up Licenses-A Regulatory Guide (4<sup>th</sup> edition), a gist of about 300 Business Lienses along with renewal was launched by the Hon'ble Prime Minister Sheikh Hasina, MP in January 2016 at the Bangladesh Investment and Policy Summit organized by the Board of Investment and BUILD. BUILD has also published two sectoral Business Start-up licensing guide books: Fish and Fisheries Business Start-up Licenses: A Regulatory Guide and Pharmaceuticals Business Start-up Licenses: A Regulatory Guide which provide a one stop service for all new and veteran entrepreneurs who are looking for Registration/License/Permission/Approval or Certificate for their respective businesses.

#### What are inside:

Getting Start-up License & Renewal 0	0 Step by Step Process Flow
Receiving Utility Permits 0	0 Reference to Regulations
Fees and Permission 0	0 Detail Information of Issuing Agencies

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DCCI Building (9th Floor), 65-66 Motijheel Commercial Area, Dhaka-1000, Bangladesh.  
 Phone : + 880-2-9569961, 9561388, E-mail: info@buildbd.org, www.buildbd.com

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