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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

### Boosting Textile Sector Sustainability through Dialogue and Action

The just-released report by PWC forecasts that Bangladesh will be among the three fastest growing economies of the world, with an average GDP growth rate of 5% till 2050. Economic reforms, growth-enabling macroeconomic policies, and education are among the key courses of action suggested in the report. The question to tackle, however is how this growth rate can be sustained without depleting or destroying the natural resource base and how the human capital can be utilized in the best possible manner. As climate change begins affecting the economies of the most vulnerable countries, among which Bangladesh ranks, the sustainable development goals could provide a way forward.

The Sustainable Development Goal # 12 enjoins the world to 'ensure sustainable consumption and production patterns'. For the private sector, the goal means first and foremost strengthening resource use efficiency and adopting more environment-friendly production practices.

The Textile Sustainability Platform (TSP) was established under the Partnership for Clean Textile (PaCT) initiative – led by IFC in partnership with development partners, global buyers, and BGMEA. The TSP is a multi-stakeholder public private dialogue platform composed of relevant representatives from the Government of Bangladesh, companies and associations related to the textile and related sectors, academic and research organizations, development organizations, the financial sector, and so on. To provide input in the TSP, three working groups (WG) were formed on (1) Policy and Regulatory, (2) Voluntary Action by Industry, and (3) Access to Finance.

Since its inception in May 2014, the TSP has achieved a number of important results. Proposals submitted to NBR for higher supplementary duty for Zero Discharge on Hazardous Chemicals (ZDHC) in FY16 budget have led to increase in SD rates for three chemicals. As a result of close consultation with Bangladesh Bank, the latter has established the 'Green Transformation Fund' (GTF) with USD 200m which could help finance at subsidized rates green investments in textile & leather sectors.

The TSP has been recently reconstituted under the co-chairmanship of BUILD and BGMEA. Under the new leadership and composition of TSP, the secretarial and operational activities of TSP will be performed by Business Initiative Leading Development (BUILD). BUILD would extend research, technical, and secretarial support to the TSP to ensure meaningful operation of the platform. The recommendations advocated by TSP will directly reach the policy makers via BUILD's 5th working committee on Sustainability and Green Growth (SGG). The working committee will consider and make decisions based on the recommendations of TSP. Further, recommendations that need inter-ministerial approval will be placed to high powered Private Sector Development Policy coordination Committee (PSDPCC).

**Ferdaus Ara Begum**  
CEO, BUILD

### BUILD gets Nihad Kabir as Chairman



*Photo: Nihad Kabir*

Nihad Kabir, Barrister, President of Metropolitan Chamber of Commerce and Industry has taken over as the Chairman of the Trustee Board of BUILD for the year 2017. Nihad Kabir succeeds Syed Nasim Manzur who served BUILD as Chairman in 2016.

Nihad Kabir is an Advocate of the Supreme Court of Bangladesh and a Director and shareholder of Kedarpur Tea Co Ltd. . She is a director of Brac Bank, Infrastructure Development Company, Palli Karma-Sahayak Foundation, bKash, and independent director of Square Pharmaceuticals and Apex Footwear. She is also the Chairperson of Brac-EPL Investments and Brac-EPL Stock Brokerage.

The Trustee Board is vested with the authority and responsibility to exercise control over all the activities conducted by BUILD. The Trustee Board for 2017 includes Abul Kasem Khan, President of Dhaka Chamber of Commerce and Industry (DCCI), Mahbubul Alam, President of The Chittagong Chamber of Commerce and Industry (CCCI), Farooq Ahmed, Secretary General of MCCI, H.M Reazul Kabir, Secretary General of DCCI, Engr. MD. Alamgir Chowdhury, Secretary of CCCI and Asif Ibrahim, Adviser to BUILD Trustee Board. Ferdaus Ara Begum is the Member Secretary to the Trustee Board.

BUILD is a Public Private Dialogue Platform sponsored by Dhaka Chamber of Commerce and Industry, Metropolitan Chamber of Commerce and Industry and Chittagong Chamber of Commerce and Industry providing secretarial support to the Private Sector Development Policy Co-ordination Committee at the Prime Minister's Office (PMO).

BUILD works as the bridge that connects the public and private sectors for better communication, coordination and collaboration in bringing reforms in business policies and procedures to improve the country's investment climate in Bangladesh.

### New Trustee Board Shared Plan of Activities with PMO



*BUILD Chairman hands over a set of Business Start-ups Licenses: A Regulatory Guide to the Principal Secretary in presence of BUILD Trustee Board Members.*

BUILD Trustee Board Members joined a meeting with Dr. Kamal Abdul Naser Chowdhury, Principal Secretary to the Prime Minister on February 23, 2017 to discuss how Private Sector Development Policy Coordination Committee (PSDPCC) can collaborate further in areas of research, policy and advocacy for private sector development. BUILD Chairman Nihad Kabir shortly put light on the meeting agenda and also briefed about upcoming and overall activities of the organization.

Principal Secretary welcomed the delegation of BUILD and commended the initiative of the private sector that is already working as a conduit to formalize decisions of the Government in a mode of public private collaboration. "Like the other Principal Secretaries, I will keep supporting the PSDPCC and our Government has already created the momentum and we need all of your support to keep this momentum going", he said.

He also added that despite challenges, we all need to build our image and the private sector has to do more to demonstrate that Bangladesh is keen to play a part on the global stage and let's ensure that our voice remains strong to address any fears and propaganda against the country.

Speaking at the meeting, Asif Ibrahim, Advisor to BUILD said that establishment of Private Sector Development Policy Coordination Committee (PSDPCC) is a mechanism to meet the demand of research and study for systematic, research-backed and fact-based business operation.

Echoing Asif Ibrahim, Mahbubul Alam, President, Chittagong Chamber of Commerce & Industry requested the PMO to ponder actions for PSDPCC and resolve all business issues through this platform while Abul Kasem Khan, President, Dhaka Chamber of Commerce and Industry underscored the need for research-backed and fact-based business reforms for the ease of business in Bangladesh and thus reducing cost of doing business.

BUILD CEO Ferdaus Ara Begum discussed the agenda of the coming meeting of PSDPCC and sought attention for a meeting date to hold the 9th PSDPCC meeting. The Principal Secretary instantly directed the Policy Coordination Unit of PMO to review all agenda and fix a meeting date for PSDPCC soon. Taking cue from the Principal Secretary, Nafiul Hasan, Director-1 of PMO said that despite PSDPCC is an inter-ministerial approach and it involves a number of ministries, therefore we need ample time.

Farooq Ahmed, Secretary General, Metropolitan Chamber of Commerce and Industry was present at the meeting and spoke.

### Thrust on Separate Economic Zone for Women Entrepreneurs



*After a meeting, BUILD CEO Ferdaus Ara Begum hands over a set of Business Start-ups Licenses: A Regulatory Guide to Paban Chowdhury, Executive Chairman of Bangladesh Economic Zones Authority -BEZA in presence of Monowara Hakim Ali, President of Chittagong Women Chamber of Commerce & Industry-CWCCI at BEZA office.*

Business Initiative Leading Development (BUILD) joined a meeting with Paban Chowdhury, Executive Chairman of BEZA at the office of BEZA on January 17, 2017 to discuss separate special economic zone for women entrepreneurs in the country. BUILD CEO Ferdaus Ara Begum referred to the decision made at the 8th PSDPCC (Private Sector Development Policy Coordination Committee) meeting at PMO held on January 13, 2016 and requested for exploring possibilities of setting up a separate Economic Zone (EZ) for Women Entrepreneurs (WE).

Having joined the meeting, Monowara Hakim Ali, President of Chittagong Women Chamber of Commerce & Industry-CWCCI told that they had submitted the proposals for BSCIC industrial plots in 2007 and BSCIC agreed for setting up the first industrial zone for women entrepreneurs in the new industrial park of Bangladesh Small and Cottage Industries Corporation (BSCIC) at Barabkunda, Chittagong but this has not seen the light yet.

In this thread, Paban Chowdhury, Executive Chairman of BEZA told that, for allocating land they have already tendered for investment in the economic zones of Chittagong. The women entrepreneurs should participate with required proposals mitigating all terms and conditions in order to qualify in the bidding process, he said.

The meeting was attended by Mohammed Ayub, Additional Secretary & Secretary, BEZA, S.M. Nurul Alam, Joint Secretary & General Manager, BEZA, G. A. Rayhan, Business Consultant & CEO, CWCCI.

"Requirements for Separate Economic Zone (EZ) for Women Entrepreneurs (WE)" was presented in the 8th PSDPCC meeting at PMO held on January 13, 2016. For the implementation of the decision of 8th PSDPCC meeting, recently BEZA decided to allocate 100 acre lands for women entrepreneurs at Mirsora Economic Zone, Chittagong. In that respect, BEZA will make agreement with relevant organizations.

There are a lot of women entrepreneurs in the country who want to expand their business but due to lack of land they cannot expand their business. For that reason a proposal on "Requirements for Separate Economic Zone (EZ) for Women Entrepreneurs (WE)" was presented in the meeting with DEZA.



### Chemonics and BUILD sign MOU for regional connectivity

Business Initiative Leading Development (BUILD) signed a Memorandum of Understanding (MOU) recently with Chemonics, the implementer of the U.S. Agency for International Development (USAID)'s Asia and Middle East Economic Growth (AMEG) project, to coordinate their approach to activities promoting regional connectivity in South Asia through August 2017.

AMEG supports USAID Missions and Bureaus in the Asia and the Middle East regions by providing the necessary tools to conduct successful economic and financial management assessments, strategic planning, diagnostics, pilots, and program designs.

The MOU was signed by Anne Spahr, AMEG Chief of Party, and Ferdaus Ara Begum, Chief Executive Officer of BUILD. Under this MOU, BUILD will serve as a key partner for AMEG on regional activities in 2017 and help identify opportunities for enhancing regional connectivity and trade, facilitate connections with Bangladeshi stakeholders, and provide feedback to the AMEG team when necessary. AMEG will identify opportunities for collaboration with BUILD, develop scopes of work, and enter into agreements that include specific areas for collaboration.

As an example of the work that BUILD and AMEG will do together under this MOU, AMEG and BUILD will help carry out a two-day Task Force Workshop in India in April 2017 to design a demonstration pilot for enhancing regional connectivity. This task force and pilot activity seeks to bring together public and private sector stakeholders to demonstrate the viability and positive impact of allowing express shipments through land ports between Bangladesh and India.

Having signed the MOU, Ferdaus Ara Begum, Chief Executive Officer of BUILD said that all our commitments existing in the MOU will be delivered as planned to enable AMEG activities promoting regional connectivity in South Asia in general and between Bangladesh and India in particular.

Anne Spahr, AMEG Chief of Party said that AMEG is very excited to partner with BUILD in Bangladesh to put some of the recommendations to facilitate trade and new investment into action in the region.

As IPEC Phase III moves forward to support implementation of aspects of the NTB action plan developed in December 2016, Chemonics is partnering with BUILD to provide formal support to implementation of critical activities in Bangladesh and the region. As a subcontractor, BUILD will provide meeting facilitation research, leadership support for the taskforce workshop in India, and provide assistance to identify opportunities for additional trade facilitation technical opportunities in the region.

Chemonics has been working under an informal partnership with BUILD in Bangladesh since 2016, which provided some secretarial services support to the IPEC assessment team that implemented a non-tariff barriers (NTB) workshop in Dhaka in late 2016.

As the IPEC activity has continued to expand, Chemonics made this deal with BUILD to support AMEG efforts to provide meeting facilitation services, leadership support for the task force workshop, and support in identifying local opportunities to expand the IPEC pilot in the region.

### Thrust on bringing a positive impact on the financial sector



*After a meeting, BUILD CEO Ferdaus Ara Begum hands over a set of Business Start-ups Licenses: A Regulatory Guide to Dr. Md. Abdur Razzak, Chairman, Standing Committee on Ministry of Finance.*

A meeting between the Parliamentary Standing Committee on the Ministry of Finance and Business Initiative Leading Development (BUILD) was held at Bangladesh Parliament on January 8, 2017 in presence of Dr. Md. Abdur Razzak, Chairman, Standing Committee on Ministry of Finance and Ferdaus Ara Begum, CEO, BUILD.

The meeting underscored the gaps and laps in policy and high-quality research in supporting financial sector of the country. BUILD CEO Ferdaus Ara Begum shortly briefed about the reforms endeavor of BUILD and its journey in policy research and how BUILD has been working as the Secretariat of Private Sector Development Policy Coordination Committee (PSDPCC) at PMO.

She also expressed interest in advocating policy reforms of financial sector development and in this respect sought support through the Parliamentary Standing Committee on the Ministry of Finance in a bid to bringing about a positive impact on the financial sector.

BUILD CEO mentioned that BUILD has already placed 10 Reform Policy Papers at PSDPCC through Financial Sector Development Working Committee and proposed 80 recommendations. The PSDPCC implemented 22 reforms in the financial sector, while 30 is under process for implementation and 24 is under review.

Welcoming the BUILD Team, Dr. Abdur Razzak said that the Parliamentary Standing Committee on the Ministry of Finance will sit with the stakeholders of grassroots level in order to implement VAT and SD Act before the national budget.

He also emphasized the need for reforms in several areas to achieve a double-digit growth, so wants to take steps along with the business and stakeholders to work with them: helping to shape a new approach, setting the template that works for all business.

The meeting finally decided to hold budget dialogue and other consultation meetings with the private sector in the coming days before the upcoming budget 2017-18 so that views of the private sector can be reflected adequately.

### Private Sector in Development- key for SDGs



*BUILD Chairman hands over a set of Business Start-ups Licenses: A Regulatory Guide to the UNDP Country Director.*

BUILD Trustee Board Members joined a meeting with a team of UNDP Bangladesh led by its Country Director Sudipto Mukerjee on February 26, 2017 at UNDP's Dhaka Office to discuss ways and means for more engagement of private sector for sustainable development and strengthening collaboration and network among private sector and development partners.

Nihad Kabir, Chairman of BUILD and President of Metropolitan Chamber of Commerce & Industry (MCCI), briefly introduced BUILD and said that it is a platform for action-oriented reforms that simplify the process of doing business in Bangladesh by working closely with the government.

Taking cue from the BUILD Chairman, Ferdaus Ara Begum, CEO of BUILD mentioned that we feature public private dialogue on five thematic areas – Tax, SMEs, Financial Sector, Trade & Investment and Sustainability & Green Growth. We have designed the Sustainability & Green Growth working committee in collaboration with UNDP Bangladesh in order to harmonize economic growth with environmental sustainability, while improving the eco-efficiency of economic growth and enhancing the synergies between environment and economy.

Welcoming BUILD Delegation Sudipto Mukerjee said that UNDP works in nearly 170 countries helping to eradicate poverty and reduce inequality and exclusion. In these countries, we see more and more people, particularly young women and men, push the boundaries of citizen engagement and work towards a future they prefer.

Having agreed with UNDP Country Director, Shaila Khan, Assistant Country Director and Head, Local Governance Cluster at UNDP added that innovation for development identifies more effective solutions that add value for the people affected by development challenges despite we know.

Joining the meeting, Khurshid Alam, Assistant Country Director of UNDP said that we need to think about our strategic thinking capacity and foresight capacity about what we want to achieve and where we want to go. We need ongoing dialogues of engagement, capacity building and innovation for both public and private sectors.

Both organizations decided to continue their ongoing efforts for growth and development of the private sector. The meeting was attended by AHM Rezaul Kabir, Secretary General of Dhaka Chamber of Commerce & Industry, Dr Linda Germanis, Programme Officer- UNV Hub spoke at the meeting.

### Reconstituted TSP fixes strategies for greener textile



*Senior Vice President of BGMEA Faruque Hassan, Founder Chairman of BUILD Asif Ibrahim and other officials seen in the meeting.*

The first orientation meeting of the Textile Sustainability Platform (TSP) was held on 28 February at BGMEA Conference Room. BUILD in association with the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) organised the programme.

The meeting discussed strategies for a sustainable Textile sector, co-chaired by Faruque Hassan, Senior Vice President, BGMEA and Asif Ibrahim, founder Chairman, BUILD.

Underlining his involvement with TSP since its inception in 2014 as part of IFC's PaCT (Partnership for Cleaner Textile) programme, Faruque Hassan said: TSP should be a permanent platform to facilitate dialogue across the public and the private stakeholders to promote resource efficiency and sound environmental management practices to help the sector become competitive.

"I thank BUILD for their endeavor to work for the reconstituted TSP," he observed. "Recommendations backed by evidence-based research will be advocated through BUILD's Sustainability and Green Growth (SGG) working committee (headed by Secretary, Ministry of Environment and Forests (MoEF) and President, BGMEA to the Private Sector Development Policy Coordination Committee (PSDPCC) at the Prime Minister's Office (chaired by the Principal Secretary, PMO), for which BUILD is providing all secretarial services," said Asif Ibrahim.

He further observed that this mechanism would help push policy reforms that create an enabling environment for better uptake of green measures in the sector.

Ferdaus Ara Begum, CEO of BUILD, in her presentation discussed the goals and objectives of TSP and potential areas of research topics on utilisation of Green Financing and Water Use Rationalisation to achieve the eventual goal of \$ 50 billion in exports by 2021.

Businesses need to strengthen peer learning to ensure dissemination and adoption of best practices. Stronger awareness supported by match-making between technological solution companies and textile sector entrepreneurs on cost-effective technological solutions enabling efficient resource use were highlighted.

BGMEA and BUILD, in cooperation with international brands, will organise events and develop platforms to ensure dissemination of knowledge about sustainable solutions.



## Partner's Corner



### MCCI Holds Workshop on New Vat Act And Rules



MCCI President Nihad Kabir speaks at the workshop in presence of NBR Chairman (R2)

The Metropolitan Chamber of Commerce and Industry on Tuesday sought an assurance from the government about three things including a uniform application of the law during the new VAT law regime.

The MCCI wants to see a clear, stable and predictable VAT policy for preparation of their business and financial planning for short, medium and long terms, said the chamber president, Nihad Kabir, at a workshop.

The MCCI organised the workshop on 'New VAT' act and rules: an implementation roadmap' at its conference room in the capital Dhaka.

At the programme, NBR chairman Md Nojibur Rahman assured the business community of making the tax system stable, predictable and understandable for all.

Policy Research Institute executive director Ahsan H Mansur said any legitimate demands of the business community on the law should be taken into consideration to make the implementation process smooth.

NBR member (VAT Policy) Jahangir Hossain and Berger Paints BD Ltd finance director Abdul Khalek made two presentations on the new law.

MCCI tariff and taxation sub-committee chairman Hasan Mahmood, MCCI member Adeeb H Khan and Habibullah N Karim, among others and spoke.

### DCCI Holds views-exchange meeting with Planning Minister



The Meeting is in progress

The Board of Directors of Dhaka Chamber of Commerce & Industry led by its President Abul Kasem Khan called on Honorable Planning Minister AHM Mustafa Kamal, MP at his Ministry today 19 February, 2017. Planning Secretary Md. Ziaul Islam was also present at that time. The Planning Minister assures of within two to three years power and energy crisis will be mitigated and resolved. He also said that this year 7.25 to 7.5 per cent GDP could be achieved against the target of 7.2 percent. Moreover he said as of today ADP worth of Taka 40,000 crore have been implemented which was only 28000 crore taka at this time of last year. The Planning Minister further said that government will establish BSCIC industrial area beside every SEZ and EZ in the country to develop SMEs. He said that Government will facilitate the private sector and it is the core responsibility of the private sector to accelerate country's economy.

DCCI President Abul Kasem Khan said that we need to increase private investment to 29 percent from the present 22 percent. He said Bangladesh spends only \$6.2 billion annually for infrastructure development which is only 2 percent of our GDP. He said our economy requires \$300-320 billion investment only in infrastructure until 2030. Decentralization of Dhaka is one of the critical steps in order to reduce Dhaka based urbanization, he

### CCCI Holds views-exchange meeting with IMCCI



Mahbulul Alam, President, Chittagong Chamber of Commerce and Industry addressing a view exchange meeting with Indian Muslim Chamber of Commerce and Industry as Chief Guest on Saturday. Among others, MD Daud Khan, Chief of Business Representative of Indian Muslim Chamber of Commerce and Industry was also present.

A views-exchange meeting was held between the delegation from Indian Muslim Chamber of Commerce and Industry and the leaders of Chittagong Chamber of Commerce and Industry on 19 February 2017.

The 15-member delegation comprised of representatives from consultancy, education, engineering, finance, health, IT, shipping, logistics, skill development and transportation sectors.

The delegation also expressed eagerness to build skilled manpower through giving training on engineering and IT. With the CCCI Senior Vice-President Nurun Newaz Salim in the chair, the views-exchange meeting was attended by the head of the delegation RN Lahiri, India's assistant high commissioner in Chittagong Somnath Halder and CCCI Director Mahfuzul Haque Shah, among others.

Nurun Newaz Salim underscored the importance of ensuring trade facilities, removing all barriers and developing infrastructures. He also called upon the visiting delegation to invest in Mirsarai Economic Zone near Chittagong city.

### Groundwork Meeting of Express Shipments Pilot



*A group meeting attended by representatives from BUILD, Chemonics, DHL Express and India Bangladesh Chamber of Commerce and Industry is in progress*

Under the Asia & Middle East Economic Growth Best Practices (AMEG) project, Chemonics and BUILD implement the Indo-Pacific Economic Corridor (IPEC) activity in Bangladesh to promote regional stability and economic prosperity by implementing programs that will build broader cooperation between India and Bangladesh.

For this activity, BUILD and Chemonics joined a groundwork meeting at BUILD on 26 February 2017. BUILD CEO Ferdaus Ara Begum initially put light on possible means for supporting the Express Shipments Pilot at the Benapole/Petrapole land port between Bangladesh and India as well as possible collaboration with Bangladesh Postal Service, Customs and Courier Services on a public-private task force to facilitate the demonstration of best practice in addressing non-tariff barriers to trade.

Stephen P. Wade, Technical Team Lead/ Senior Trade Advisor, AMEG Project, Chemonics International, Kaitlyn Bacca, Events Coordinator for the Chemonics AMEG Project's Indo-Pacific Economic Corridor (IPEC) activity joined the meeting.

Joining the meeting, Zulfikur Ali, Director, Customs and Regulatory Affairs, DHL and Motiar Rahman, Member of the Land Port Subcommittee, IBCCI expressed concerns over regulatory issues of express shipment and they also mentioned some major issues like absence of required testing labs, warehouses and imposing holiday charges.

As a subcontractor of the project, BUILD provides meeting facilitation services for Chemonics consultants traveling to Dhaka, leadership support for the task force workshop in India, and provide assistance to identify opportunities for additional trade facilitation technical opportunities in the region.

As well as this meeting, BUILD supported nine meetings altogether during the trip (25-28 February 2017) of Chemonics Team in Bangladesh.

The Chemonics Team led by Stephen P. Wade met Muhammad Farid Uddin, Member Customs, NBR, John Macy, Private Enterprise Officer, USAID, Jahangir Bin Alam, Secretary, CEO, India-Bangladesh CCI, Sheikh Md. Farid, President, Dhaka Customs Agents Association, S.S. Bhadra, Additional Director General, Bangladesh Postal Service, Kazi Borhan Uddin Ahmed, MD Mohna Holdings Ltd, Mahbubul Anam, President, BAFFA, Glenn F.J. Mackenzie-Frazer, COP, BTFA.

### Meeting between USAID and BUILD

A meeting between Business Initiative Leading Development (BUILD) and U.S Agency for International Development (USAID) was held on January 5, 2017 at the office of the USAID. The objective of the meeting was to discuss on building a partnership between these two organizations to work together to help create more business enabling environment for the private sector of Bangladesh.

John P Macy, Private Enterprise Officer, Aklima Haque, Project Management Coordinator & Naima Rashid, Private Sector Engagement of Economic Growth Office were present in the meeting. Ferdaus Ara Begum, CEO, BUILD, Mushaddekul Alam, Sr. Communication & Advocacy Associate and Kanis Fatama, Research Associate from BUILD attended in the meeting.

Welcoming the delegation from BUILD, Macy mentioned about the USAID trade facilitation activities and referred BTFA which is being implemented by IBI International. He also said that USAID is in the process of developing strategies, designing new activities to help private sector for enabling business environment. But sectors which need to be focused on or what type of activities are to be initiated have not yet been decided.

In view of that they have already discussed with some of the relevant govt. organizations, private firms, donor organizations. Meeting with BUILD is a continuation of these initiatives. He elaborated, USAID is aware about BUILD as it is doing research on business policy reforms and supporting for an enabling business environment for the private sector, he is very keen to know about the activities of BUILD and future plan to pinpoint collaborating areas to work together.

CEO, BUILD thanked Macy for arranging this meeting. She gave a brief overview of activities of BUILD and its structure of working closely with the government and its involvement with the PMO to advocate simplification of policies to unlock business and investment potentials. She Point presented the structured dialogue architecture of BUILD to raise the private sector voice backed by rigorous research to bridge policy gaps. This unique feature makes BUILD different from any other association and chambers.

Macy was willing to know about the areas or issues which hinders the progress of private sector in Bangladesh before designing potential program strategies by USAID for the coming years. He also mentioned about the ranking of Bangladesh in the World Bank Doing Business report in which Bangladesh is not as competitive as its neighboring countries. CEO, BUILD was referring about a workshop organized by BIDA after releasing the World Bank Doing Business Report-2016, and mentioned that business start up is one of the significant indicators shows the worst situation for the entrepreneurs to start business in Bangladesh compare to other similar countries.

In reply to Macy she said that, for creating level playing field among sectors specially export sector, USAID can work in regard to remove policy gaps and bridge them for the benefit of business. It may require some research also. She also referred some policies announced by the govt. of Bangladesh which are good for the business but not realistic for the present scenario such as industrial policy, export policy etc. New innovation, skill, change of mindset and entrepreneurship development is required to develop and for the overall upgradation of the private sector.



## Reform Implementation

### ERQ increased up to USD25000 in 2017

A number of proposals for simplification of Foreign Exchange Policies for the pharmaceutical sector in Bangladesh was presented at the 3rd Financial Sector Development Working Committee meeting in 2014. Bangladesh Bank agreed to implement some of the recommendations placed in the meeting.

Recently, by announcing a circular (FE Circular No. 05, date 05 February, 2017) Bangladesh Bank has decided to enhance the limit of advance payment from Export Retention Quota (ERQ) up to USD 25000 or its equivalent from USD 10000. This is a remarkable step implemented by the Bangladesh Bank, which will help this sector grow quicker.

It is also noteworthy that, on 27 May, 2015 Bangladesh Bank had also announced a circular (FE Circular No. 05) in which, ERQ for exports of high domestic value added merchandise has been increased to 60 percent from existing 50 percent, while the ERQ for merchandise exports of high import contents (like apparels using woven fabric) has been raised to 15 percent from earlier 10 percent.

### Separate Economic Zone for Women Entrepreneurs

There are a lot of women entrepreneurs in the country who want to expand their business but due to lack of land they cannot expand their business. For that reason a proposal on "Requirements for Separate Economic Zone (EZ) for Women Entrepreneurs (WE)" was presented in the 8th PSDPCC meeting at PMO held on January 13, 2016. For the implementation of the decision of 8th PSDPCC meeting, recently BEZA decided to allocate 100 acre lands for women entrepreneurs at Mirsrai Economic Zone, Chittagong. In that respect, BEZA will make agreement with relevant organizations.

## BUILD Scope

### Mulberry Silk Supply Chain in Bangladesh

Silk is the most luxurious and aristocrat fabric in the world. Silk is produced in Bangladesh due to factors endowment and factors availability. Bangladesh is 9th largest silk producing country and 57th silk exporting country of the world. Silk had a great history of growth in Bangladesh. But unfortunately due to some reasons growth of this promising sector was interrupted. Now, the present Government focuses a lot to the advancement of Silk Industry of Bangladesh for the purpose of poverty reduction, employment creation, women empowerment, forestation, rural industrialization etc. BUILD is going to conduct a comprehensive research on "Silk Industry of Bangladesh" namely "Mulberry Silk Supply Chain in Bangladesh-Potential Economic Benefits and Employment Creation" to identify the scope and potential of Silk Industry and its economic, socioeconomic benefits and to achieve SDGs.

### Simplification of the Policies of BSEC for Rising Paid up Capital

Paid-up capital is the amount of capital that it actually issues and has received payment for from the sale of its shares and stock. In Bangladesh to increase paid up capital for public and private limited companies they need to go through a lengthy process for every 10 crore. Foreign investors complained that BSEC and RJSC take long time to approve the increase of paid up capital. BUILD works on a policy reform, namely "Simplification of the Policies of BSEC for Rising Paid up Capital for Private Limited Companies" to submit to the PSDPCC through concerned Working Committee. The objectives of the policy reform are to simplify the policies of raising paid up capital for businessmen and investors, to alleviate the hassles of private companies in maintaining the procedures to raise capital after BDT 10 crore.

## Articles of BUILD in National Dailies

### Facilitating financing of small enterprises

<http://print.thefinancialexpress-bd.com/2017/02/23/165442>

### Recognising contribution of small and cottage enterprises

<http://print.thefinancialexpress-bd.com/2017/02/20/165262>

### Plugging holes in internal revenue mobilisation

<http://print.thefinancialexpress-bd.com/2017/01/09/161466>

### Automation: No significant breakthrough so far

<http://print.thefinancialexpress-bd.com/2017/01/10/161559>

### Entering The Tech Bubble

<http://ibtd.net/entering-the-tech-bubble/>

## Strategic Workshop of BIDA

As a first step, the Bangladesh Investment Development Authority (BIDA) in partnership with the World Bank Group sits with all relevant ministries in a two-day strategic workshop from 27-28 January 2017 at a Bahubal resort in the north-east Habiganj district. Asif Ibrahim, Advisor to BUILD joined as a panel member at the Session: Strengthening Sector and Trade Competitiveness for Greater Diversification of the workshop.

This is to devise "action plans" on how to place Bangladesh among the top 100 countries in the World Bank's 'ease of doing business' rankings in order to make it an attractive destination for global businesses.

"We have identified the problems and we also know solutions to those problems from the experiences of other countries. Now we need the action plan on how to solve those problems in our country," Kazi M Aminul Islam, Executive Chairman of BIDA.

The workshop titled, "Improving Business Climate for Increased Private Investment in Bangladesh: Key Issues, Priorities and Strategies," was attended by participants from 58 government agencies.

## Photo News



The 12<sup>th</sup> meeting of the Board of Trustees of BUILD was held on Feb 12, 2017 at the MCCI Conference Room chaired by Nihad Kabir, Chairman, BUILD. The meeting was attended by Mahbubul Alam, President, CCCI K. Atique-E-Rabbani, FCA, Director, DCCI, A.H.M Rezaul Kabir, ndc, Secretary General, DCCI, Farooq Ahmed, Secretary General, MCCI, Asif Ibrahim, Adviser to BUILD Trustee Board and Ferdous Ara Begum, CEO of BUILD.



BUILD CEO joined a meeting titled "Can the EU better support job creation in developing countries?" organized by The ITUC, ETUC and Action Aid on January 24, 2017 in L42, Rue de la Loi 1000 Bruxelles, Belgium. The meeting put focus on How can the EU help free up policy space? How can industrial policy measures, like local content requirements and protection of infant industry, help shape and develop a robust manufacturing sector in developing countries? What are the usual obstacles faced by small firms in developing countries, and how to remove them?



The Sectoral Economy session was chaired by Dr. M. Ismail Hossain, Professor and Chairman, Department of Economics, North South University. The special guest was Ferdous Ara Begum, CEO, Business Initiative Leading Development (BUILD) and Dr. Minhaj Mahmud, Senior Research Fellow, Bangladesh Institute of Development Studies (BIDS) was the discussant.

Dr. Nayan Krishna Joshi, Senior Economist, Institute for Integrated Development Studies (IIDS), Kathmandu University, Nepal in his paper "Elections and public health spending in South Asia" found no impact of elections on public health spending in South Asia. "Capital Market Integration in South Asia: Realizing the SAARC Opportunity" by Sourajit Aiyer, AVP, Investor Relations & Corporate Planning, Motilal Oswal Financial Services Ltd., India suggested that bringing in a partner country as an anchor investor might help hasten the process of agreements. Partner countries are in need of speeding up the process and so is SAARC.

"Factors Influencing Performance of a Public Private Partnership in the Digital Service Sector: Evidence from Bangladesh" by Dr. Wahid Abdallah, Research Fellow, BRAC-BIGD found that females cannot contribute to investment as much as their male counterparts and one male-one female team is worse than two male teams.



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 BIDA 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 : + 880-2-9566961, 9561388, E-mail: info@buildbd.org, www.buildbd.com

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