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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

Conformity Standards for Export Diversification

Bangladesh and India need to strengthen cooperation in technical requirements to ease trade. Technical regulations rather than tariff barriers are the key constraints to international trade nowadays, more so for developing countries like Bangladesh. Bangladesh enjoys 1–2% tariff rate in developed country destinations, while the equivalent cost of technical regulations goes as high as 11%. India, the second largest trade partner, exported about US\$ 6.0 billion to Bangladesh last year, while Bangladesh exported about \$727 million to India.

Conformity Assessment – one of the primary areas of technical regulations – refers to control, inspection and approval procedures mandated by a destination country, especially to ensure health and safety of consumers. Countries develop standards infrastructure with facilities for testing, certification, inspection, specification of technical requirements, and so on. Exporters face challenges in availing adequate information on the standards infrastructure of destination countries.

BUILD in association with Confederation of Indian Industry (CII) and USAID organized a workshop on conformity standards in New Delhi, the goal was to inform Bangladeshi businesses and government officials of Indian technical requirements such as sanitary and phytosanitary measures (SPS), Technical Barriers to Trade (TBT) and so on applicable to Bangladeshi export. It focused on six key sectors: textiles, jute and jute products, plastics, leather and agro and agro-processing products, fisheries and marine.

Ministry of Industries (MoI), the parent ministry for Bangladesh Standards and Testing Institute (BSTI) is the responsible ministry on maintaining standards in Bangladesh. It needs to strengthen coordination with sectoral ministries and agencies such as those on jute and textile, agriculture, fisheries, food, health, commerce, science and technology, etc. BSTI needs to strengthen coordination with its Indian counterpart Bureau of Indian Standards (BIS). Bangladesh Food Safety Authority also needs to maintain collaboration with the Food Safety and Standards Authority of India (FSSAI) for equivalence in regards to food safety, organic food standards, etc.

On April 3, 2017, FSSAI announced that BSTI is authorized to issue certificate for 21 food products according to India's new Food Safety and Standard regulations of 2017. The new regulation needs to be studied so that the opportunity is utilized by businesses. BSTI needs to reduce its time for certificate issuance, currently 21 days, to a level near India's which is 5 days. Overall, BSTI and Bangladesh Accreditation Board (BAB) need to strengthen capacity to ensure proper standards infrastructure in the country.

Mutual acceptance of standards is needed to increase export from Bangladesh to India. The two countries could harmonize with Codex equivalent standard. Regional standards need to be harmonized or mutually aligned and SARSO could play an important role in this regard.

Ferdaus Ara Begum, CEO, BUILD

Conformity Standards Dialogue Stressed Improvement of Regional Standards



(L-R) Pictured are Head – International Trade Policy, CII, CEO of BUILD, Joint Secretary, Department of Commerce, Government of India, First Secretary/ Trade Unit Chief at the Embassy, USA and Deputy Chief of Party, AMEG Project, Chemonics International.

For sensitizing Indian importers and Bangladeshi exporters including government about the applicable technical requirements, standards, and sanitary and phytosanitary measures impeding trade, CII, BUILD and US State Department organized a two-day dialogue workshop on Conformity Assessment Standards for industries and government officials from India and Bangladesh under the AMEG project of USAID.

Taking place at Taj Mansingh, New Delhi on 24 and 25 May 2017, the Workshop brought together policymakers, regulators and representatives of standards, accreditation and conformity assessment bodies from India and Bangladesh in an open and constructive atmosphere. This workshop gave the participants an opportunity to share their experiences with standards and conformity requirements and exchange views on orientations for good practice that bolsters open markets. The participants gained the required information and knowledge towards improving their internal processes in order to conform to Indian conformity assessment requirements.

Sudhanshu Pandey, Joint Secretary, Department of Commerce, Government of India, stressed the importance of trust building in trade as he delivered the keynote address. He was speaking at the opening of a two-day Dialogue Workshop on Conformity Standards. CEO, BUILD highlighted the opportunity that the workshop represented for the Bangladeshi private and public sector members who were in attendance. BUILD has the responsibility to resolve problems that the private sector faces on the Bangladeshi side. The discussion was extremely helpful in facilitating a better understanding of the Indian standards system thus helping further BUILD's aim.

Representing the US Embassy in New Delhi, Chad Norberg, First Secretary/ Trade Unit Chief at the Embassy, noted that trade is a powerful tool to address development issues in South Asia. There are tremendous opportunities for engaging in greater investment and trade. The objective of the India-Pacific Economic Corridor (IPEC), under which the workshop addressed trade barriers present in the region. The idea of this workshop grew out of multiple consultations which took place between India and Bangladesh. He also acknowledged the potential role that India could play as a future standard setter, especially in South Asia.

Isaiah Oliver, Deputy Chief of Party, USAID Asia and Middle East Economic Growth Best Practices (AMEG) Project, Chemonics International, emphasised the role of the AMEG Best Practices Programme to reduce non-tariff barriers to trade in South Asia and promote inter-regional connectivity. Collaboration between governments and industry leaders would be necessary to achieve these goals. Standards as non-tariff barriers have become a major issue preventing increasing regional trade in South Asia. This workshop was the first step towards identifying a task force to address standard issues.



Public & Private Sector Participants from Bangladesh & India in New Delhi.

Re-emphasizing CII's commitment to promoting stronger economic and trade relations with Bangladesh, Pranav Kumar, Head – International Trade Policy, CII, noted the need to deepen these relations. India recognizes Bangladesh as a critical regional partner, especially as an access to its own North Eastern states. It has made overtures towards revitalising BIMSTEC and other regional forums to facilitate regional trade. A forward-looking approach to standards was necessary in this respect, so that Bangladeshi and Indian products would be competitive in the international market.

In line with the objective of addressing specific conformity assessment challenges impacting trade between India and Bangladesh including exchange of experiences and best practices, an inclusive and representative Forum comprised of policymakers, regulators and representatives of standards, accreditation and conformity assessment bodies initially from India and Bangladesh can be created. Taking the outcome and necessity of the Forum into account, it can also be represented by other South Asian countries in future. The Forum will abide by the guidance set by CII and BUILD and both CII and BUILD will be working as the secretariat from the respective side.

In order to increase exports from Bangladesh to India, Mutual Acceptance of Standards is important. The two countries could follow Codex Standard. Harmonisation with Codex equivalent standard will help increase the possibility of acceptability, whether it is food or any other product. A study can be initiated to analyze the differences of standard setting parameters, if there is any, and action may be taken to bridge the gaps.

The workshop was attended by Yasmin Sultana, Joint Secretary, MOI, MD. Obaidul Azam, Joint Secretary (Export) of MOC, Waheeda Rahman Choudhury, Director General of DEDO, NBR, Md. Mahbubur Rahman Deputy Director, (BAB), Md. Hafizur Rahman, Deputy Secretary, MOC, Indu Bikram, DG of SARSO, Provaty Deb, Deputy Director, Department of Fisheries, Four Representatives from BSTI, Hossain Ali Sikder, Vice President DCCI, Bikash Paul, ED of New Age, Mohammad Hasan, Executive Director of Babylon Group, Mohammad Nurul Islam, Secretary of Bangladesh Tanners Association and representatives from Indian public and private sectors, among others.

FSDWC Calls for Simplification Repatriation, Alternative Investment Rules



Deputy Governor of Bangladesh Bank (BB) and President of Dhaka Chamber of Commerce & Industry preside over the FSDWC meeting in presence of public and private sector representatives at Bangladesh Bank.

Stakeholders at the 6th Meeting of the Financial Sector Development Working Committee (FSDWC) of BUILD on June 4, 2017 at Bangladesh Bank stressed simplification of repatriation policy and facilitating venture capital investment by bringing changes in the Alternative Investment Rules 2015. Business Initiative Leading Development (BUILD) organized the meeting and presented two policy papers; simplification of policies for repatriation and SME financing and the new alternative investment rules. BUILD also shared an issue brief on strengthening green financing in Bangladesh at the meeting.

The meeting was jointly presided over by Shitangshu Kumar Sur Chowdhury, Deputy Governor, BB and Abul Kasem Khan, President, Dhaka Chamber of Commerce & Industry (DCCI) who are the co-chairs of the working group. Representatives from Bangladesh Bank, Bangladesh Investment Development Authority (BIDA), Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange Ltd., Mutual Trust Bank Ltd., Meghna Bank Ltd., Kushiara Power Ltd., venture capital representatives and multinational companies and other concerned representatives from public and private sectors attended the meeting and joined the discussion.

BUILD highlighted the policy inconsistencies and contradictions and recommended for a clearly spelt out process maps along with specific time-bound implementation of repatriation policies. It said that repatriation without approval limit should be maintained as per foreign exchange guideline and it also proposed for a threshold amount practiced in some other countries. It also suggested separate threshold rates for different industries including high-tech industries. BUILD also recommended reduction of the processing time by having the process fully automated. As, provision of service LC and option for Advance payment guarantee (APG) already exist in the Foreign Exchange Guideline (FEG) but BUILD requested BB to have it implemented.

In respect of Venture Capital financing, BUILD recommended for increasing utilization of BB earmarked funding for each scheduled bank to the amount of BDT 2 billion, as like as BB has done for SME, Agriculture, agent banking to make the funding popular. Access to CIB for VC Firms, using NITA account for VCs, clear valuation method were some of the other recommendations. A Policy Brief on strengthening green financing in Bangladesh proposed for a green industrial policy with financial incentives, solar park for renewable energy etc.

BIDA representative informed that the organization is in the process of automation of the repatriation services. In regard to a threshold amount it was told that there are some already agreed amount for branch office, similar sectoral threshold can be examined. It was informed that in the BIDA Act 2016 they are supposed to provide Royalty and Technical Know How, Technical assistance and Franchise fee to the concerned industries upon getting its permission while FEG says that up to certain level threshold, permission is not required that confuses the investors.

BIDA, Bangladesh Bank would need to sit together to understand the policy inconsistencies and decide on how to remove these barriers. In respect of NITA, DY Governor instructed to a concept note Bangladesh Bank by VC Association through BUILD.

He also said that VC Funding areas can be broadened for SMEs in some cases. There may be a training and awareness program in collaboration with BB, BIBM, DCCI and BUILD for developing high technical professional VC team. In another presentation, BUILD CEO told that SMEs could be brought under green financing umbrella by allowing cluster-based associations to avail finance.

Asif Ibrahim, Advisor to BUILD put emphasis on taking an initiative from Bangladesh Bank for a circular of good borrowers to encourage the entrepreneurs for continuing this practice. AK Khan, President DCCI and Co-Chair of the committee endorsed the views of Mr Ibrahim and thanked BB and BUILD for this immensely important Public Private Dialogue which has given the private sector to put forward their opinions directly to the government.

Shitangshu Kumar Sur Chowdhury thanked all participants and noted that financial sector reform is an ongoing process. He appreciated the reform proposals submitted by BUILD and pledged that due review and decisions on the proposals would be undertaken.

Meeting at ILO with Private Sector Working Group

The 2nd meeting on SDG Private Sector Working Group was held on May 5, 2017 at the office of ILO.

This working group on behalf of the private sector in Bangladesh will coordinate all SDG related initiatives in the country, and liaison with the government to ensure that the added value, needs and concerns of the private sector are reflected in its SDG implementation and monitoring plans.

The working group shall also play an advisory role to the government in providing recommendations and solutions to explicitly measure and highlight the already existing contribution of core activities to the SDGs, as well as to help identifying how to channel in an even meaningful private sector engagement for SDG implementation monitoring and reporting.

The working group is represented by Bangladesh Employers Federation(BEE), Metropolitan Chamber of Commerce & Industry, Federation of Bangladesh Chamber of Commerce & Industry and Business Initiative Leading Development. BUILD will act as a knowledge partner for the working group.

BUILD Holds Dialogue on Bridging Gender Gaps



Pictured are Dr. M Masrur Reaz, Program Manager, WBG, Ferdaus Ara Begum, CEO of BUILD, Luna Shamsuddoha, Chairman of Dohatec, Asif Ibrahim, Advisor to BUILD and Esperanza Lasagabaster, Practice Manager of IFC along with other stakeholders.

BUILD – a public private dialogue platform in cooperation with IFC-WBG organised a high-level dialogue on 'Bridging Gender Gaps in Private Sector Development' at Pan Pacific Sonargaon Hotel on May 8, 2017.

The dialogue was aimed at helping stakeholders understand economic opportunities and spur competitiveness for women in businesses, specifically in productive sectors, through participation of women in active public-private and private-private dialogue processes.

It also underlined women's access to incentives, such as facilities related to access to finance, access to imported inputs and services, and access to information and market linkages.

Welcoming the discussants and the audience, Asif Ibrahim, Adviser to BUILD shared some of the endeavours of BUILD and World Bank Group's global expertise and best practice in this area. Investing in women's economic participation not only has a profound development impact, it makes good business sense for companies and economies, he added.

Having presented a paper on Women's Economic Opportunities, Noa Catalina Gimelli, Senior Operations Officer put significant focus on genderised public private dialogue for increasing shared prosperity and strengthening the capacity of women entrepreneurs to grow their business, improving their employment opportunities and working conditions, and amplifying women's voices as business leaders.

Our women always remain as the backgrounders and unrecognized, we need gender data analysis that will enable us to showcase where we are standing, he added further.

While moderating the session, Luna Shamsuddoha, Chairman of Dohatec New Media said that our women outperform their male counterparts with their multitasking ability at the works but it remains unfocused in some cases.

Esperanza Lasagabaster, Practice Manager, Trade and Competitiveness highlighted the global scenario of gender aspect. Dr. Masrur Reaz in his speech referred to Trade and Competitiveness Global Practice team initiatives for supporting government and private sector in Bangladesh to create jobs in achieving the middle income status of the country and GDP growth rate of 7-8 percent.

Dr. Nazneen Ahmed, Senior Research Fellow, Bangladesh Institute of Development Studies(BIDS) as a resource speaker highlighted the need for education and family respect and recognition about the role of women and recommended not to pose any negative picture through books and advertisements about women.

Groundwork Meeting of Express Shipment Trial Run



After the meeting, BUILD CEO Ferdaus Ara Begum hands over a set of Business Startups Licenses: A Regulatory Guide to Dr. Moshir Rahman, Hon'ble Economic Advisor to the Prime Minister.

A meeting was held on June 15, 2017 at the Prime Minister's Office in order to discuss possible ways for starting Express Shipments Pilot (ESP) Dual Trial Run. The meeting was attended by Dr. Moshir Rahman, Economic Advisor to Prime Minister and Ferdaus Ara Begum, CEO of BUILD, Subrota Roy Mitra, DG and Additional Secretary of PMO, Dr. Selim Raihan, Executive Director of SANEM and Moshaddek Alam, Sr. Communications and Advocacy Associate of BUILD.

BUILD CEO initially briefed how ESP will demonstrate the viability and positive impact of allowing express shipments through land ports between Bangladesh and India putting straight focus on the Benapole/Petrapole land port between Bangladesh and India, as the Benapole/Petrapole land port suffers from operational inefficiencies and weak cross-border coordination.

By bringing Bangladesh and Indian customs officials and private-sector leaders together, this Express Shipments pilot will demonstrate the actual removal of a tangible NTB, test the viability of the Bengal Borderless Alliance as a task force mechanism for eliminating NTBs, and set the stage for future regional efforts to facilitate improvements at the Benapole/Petrapole land port.

Hon'ble Advisor agreed with the initiative and he would extend all supports to help ESP but he suggests to try ESP in Dhaka and Chittagong separately so that, all kinds of goods can be expressed.

According to the meeting, the PMO will sit with all stakeholders in the first week of July 2017. BUILD would send a draft letter with a list of possible actors of ESP such as NBR, Land Port Authority, Ministry of Road, Civil Aviation at the PMO.

Dialogue on Sector Diversification: the Path to Growth



Pictured are Md. Farid Uddin, Former Member, NBR, Shubhashish Bose, Secretary in Charge, Ministry of Commerce, Asif Ibrahim, Advisor to BUILD, Nabhash Chandra Mandal, Executive Member-2, BIDA and Yasmin Sultana, Joint Secretary, Ministry of Industries, along with other stakeholders.

BUILD- a public private dialogue platform in cooperation with IFC-WBG hosted a high level dialogue on 'Sector Diversification: the Path to Growth' at DCCI Conference Room, Dhaka on 9th May 2017. The dialogue was aimed at to contribute to increasing exports in strategic sectors by improving sector competitiveness and business environment by policy coordination, reduction of regulatory bottlenecks, promotion of investment, improved access to markets and to reduce the over dependency on some specific sectors.

Shubhashish Bose, Secretary in Charge, Ministry of Commerce was the Chief Guest of the dialogue and Asif Ibrahim was the Moderator of the Discussion Session. Ferdaus Ara Begum, welcomed the discussants and the audience.

Asif Ibrahim, Adviser to BUILD shared some of the endeavors of BUILD and World Bank Group's global expertise and best practice in this area and laid importance on the sector diversification. He informed that the Industrial Policy and Export policy have identified priority sectors, but there is no sector specific action plans to develop the sectors.

Having presented a paper on "Global Learning from Diversification & Growth", Aref Adamali, Regional Economist & Manufacturing Specialist, World Bank Group put significant focus on the diversification challenges. In his presentation he placed some questions for the future like (i) what were some of the key drivers behind Bangladesh's apparel take-off and continued growth (aside from cheap labour)? (ii) why has this same growth not been replicated to other manufacturing sectors? (iii) should Bangladesh consider skipping manufacturing sectors as key engines of growth and jobs and go straight to services?

Another Presentation on "Sector Prioritization" by Giridharan Sengaiiah, Principal Consultant, GRID-Public Sector & Governance, PWC identified two factors as determinants of diversification like to improve the average complexity of products made in Bangladesh and move closer to highly linked products in the product space.

Nabhash Chandra Mandal, Executive Member-2, Registration & Incentives-1, MIS, Industrial Park, BIDA, Prime Minister's Office said export is the life line of a country, but export basket of Bangladesh is too narrow. Md. Saiful Islam, Managing Director, Picard Bangladesh Limited highlighted the future vision of leather and leather goods sector of Bangladesh and claimed to reduce the policy discrimination against the leather industry of Bangladesh.

Md. Farid Uddin, Former Member, Custom Policy, NBR said NBR is a reactive body which acts as per the request and recommendations of different ministries and regulatory bodies. A partnership is needed between NBR, Ministries, think tanks like BUILD and private organizations to identify and reduce the barriers of sector diversification. Yasmin Sultana, Joint Secretary, Ministry of Industries put importance of research and development (R&D) as well as the budget allocation for research and development (R&D) for the sector development. Towfiqul Islam Khan, Research Fellow of CPD focused on the methodology part and referring examples of successful countries emphasized on the importance of political economy to transform a sector to an export oriented sector.

The Chief Guest, Shubhashish Bose, Secretary in Charge, Ministry of Commerce in his speech said that 744 items are exported to 190 destinations from Bangladesh. Bangladesh has available labor source and competitive in labor wage rate against some other countries like Thailand, Indonesia, etc. To diversify the sectors, Bangladesh need to focus on its competitive advantage, comparative advantage and future market demand, he added.

Partner's Corner



MCCI holds discussion on "Budget 2017-18"



MCCI President and BUILD Chairman Nihad Kabir speaks at the meeting.

The MCCI said that the government always consults with the business leaders, but their proposals are not considered in the budget. The observation came at a discussion on "Budget 2017-18: Instant Views of Business Community" held in the conference room at the Chamber.

The move drew huge criticism as the duty surged at the time when average interest rates on deposits came down at five percent and are mostly three to four percent.

Mohammed Farashuddin, Former Governor of Bangladesh Bank, said the increased excise duty had already drawn huge criticism and the government should withdraw it immediately.

Money is being laundered through mobile banking and the business community should give a proposal to the government as to how the issue can be resolved, he observed.

MA Mannan, Hon'ble State Minister for Ministry of Finance, said the government gave some relief from excise duty in the new budget as it was on accounts with balance of Tk 20,000 but in the proposed budget accounts up to Tk 1 lakh was exempted.

Syed Nasim Manzur, Former President of MCCI, said job creation has declined, educated unemployment is the highest in Bangladesh compared to India and Pakistan, and investment situation is quite serious.

Zaidi Sattar, Chairman of PRI, agreed that this was an "election budget" but it was useful to remind that all budgets formulated under the democratic system have an eye on elections.

DCCI holds Discussion on Bangladesh Infrastructure



Planning Minister AHM Mustafa Kamal, BIDA, Executive Chairman Kazi M Aminul Islam, Principal Coordinator of SDGs affairs of PMO, Md Abul Kalam Azad, IFC Country Director, Wendy Jo Werner and DCCI President Abul Kasem Khan and Advisor to BUILD, Asif Ibrahim are seen at a Round Table Discussion on Bangladesh Infrastructure held at DCCI.

The country's economic growth would become stagnant unless adequate investment was made to develop infrastructure, said experts in the meeting.

They came with the caution while speaking at a round table discussion on Bangladesh Infrastructure, jointly organized by Dhaka Chamber of Commerce and Industry, Bangladesh Investment Development Authority, World Bank Group and UK-AID on Bangladesh Infrastructure at Sonargoan Hotel.

BIDA Executive Chairman Kazi M Aminul Islam said that the country's economic growth had reached upper limit to the present level of infrastructure.

'That's why we have to prioritize the infrastructure development to move our economy forward. It would require huge amount of infrastructure investments and here participation of the private sector should be improved,' he said.

IFC Country Director for Bangladesh, Bhutan and Nepal Wendy Jo Werner presented a keynote paper in the first session stressing on infrastructure development in the form of public private partnership and role of special economic zones.

DCCI president Abul Kasem Khan mentioned that lack of government investment as one of the major reasons behind the country's poor ranking in ease of doing business by the World Economic Forum.

Planning Minister AHM Mustafa Kamal said, 'we know all the bottlenecks and we are giving emphasise on the issues accordingly.'

Advisor to BUILD Asif Ibrahim, Abdul Monem Limited Deputy Managing Director ASM Mainuddin Monem and Alliance Port Limited Deputy Managing Director Syed Yasser Haider Rizvi also spoke at the discussion.

CCCI re-elects Mahbubul Alam President

Mahbubul Alam has been re-elected President of Chittagong Chamber of Commerce and Industry (CCCI) for the third consecutive term.



Besides, Nurun Newaz Selim and Syed Jamal Ahmed have been re-elected Senior Vice President and Vice President respectively.

Alam was also elected president for 2013-14 and 2015-16 terms while Nurun Newaz was elected Senior Vice President and Syed Jamal was elected Vice President for the past two terms. Directors of the CCCI elected them unanimously in the meeting held on May 22, 2017 at the CCCI office at the World Trade Centre at Agrabad in the port city.

Mahbubul Alam is the Chairman of Alam Group, Nurun Newaz Selim is the Former Chairman of NCC Bank and Syed Jamal Ahmed is the Chairman of Aramit Group.

Streamlining Implementation Issues Underscored at the 4th NSB Meeting

Fourth National Steering Board(NSB) Meeting of the Bangladesh Water Multi-stakeholder Partnership took place at the Cabinet Division Conference Room, the Bangladesh Secretariat and it was chaired by Mohammad Shafiul Alam, Cabinet Secretary in presence of Dr. Zafar Ahmed Khan, Senior Secretary, the Ministry of Water Resources, GoB and Christoph Jakob, Co-Head Asia and Middle East, 2030 Water Resource Group.

There were presentations from different work streams, these were on Water Governance and Sustainability (Ministry of Water Resources), Greater Dhaka Watershed Restoration (Local Government Division, Ministry of Local Government, Rural Development Cooperatives), and Agriculture Water Work-Stream(Ministry of Agriculture). A new work stream for streamlining implementation issues co-chaired by the Senior Secretary of PMO and representatives from public and private sector was stressed as the recommendation. BUILD as a member of the NSB was present and CEO, BUILD Ferdaus Ara Begum joined the discussion of several decisions of NSB. She raised the point of figuring out the responsible entities for taking the responsibilities of NSB after the end of the project presently handled by the IFC.

BUILD joined the Follow-up Meeting on Implementation Progress of agreements between Bangladesh and Japan

A follow-up meeting on the above was held at PMO chaired by Mr Abul Kalam Azad, SDG Coordinator on June 21, 2016 to discuss several investment related issues to encourage more Japanese investors to invest in Bangladesh.

BUILD contributed to the meeting by presenting its view points on reducing the number of licenses required for setting up a new business and simplification of the process of their issuance. The issue was discussed in the meeting elaborately.

BUILD Joined Follow up Meeting on Agreements, Understandings and Discussions Between Bangladesh and China

A meeting on the above was held on June 21 at the PMO chaired by Mr Abul Kalam Azad, Coordinator SDG. A group of Chinese investors were present in the meeting to raise their points and update the decisions on several issues, such as; establishing hybrid seed laboratory of rice in Bangladesh and handling over super hybrid seeds of rice from China, defence collaboration, silk road economic belt, national ICT infrastructure in Bangladesh, cooperation in blue economy and many other related issues. BUILD CEO highlighted its endeavours in removing regulatory issues for business promotion in the country.

Business Enabling Environment Stressed at USAID-BUILD Meeting

A meeting between BUILD and USAID was held on May 21, 2017 at the office of the US Embassy for discussing on developing a strategy which will address both public and private sector development in Bangladesh. As part of this strategy formulation and capacity building model design is important. For better understanding of what capacity building activities or other assistance is required to improve the Business Enabling Environment (BEE) and Trade Facilitation in Bangladesh and in that respect BUILD's on-going activities and future plan were shared with John Macy, Private Enterprise Officer, Peter Gauthier, Private Enterprise Officer and Lori Rakcozy, TDY Consultant from USAID/Washington.

BUILD and SREDA Underlined Energy Efficiencies

BUILD joined a meeting with Sustainable & the Renewable Energy Development Authority (SREDA) for sharing some of the experiences of the organization in addressing concerned SDG Goals in ensuring energy efficiencies.

Siddique Zobair, Member(Energy Efficiency & Conservation) gave a description of the activities of SREDA and informed SREDA is mostly focusing on the SDG 7 which is for Sustainable and Renewable Efficient affordable energy. SREDA is working in three sectors, these are; Industry, Residential Building. They have an Energy Labeling program. One of their concerns would be on Electrical Appliances which has cross cutting impact. They are more interested in the institutional approach rather than project approach for ensuring sustainability. In that respect, they are in the process of finalizing an Energy Labeling Standard. They would like to work on how electrical appliances produced in the country can be more energy efficient. He explained about the requirement of voluntary and mandatory standard.

In order to make producer more compliant, consumers can play a big role and in that respect, the government can provide some incentives for the entrepreneurs for energy efficient production to ensure cost competitiveness. It is also planning to introduce Energy Management Program where three objectives would be the focused, they are Modern Technology, Capacity development of Industries, Energy audit program etc.

SREDA has been planning for some expert committee on different appliances, these are on Refrigerator, Chiller, Aircon etc. They will have a reference Lab and all labs of the production houses would need to be accredited and calibrated. Over and above, they would like to see a energy efficient industrial sector. They are also working for Building coding with different rates. In view of these, private sector capacity building is one of the important aspect, he emphasized in the following:

- Energy Efficiency and management in some sectors such as, RMG, Textile, Pulp Paper etc.
- Energy Efficiency Gap analysis in some potential sectors such as Cable, Refrigerator, Motor, Transformer, Fan, Electric Lamp, LED Light etc.
- Consumer awareness for using energy efficient appliances.
- South South Cooperation, bring examples of China and India in respect of Energy Efficient Industrial support for producing the appliance more sustainable

Policy Advocacy on behalf of the private sector for Tax and Other related Incentives for the private sector.

Articles of BUILD in National Dailies

Coping with Extremes of Water Security-inundation and Scarcity
<http://www.thefinancialexpress-bd.com/2017/06/07/73056/Coping-with-extremes-of-water-security-%e2%80%94inundation-and-scarcity/print>

Focusing on Overuse and Pollution of Water
<http://www.thefinancialexpress-bd.com/2017/06/09/73286/Focusing-on-overuse-and-pollution-of-water/print>

Streamlining Regulatory Monitoring with ICT
<http://www.thefinancialexpress-bd.com/2017/06/10/73392/Streamlining-regulatory-monitoring-with-ICT>

Reform Implementations through Budget 2017-18

BUILD proposed to rationalize the corporate Income Tax at 10% from the announced rate of 14% on “Green Industry” in the budget for FY2017-18. The government has decided to reduce the CIT for Green Industrial establishment to 10%, which is aligned to SDG 12 (Sustainable Consumption and Production). Incentivization of green factory would reduce industrial footprint to climate change and help to step ahead towards the global agenda 2030 by United Nation. BUILD suggested to include Foreign workers in the tax network of Bangladesh. It has been announced in the finance Act 2017 that each and every foreign national has to pay 30% income tax against their annual income.

As a result of that around 5 lac foreign national would be in the income tax network in the upcoming fiscal year and \$150 million revenue would be added to the revenue volume.

* The Government has increased the exemption limit of Income Tax for the disabled person to BDT 4,00,000 which was 3,75,000 earlier as per the Finance Bill 2017, Schedule:2, section : ka, which was also included in the Budget speech, Section 187(a), Clause 2(48).

The Government has simplified the income tax audit system that will ultimately result in risk based auditing system.

* BUILD proposed that NBR to appreciate the taxpayers through slogans (Tax payers are the kings) and count them as prime player of the Tax system. The Finance Bill 2017, chapter 5, section 54(gha), tax payers’ has recognized them as Kings.

BUILD studied the VAT and SD Act 2012 and presented a paper at the meeting of the Parliamentary Standing Committee on Finance held in the Ministry of Finance. BUILD requested the Government not to implement 15% VAT as it is a serious blow for the service sector. Finally, the Government deferred implementation of VAT and SD Act for two years.

* VAT on coriander seeds has been exempted as per Finance Act 2017, chapter 5, first schedule(HS code, 09.09)

* The Government imposed 1% duty on capital machinery for Bas Bar Trunking for Leather Goods which was 25% before.

BUILD Scope

Simplification of Policies for Sample Import

Problems and Simplification of Import of Sample in Bangladesh is one of the policy papers initiated by BUILD. Sample is highly important for the manufacturing sectors of Bangladesh such as; RMG, leather industry, shoe industry, export oriented factory, factories of EPZ, agent of foreign manufacturing firms, etc. Numbers of public and private agencies are linked up with this process. Identifying the problems on import of sample and to ensure the accountability, transparency and simplification of process of the importing sample in Bangladesh are required. BUILD will place the case in its forthcoming Trade & Investment working committee meeting.

Transparency in Trade Procedures Project-Phase II Launched



BUILD CEO and BFTI Chief along with ITC Representatives launched the second phase at BFTI.

A training workshop on “Transparency in Trade Procedures-Phase II” titled “Documenting Export Procedures in Bangladesh with e-Regulations Methodology” was held on 29th & 30th May, 2017 at the Bangladesh Foreign Trade Institute (BTFA). It was organized by Ministry of Commerce, UNCTD, BUILD, ITC and BFTI. Md. Munir Chowdhury, Director General, WTO Cell, Ministry of Commerce Government of Bangladesh was the Chief Guest of the training workshop. Ali Ahmed, CEO, BFTI chaired the workshop while Ferdaus Ara Begum, CEO, BUILD was the Special Guest of the training workshop.

Elodie Robin, Market Analyst, Market Analysis & Research, ITC and Vianney Lesaffre, e-Regulations Associate Officer, UNCTAD were the trainers of the training workshop. The project aims to document export procedures in Bangladesh with e-Regulations Methodology, reduce the hassle of the exporter as well as ensure the transparency in trade procedures. The 1st phase of the project was conducted from October-December, 2017 which focused on the completion of documentation of the export procedure of 2 products that was export of fresh vegetable to EU and Middle-East and export of live and chilled fish to China and Middle-East.

After the successful completion of the 1st phase of the project the 2nd phase of the project was started in March, 2017 which will be conducted till September, 2017. This project collects all required information for proper documentation for each procedure by one-to-one interviews with relevant stakeholders. One unique aspect of e-Regulations are that it includes, as samples, photographs or scanned copies of all required documents and the certificates, licenses and other papers provided by the stakeholders, photo of contact person etc.

One unique aspect of eRegulations is that it includes sample photos of all required documents as well as licences and certificates obtained during the procedure. It also includes photos of person in charge, unit in charge and entity in charge for each step of the procedures. Another important aspect of this guide is that the whole procedure is documented and displayed as seen from the user's (in this case the exporter's) point of view. So far, eRegulations is being used in 30 countries.

Through this documentation, the procedures become more transparent as it includes detailed up-to-date description of the steps. Since all the steps are clearly documented, this also presents the opportunity for the government agencies to review and simplify the procedures by identifying and removing unnecessary steps and requirements. There is also option for the user of this website to report incorrect information as well as suggest a simplification.



Head-International Trade Policy, CII, Joint Secretary, Department of Commerce of India, First Secretary/Trade Unit Chief at the Embassy, USA receive a set of business licenses guidebooks from the BUILD CEO at BUILD on May 24, 2017 in New Delhi.



After a meeting with BUILD CEO, Siegfried Weidlich, Commercial Attache at the Austrian Embassy, New Delhi, India receives a set of business licenses guidebooks from the BUILD CEO at BUILD on May 30, 2017.

BUILD-BTFA for Simplification of Import of Sample for RMG

BUILD CEO, Ferdaus Ara Begum joined a meeting on June 3, 2017 at the IBI-BTFA Office. Official of BTFA Md. Nasir Uddin, Former Member, National Board of Revenue & Senior Customs and Trade Facilitation Specialist shared his view towards the Process, Problems and Simplification of Import of Sample in Bangladesh.

Nasir said that the existing import policy is enough to describe the whole issue of sample problem. He pointed that there are some management and human perception problems which create difficulties in import of sample. He also said that the import of sample is highly important for the manufacturing sectors of Bangladesh. Numbers of public and private agencies are linked up with this process.

Ferdaus Ara Begum said that BUILD would communicate to the concern officials of different agencies who are linked up with the import of sample in Bangladesh and go through the details of the policy and process so that some constructive policy reforms can be suggested for the Simplification of Import of Sample in Bangladesh.



BUILD CEO joins a TV Talk Show of SA TV on June 7, 2017. The Talk Show discussed several budgetary measures specially implementation of new VAT & SD Act 2012. BUILD CEO highlighted several policy reforms proposed by BUILD for implementation.



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 (4th edition), a gist of about 300 Business Licenses 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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