

# CONNECT

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



Volume-08, Issue-01, January - February 2018

## Editorial First Bangladesh-Austria Trade & Economic Forum Launched

With a view to increase Austria-Bangladesh bilateral relationship a high profile delegation had made a weeklong visit to Bangladesh, the long-awaited visit was successfully completed during February 24-29 2018, BUILD acted as a national partner and extended all support to make the visit successful.

Although companies from Austria are active in Bangladesh and business interaction between these two countries are substantial, so far no official business delegation was organized to Bangladesh by Advantage Austria – the Commercial Section of the Austrian Embassy. Therefore, this Business Delegation visit had high significance for the Austrian Business Landscape as the first Bangladesh – Austria Trade and Economic Forum had taken place successfully.

During the visit Austrian companies from different sectors such as; railways, health, education, energy, banking and machine building, energy (hydro power) had several B2B meetings with the concerned stakeholders of Bangladesh.

The delegation also had meetings with several Ministers, which included Hon'ble Finance Minister, Health Minister, Education Minister, ICT Minister, Commerce Minister, etc. Beyond Ministers the delegation were busy in having meeting with ADB, World Bank, Bangladesh Bank and many others.

In a recent visit of honorable Prime Minister Sheikh Hasina, M.P., in May 2017 and signing of a Bangladesh and Austria MoU on Foreign Office Consultations (FOC) paved the way for cementing bilateral collaboration between these two countries.

The bilateral trade ratio between Bangladesh and Austria so far was 1:1.39 in FY 2016-17, Bangladesh Exported USD 66.48 million, which is 7.8% higher compared to 2015-16 and imported USD 92.13 million from Austria which is 13.36% higher than 2015-16 fiscal as per government statistics of Bangladesh.

During the discussion in the Forum, it was viewed that Bangladesh could take support for skill development, technology transfer and innovation as education of Austria is mostly oriented to heavy machineries, innovation for which capacity of Bangladesh is lagging.

At the moment Bangladesh has no embassy and all the related issues are administered through the Embassy of Austria located in India. Advantage Austria is the organizational name of the Commercial Section at the Austrian Embassy. Organizationally Advantage Austria is part of the Austrian Federal Economic Chamber which is in charge of setting up the commercial sections for the Austrian Embassies worldwide. Therefore, Advantage Austria has direct connection to business in Austria as the Austrian Federal Economic Chamber has around 5,00,000 member companies. BUILD has been an institutional partner of Advantage Austria since 2016. In the Forum, stakeholders underscored more collaboration between Austria and Bangladesh and in this respect frequent visits of these type of high profile delegation and emphasized on more G2G collaboration.

Ferdaus Ara Begum, CEO, BUILD

## BUILD Trustee Board Meeting with the Finance Minister



Nihad Kabir, Chairman of BUILD (former) greeted Abul Maal Abdul Muhit, Finance Minister, GoB in the presence of BUILD Founder Chairman Asif Ibrahim and BUILD CEO Ferdaus Ara Begum.

The BUILD Trustee Board met the Hon'ble Finance Minister and extended thanks for the continuous support extended towards the private sector think tank. BUILD provides research input and technical support to the PSDPCC for policy reform and advocacy and removing regulatory constraints. The committee coordinates and catalyzes activities of government agencies and private sector working related to PSD matters and takes an inter-ministerial integrated approach to make decisions on regulatory policies.

The contribution of the Government gave BUILD the opportunity to make its sustainability towards providing research supports to the private sector. The Hon'ble Finance Minister also thanked BUILD for its activities towards national policy reform for the development of the private sector in Bangladesh.

## BUILD Submitted Reports on VAT and ARS to NBR



(L-R) BUILD CEO, Advisor and Founder Chairman and NBR Chairman seen at the end of the meeting at NBR

BUILD congratulated Md Mosharraf Hossain Bhuiyan for being the Chairman of the National Board of Revenue who is also in charge of Internal Resources Division of the finance ministry as Senior Secretary. Having praised the tenure at the Ministry of Industries, Asif Ibrahim, Founder Chairman of BUILD underscored that the private sector will be benefitted for the pro-active role in having a supportive tax policy from NBR.

BUILD CEO Ferdaus Ara Begum concisely briefed about the activities of the Taxation Working Committee that is cochaired by the Chairman, NBR and requested for holding the meeting of the committee soon. Then she put light on the present unclear situation of VAT & SD Act pictured at the FGD of BUILD organized lately and submitted two reports on VAT policy and Advance Ruling System (ARS) to the Chairman and requested NBR to include the recommendations in the coming Budget 2018-19

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## Enforcing Contracts Need Attention of the Policymakers



Samir Sattar, Director of DCCI presides over the RTD at DBI.

Commercial courts in the divisional level to address issues of enforcing contracts were emphasized in a Round Table Discussion (RTD) organized by BUILD on January 29, 2018. Commercial dispute needs a good definition, pre-action protocol system and some strategies for solution for addressing missing links are important concerns raised by a number of reputed lawyers, academia, professionals.

BUILD conducted an Action Research on Enforcing Contracts for addressing trade barriers in collaboration with PROKAS, British Council which was presented in the RTD. The study identified gaps and problems in the existing system of enforcing contracts, made a stakeholder analysis and developed an advocacy strategy engaging relevant stakeholders.

Samir Sattar was present as session chair, said that Enforcing Contracts is required for the confidence building and attracting foreign investors to get agreement enforced within a shortest possible time. It can ensure predictability in the policy issues.

Despite Bangladesh is doing good but in case of Doing Business Index Bangladesh slipped consecutively in different indicators, the country would need to go for detailed studies to find out strategies on how to address these issues, he added.

Having welcomed the participants, BUILD CEO Ferdaus Ara Begum said that Bangladesh slipped one stage in the ranking and attained 177th position out of 190 countries in Doing Business Report 2018. Bangladesh needs 1,442 days or about 4 years on an average to get a contract enforced while it takes 66.8% of the claimed value. The comparative scenario of India is almost same, taking 1,445 days, but cost of claimed value to resolve a case is much less, i.e. 31.0%.

Discussants highlighted the importance of alternative dispute resolution as a more business-friendly channel for dispute resolution that needs wider buy-in from the stakeholders. The pre-action mediation and consultation should be encouraged by legal provisions. The rules for ADR as prepared by BIAC need wider recognition.

Proposed studies on special law and institutions for commercial laws would be a major step forward. Among the additional stakeholders to be included are Registrar of Joint Stock Companies (RJSC), NBR, FBCCI, World Bank, and educational institutions, and so on.

Fowzul Azim, Chief Research Officer, Law Commission; Md. Sanowar Hossain, Registrar, DPDT; M Jalalul Hai, CEO, HAISON International; Barrister Khondoker Kawsar, Supreme Court; and Dr. Simon Foot, International Consultant, PROKAS, British Council took part in a panel discussion as panelists and emphasized on the need for a separate policy for enforcing contracts.

## SME Development Meeting Due in April



After the meeting, BUILD CEO (L3) handovers BUILD publications to the Industries Secretary (L2).

A meeting between BUILD and MOI (Ministry of Industries) was held on February 11 to introduce the SME Development Working Committee to Muhammad Abdullah, Secretary MOI. BUILD CEO Ferdaus Ara Begum briefed about the researches being conducted under the SME Development Working Committee of BUILD. It also highlighted, the Export Competitiveness for Jobs (EC4J) project and the Sectoral PPDs BUILD will be holding in future. Also, a brief was given about the research works while BUILD focusing to accomplish the EC4J project under the Commerce Ministry where in MOI is a member of the project steering committee.

The CEO explained BUILD's functions, its five working committees, their purposes, and how they work in collaboration with the Ministry of Industries, Ministry of Commerce, Ministry of Environment, Bangladesh Bank and NBR under the PMO.

The secretary expressed his keen interest in the committees' works. CEO, BUILD explained how BUILD works as a PPD platform and facilitates policy simplification for private sector development. She also gave a short oral presentation of holding Sectoral PPDs and the action plan of how BUILD aims to achieve the project goals. He was also informed about the upcoming SMEDWC which the Secretary himself will co-chair. The CEO, BUILD discussed how the working committee meeting will commence and work. Based on the discussion, the meeting decided to hold the SMEDWC meeting in the second week of April 2018.

## SME Development Meeting Due in April



BUILD CEO speaks at the meeting in presence of the representatives from WEConnect at BUILD.

BUILD and WEConnect International—a global platform for supporting women entrepreneurs held a meeting for facilitating women entrepreneurship development in Bangladesh to connect them with global multinational companies.

Held on January 17 at the Conference room of BUILD, the meeting discussed how Bangladeshi women entrepreneurs can be connected with MNCs and large corporate bodies across the globe to supply their products and services. Bangladesh could be a good destination of outsourcing the products and services by the large corporate bodies if some capacity building training can be provided to women entrepreneurs in Bangladesh, the representatives said.

## Clear Interpretation for an Effective VAT Policy



*BUILD CEO presides over the FGD on VAT at BUILD Secretariat.*

A discussion meeting on Budget for FY 2018-19 and VAT policies was held in the conference room of BUILD on January 09, 2018 where a number stakeholders and policy makers were present and discussed about the dilemma between VAT Act 1991 & VAT & SD Act 2012, the meeting requested for a clear instruction for implementation of VAT policies in Bangladesh.

In the Budget speech for FY 2017-18(p-25) there was an announcement for implementation of VAT & SD Act 2012 to be effective from July 1, 2017, later on through an SRO issued on July 1, 2017 there was postponement of the new Act, issuing 13 SROs and Government Order (GO) and 3 cancellation SROs. Private sector expressed its concerns about the policies of VAT, special concerns was VAT online project which was supposed to be implemented through VAT Act 2012 but now it will be implemented under VAT Act 1991. An amended 1991 VAT Rule is in progress.

Another notable issue is about VAT to be collected from cottage & small industry that constitutes more than of 88% of total industrial enterprises in the country. These small industries are suppliers of intermediate goods to a number of large enterprises. For them paying VAT at 15% is very difficult, if new law commences from the year 2019 there should be a preparation need to be started now for addressing the SME issues, so that repetition of the postponement do not happen again. BUILD's presentations raised several aspects of VAT and detailed pros and cons, such as; rates of VAT, new system of VAT registration, registration for group of companies, differences of two VAT Acts, highlighting the issues such as; price declaration and maintaining current account, etc.

The meeting specifically mentioned about the requirement of registration of VAT under E-BIN. There are two types of forms (2.1 & 2.2 for central and sister concerns consecutively) that confuse the VAT payers' because new VAT Act is not in operation now, presently VAT has to be paid as per policy of 1991. As per the earlier policy VAT is to be paid separately for sister concerns as centrally payment of VAT is not in existence.

Whether Mushak-19 or Mushak- 9.1 for submitting the return is the final one is also not clear. It is also not clear that the current account system is synchronized with iVAS system( which was designed for implementation as per VAT & SD Act 2012), while NBR is presently following the VAT Act 1991. Bill of Lading (B/L) is the main instrument of getting VAT credit, SMEs are not able to submit Mushak-11, thus credit getting is very difficult for them. It was proposed to enhance the VAT exemption limit from the present level to at least BDT 5 million.

The meeting discussed that the rules need to be framed, circulated and discussed publicly for implementing VAT policy in the country so that the confusion can be resolved. VAT collection in the first five months of this fiscal is 11.6% less than the targeted amount, so there is a need for clear diagnosis, what were the main reasons for not implementing the VAT & SD Act. 2012 in the last fiscal, the gaps and problems should be resolved. A clear definition of VAT, addressing the discrimination of policies of different export sector for collecting tax at source, input tax rebate for utilities, minimum tax under ITO 82C/52 etc. need to be resolved.

## BUILD Organized the first Bangladesh-Austria Trade Economic Forum



*Dr. Mashiur Rahman, Economic Affairs Adviser to the Prime Minister speaks at Bangladesh-Austria Economic and Trade Forum, at MCCI on 27th February, 2018 organized by BUILD and Advantage Austria and supported by FBCCI and MCCI.*

During the inaugural session, BUILD Chairman Mahbubul Alam said that we have a great potential for cooperation. Our private sector chambers and association are very much keen to know more about Austria and willing to exchange information to facilitate business here in Bangladesh.

Brigitte Öppinger-Walchshofer, Austrian Ambassador to Bangladesh said that this is a perfect start to deepen the business ties between our two nations and we will spread the message in Austria and make our business aware that Bangladesh is a very promising country for doing business.

Asif Ibrahim, Founder Chairman of BUILD added that this is an excellent example of Public-Private collaboration from national to international level. We believe this partnership will go a long way in building Austria-Bangladesh bi-lateral trade relation.

Speaking as the keynote, Shubhashish Bose, Commerce Secretary, said the Ministry would amend the Companies Act 1994 to bring in provisions legalising both single director companies and the handing over of companies from one foreigner to another and invited Austrians to invest in the 100 special economic zones being developed by the Bangladesh Economic Zones Authority across the country.

A panel discussion with the title "Business prospects for long term thinkers in Bangladesh" provided different views on possibilities for cooperation in Bangladesh. Speaking as the Panel Chair, Syed Nasim Manzur, a former Chairman of BUILD said a lot of people around the world don't know about Bangladesh and its business potentials. Joining as a panel speaker, Barrister Tanjib-ul Alam, Lawyer of the Supreme Court tried to woo Austrians into investing in Bangladesh. He said foreign investors' capital is secured by law as they have the leeway to repatriate full profit and capital.

Md. Muntakim Ashraf, Acting President of the FBCCI, and Oskar Andesner, Head of Advantage Austria, signed an agreement to facilitate, strengthen and diversify cooperation between FBCCI and the Austrian Federal Economic Chamber.

13 Austrian companies attended the business delegation and they are AME International GmbH, Andritz Hydro GmbH, bit media e-solutions GmbH, cargo-Partner GmbH Engel Austria GmbH, Frauscher Sensortechnik GmbH Fronius International GmbH Standort Wels, Med-El Elektromedizinische Geräte GmbH, Raiffeisen Bank International AG, Rosenbauer International GmbH Unicredit Bank Austria AG, VACE Systemtechnik GmbH and voestalpine VAE GmbH.

Md. Mahbubur Rahman, ICCB Bangladesh President, Kazi Aminul Islam, Executive Chairman of BIDA, Dr. Oskar Andesner, Commercial Counselor - Austrian Embassy, New Delhi, Bijoy Bhattcharje, CEO and Vice Chairman of EPB, Tasvir Ul Islam, Honorary Consul of Austria to Bangladesh and Muntakim Ashraf, Acting President, FBCCI spoke at the forum among others while CEO, BUILD Ferdaus Ara Begum and Moshaddek Alam, Sr. Communication & Advocacy Associate from BUILD and Sigfried Weildich, Commercial Attache of Austrian Embassy Commercial Section coordinated the week long program of the first ever Bangladesh-Austria Business Forum.



## Round Table Discussion on Strengthening Market Access for Women Business Owners in Bangladesh



The Round Table Discussion (RTD) on Strengthening Market Access for Women Business Owners is in progress at BUILD on 22nd January 2018 to discuss how Women Business Enterprises (WBE) in Bangladesh can be connected with the buyers around the world who procures goods of trillions of dollars each year.

Elizabeth Vasquez, CEO and Co-Founder of WE Connect International elaborated the role of her organization to connect women-owned business enterprises throughout the world. The member buyers spend USD 3 billion with women suppliers annually and there is a proprietary e-Network with over 7,000 WBEs based in 100 countries.

Hosna Ferdous Sumi, Private Sector Specialist of the World Bank Group remarked, "This is an innovative approach to support women owned and led businesses to grow in their value chain and link with corporate buyers for products and services."

A presentation on Women Entrepreneurs (WEs) was made by CEO, BUILD, Ferdaus Ara Begum elaborated the scenario of WBEs in Bangladesh. She said that about 10% of SME entrepreneurship is owned by women in comparison with 25% in the world WBEs are facing several hurdles in manufacturing their products.

Razib Ahmed, former President of E-Commerce Association of Bangladesh (E-CAB), remarked, "Women entrepreneurs in Bangladesh face barriers in three ways: language barrier, compliance and quality assurance." Rojina Akter Mustafi, Representative of Bangladesh Bank, informed several supportive policies taken by Bangladesh Bank to help the women entrepreneurs.

Women entrepreneurs who are in business in different sectors such as: jute manufacturing, leather products, handicraft, fashion products and in the service sector such as health care, restaurant, ICT and many others joined the RTD. They raised their issues and informed that their main problem is to get updated information on rules and regulations, financing and cost for meeting regulatory requirements.

From the World Bank Group Noa Gimelli and Anja Robakowski attended the program. From WEConnect International, the Project Director, Kristy Becerra and Shamarukh Mohiuddin were also present.

## BUILD Articles

### Making SEZs operational on an urgent basis

<https://thefinancialexpress.com.bd/views/making-sezs-operational-on-an-urgent-basis-1515341113>

### Determining HS code through Advance Ruling

<https://thefinancialexpress.com.bd/views/determining-hs-code-through-advance-ruling-1517585551>

### Role of private sector in attaining SDGs

<https://thefinancialexpress.com.bd/views/role-of-private-sector-in-attaining-sdgs-1516548228>

জিটিএফ প্রকল্পে ব্যাংকের সঙ্গে একযোগে কাজ করতে পারি

<http://sharebiz.net/> জিটিএফ-প্রকল্পে-ব্যাংকে/

## Meeting between BUILD and LFMEAB stressed the need for eliminating key constraints



LFMEAB President presides over the meeting at LFMEAB

A meeting between BUILD (Business Initiative Leading Development and LFMEAB (Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh) made a call to eliminate key constraints of leather goods to encourage businesses to expand country's export trade at a meeting at LFMEAB on 15th January 2018.

BUILD has been assigned to support BICF II for organizing structured Public-Private Dialogue for policy advocacy for reforms through conducting research on specific issues which is a part of Export Competitiveness for Jobs (EC4J) project. As part of this, BUILD has undertaken a number of initiatives to help some major sectors expand in the export basket. BUILD shared its policy framework for policy advocacy with LFMEAB to help the leather sector grow in the country at the meeting.

BUILD CEO Ferdaus Ara Begum made a presentation focusing on the key constraints the sector encounters. The Key factors of the sector include environmental and social compliance, market information a branding, productivity, product quality and price competitiveness including supportive infrastructure. The presentation outlined some issues and they are lack of proper Institutional support, reimbursement of technical know-how fee, tedious process of clearing investment proposals.

EDF is one of the good incentives for exporters but for the non traditional sector like leather, the allocation limit is lesser than RMG, said he. He also brought attention to ease of leather export.

Calling the immediate need for changing mindset of field officers for encouraging non traditional sectors, he underscored the need for policy reforms for the sector in order to hit \$ 5 bn export target. He also requested the field officials of Customs Independent Audit agency to read the CETP performance in Savar. Tax on Royalties should be reduced to make non traditional exports competitive he added.

The reality is that the authorities responsible have themselves failed to meet its own deadlines to complete the work of various infrastructural facilities, including the Central Effluent Treatment Plant (CETP) and is yet to provide utility services, including gas and electricity connections, as per the requirements he added.

He also put light on ensuring the efficiency of the port following other ports of advanced countries in order to support the non traditional sectors in the country. Central Bonded Warehouse can be established for whom who are unable to afford the bond individually and in this regard, he suggested to introduce a passbook system for simplifying sample import.

The meeting was attended by senior officials of BUILD and LFMEAB.

### Meeting with Bangladesh Plastic Goods Manufacturers & Exporters Association (BPGMEA)



Representatives from BUILD and BPGMEA seen at the meeting.

A meeting was held between BPGMEA & BUILD at the office of BPGMEA, 87 Paltan Tower, Dhaka on 26th February, 2018, in which a BUILD team led by Ferdous Ara Begum, CEO, BUILD met Shamim Ahmed, Former President, BPGMEA & Narayan Chandra Day, Secretary General, BPGMEA. Day said that there is no testing lab, university and technical college on Plastic technology in Bangladesh. BIPET is established by BPGMEA to get ride from these problems, but the institution is in very primary level.

CEO, BUILD said that BUILD may support the BPGMEA to make the BIPET as a center of excellence & resource center by influencing the concerned government organization. At present, Customs & Bond Commissionerate is authorized to provide entitlement for bonded warehouse benefit. BPGMEA wants the authority to conduct entitlement for bonded warehouse benefit for its member organizations by itself to reduce the hassle of members. BPGMEA also wants exemption from paying import duty, VAT and SD on import of capital machineries & parts. Ahmed said that, there are huge problems in import of sample both for local industry and export oriented industry.

### International Conference on Climate Finance Held



Among others, Asif Ibrahim, Founder Chairman of BUILD seen as the session chair.

Chaired the session "Financing Private Sector to Address Climate Change and Climate Variability" of International Conference on Climate Finance (ICCF) during January 27-28, 2018 by BCAS, BRAC University and ICCCAD with Atiq Rahman and Saleemul Huq at Bangabandhu International Conference Center (BICC). BUILD CEO Ferdous Ara Begum joined as the panelist. The session of the conference covered a wide range of themes such as climate finance governance, climate finance gaps and challenges, financing private sector to address climate change, comparative analysis of climate finance in Bangladesh with other developing countries, allocation of climate funds to mitigation and adaptation activities, gender and youth focused climate finance, innovative climate financing mechanism, and mobilizing climate finance.

### BUILD and PROKAS Underscored Contract Reinforcement



After the meeting, Representatives from BUILD and PROKAS pose.

Promoting Knowledge for Accountable Systems (PROKAS) and Business Initiative Leading Development (BUILD) held a meeting on the future pathway for collaboration between the two organizations. Begum provided a brief introduction to the project 'Action Research for Reducing Trade Barriers' in the area of enforcing contracts in Bangladesh and put light on works and achievements of BUILD.

Shahnaz Karim, Acting Team Leader, PROKAS shared that there are four issue-based projects (IBPs) related to labor migration, climate change, and food safety. She mentioned that in the area of paperless trade only small projects have been implemented as in the case of BUILD's action research. However, long-term and larger projects can roll out in the next phase on Trade where BUILD could be engaged as a partner. It was discussed whether it would be useful to hold a large dissemination meeting on the issue of enforcing contracts in Bangladesh. However, as the current project has been completed successfully, activities related to build on the results of the project could be considered in future projects.

When the PROKAS program will have extension, BUILD will hold in-depth discussion with the Deputy Team Leader of PROKAS for a longer-term and larger project. Md. Shawkat Ali Waresi, Deputy Team Leader, PROKAS, Md. Tahmid Zami, Senior Research Associate, BUILD and Md. Aman Ullah, Finance and Admin Manager, PROKAS joined the meeting.

### BUILD Engagements in Other Activities

- ★ BUILD CEO joined the Seminar on Efficient Energy Management, Resource Efficiency and Cleaner Production on 16th January 2018 at BUET organized by Department of Chemical Engineering, BUET and UNIDO
- ★ BUILD CEO joined the Roundtable on "Bangladesh Doing Business on 20th January 2018 at PRI.
- ★ BUILD CEO joined the 5th meeting of the Greater Dhaka Watershed Restoration Workstream (2030 WRG/IFC World Bank Group) on 7th February 2018 at Ministry of LGRD
- ★ Meeting with JICA Delegation regarding Promotionary on 12th February 2018 at BUILD
- ★ 5th National Steering Board (NSB) meeting of the Bangladesh Water Multi-Stakeholder Partnership 2030 at Water Resources Group Conference Room (Room No-304, Level-4, Building-1), Cabinet Division, Bangladesh Secretariat, Dhaka on 13.02.18
- ★ Launching Ceremony of Bangladesh Investment Guide-2018 at BIDA on 14th February 2018



## BUILD Reform

### Allocation of SME Loan and Manufacturing Portfolio Increased

At the 8th meeting of Private Sector Development Policy Co-ordination Committee (PSDPCC) at PMO on 13 January 2016 which was co-chaired by the Principal Secretary, PMO, BUILD presented a reform policy paper on “Simplification of Financing Policies for Women Entrepreneurs”. In the meeting BUILD proposed for a specific recommendation on refinancing scheme, a significant percentage of loans should be earmarked for financing of manufacturing WEs and this proposal also reviewed in the Review Meeting of Financial Sector Development Working Committee (FSDWC) Meeting on August 27, 2017 which was co-chaired by Deputy Governor, Bangladesh Bank. According to the decision of that meeting a circular will be issued.

In this respect, Bangladesh Bank issued a circular (SMESPD Circular Number- 3 on 29 June 2017. As per the issued circular the allocation of SME finance has to be increased up to 25% with 1% increase per year. The allocation of the SME loan portfolio will be minimum 40% for the manufacturing, minimum 25% for service and minimum 35% for business (trading) in 2021.

### Bangladesh Bank Published Guidelines for FE Transactions 2018

In the 6th Private Sector Development Policy Co-ordination Committee (PSDPCC), at PMO on 9 December 2014 which was co-chaired by the Principal Secretary, PMO, BUILD proposed some recommendation to revise the Foreign Exchange Guideline 2009 and in 9th PSDPCC meeting on August 27, 2017. Bangladesh Bank informed to the committee that this guideline will be published soon so there was a decision to publish the revised Foreign Exchange Guideline soon over online.

To advocate these issues, BUILD placed those recommendations on last three PSDPCC meeting and also the review meeting of the Financial Sector Development working Committee on 19 October, 2016. BUILD also proposed some specific recommendation some of which is implemented in regards to Value Addition, EDF and Supplier's Credit Report. Presently in FE Circular No. 08 on 04 March, 2018 Bangladesh Bank has changed and circulated the Guidelines for Foreign Exchange Transactions, 2018 Volume 1 and 2 in Bangladesh Bank website.

## BUILD Scope

### Study on Battery Run 3-Wheelers

In Bangladesh battery operated auto-rickshaws are in practice for several years. From informal information, it is found that about 400 MW power has been used per day across the country which proves that battery power auto rickshaws have been expanding massively without any intervention and government control.

The battery run three wheelers are generating employment opportunities for a large number of individuals around the country. Investment opportunities are created for the entrepreneurs to invest in the battery run three wheelers for the transportation sector. The low cost, multiple passengers carrying scope, reduced cost of driving, more availability etc. are some of the benefits of the battery run three wheelers.

The battery run three wheelers are minimizing the dependency of the fuel dependency of the transportation sector in the country. Moreover, battery run three wheelers are environment friendly vehicles as it does not directly pollute air. Drivers, charging facilitators, garage owners, workshop owners, passengers, importers of spare parts are the key stakeholders in this sector. Although there is a huge market demand of these battery run three wheelers, there is lack of government initiative regarding the formalization of this sector.

Developing a socioeconomic profile of driver, passenger, owner, workshop owner and charging facilitator will be conducted in this study. Multiple meetings will be conducted with relevant stakeholders such as local authorities (City Corporation), BRTA etc. Meeting will be conducted with the stakeholders from overseas where battery runs three wheelers are allowed (for example India).

The role of battery power auto-rickshaw in the transport sub-sector will be presented in the study. Recommendations will be given citing the example of overseas countries for Bangladesh. The poverty reduction role of the battery run three wheelers will be explored citing the example of overseas countries. All the recommendations will be communicated to the concerned government authorities such as PMO Office for making guidelines and establishing a regulatory framework.

### Consultation meeting on the role of Private Sector for delivering SDGs



Representatives from DCCI, BUILD and CPD etc. seen at the meeting

A consultation meeting on the role of Private Sector for delivering SDGs in collaboration with CPD was held on 19th February, 2018 at the DCCI office premises in Gulshan Centre.

A presentation was made by CPD which mentioned that for all 17 Goals and all 169 Targets, the role of private sector is obvious. In specific mention, Goal-8: on Decent Work and Economic Growth, Goal- 9: Industrial Innovation and Infrastructure, Goal-12: Responsible Consumption and Production; especially mentioned the role of Private Sector.

While explaining the role of Private Sector and SDGs model of Public Private Dialogues were highlighted, CEO, BUILD specially mentioned the role of BUILD, a national Public Private Dialogue platform and narrated the activities of five thematic Working Committees of BUILD. Asif Ibrahim, Founder Chairman, BUILD informed about the reforms implemented by BUILD and its operational procedures. CPD would take follow up discussion with BUILD for detailed elaboration of the role of national Public Private Dialogue platform in Bangladesh and activities addressing SDGs in the country.

## Partner's Corner



### DCCI Celebrates Diamond Jubilee



The Dhaka Chamber of Commerce and Industry (DCCI) celebrated its 60th anniversary reaffirming its commitment to work for ensuring a business-friendly environment in Bangladesh on 24 February, 2018.

"Since its establishment in 1958, the chamber has been working relentlessly for the betterment of the business community," DCCI President Abul Kasem Khan said. He called upon all political parties not to engage in any activities that hamper the economy ahead of elections.

The chamber—a major promoter of small and medium enterprises and the first point of business contact for penetration into new markets—organised an event to mark the anniversary at Army Golf Club.

The chamber would organise an international conference titled "Destination Bangladesh" to showcase the country's potential and attract foreign direct investment, Khan said.

"We need to invest more in the infrastructure sector to attract FDI," Shafiul Islam Mohiuddin, president of the Federation of Bangladesh Chambers of Commerce and Industry; Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association, and Mahbubur Rahman, president of the International Chamber of Commerce Bangladesh, attended the programme.

Former DCCI presidents MA Sattar, Aftab-ul Islam, Syeeful Islam, MH Rahman, R Maksud Khan, Benajir Ahmed, MA Momen, Hossain Khaled, and Asif Ibrahim were also present.

### CCCI Holds International Trade Fair-2018 (CITF-2018)



CCCI President speaks at the press conference at WTO, Chittagong.

The 26th Chittagong International Trade Fair-2018 (CITF-2018) took place in the port city. The Chittagong Chamber of Commerce and Industries (CCCI) organised the month-long fair the Railway Polo Ground in the city.

The fair remained open for visitors from 10 am to 10 pm each day. CCCI President Mahbubul Alam said they already completed all preparations for the fair. The inaugural ceremony was held at the Bangabandhu Conference Hall of World Trade Centre.

Shipping Minister Shahjahan Khan attended the inaugural function as the chief guest. The Hon'ble State Minister for Land Saifuzzaman Chowdhury Javed, Chittagong city Mayor AJM Nasir Uddin, former President of Chittagong Chamber of Commerce and Industries (CCCI) MA Latif MP, first Vice President of FBCCI Fazle Fahim attended as special guests. Mahbubul Alam said over 450 stalls including 17 premier gold pavilions, four mini mega pavilions, 11 premier pavilions, eight standard pavilions, 172 premier mega stalls and 23 mega stalls were set up at Polo Ground. He also informed that Thailand agreed to participate in the fair as partner country for the 14th time.

The CCCI president said some of the leading industrial enterprises from home and abroad, including Thailand, Iran, Moriches and India participated in the fair for the 7th time along with some other countries to showcase their products. The CCCI has been organising the fair since 1993 and it got a wide range of publicity by the Bangladesh missions abroad, foreign missions in Bangladesh and different trade bodies and trade-based websites.

### MCCI Holds Meeting with the Finance Ministry



Hon'ble Minister for Finance Abul Maal Abdul Muhith, MP speaks with the MCCI Representative at the Ministry.

The newly elected office bearers of Metropolitan Chamber of Commerce and Industry, Dhaka led by its President Nihad Kabir, called on the Hon'ble Minister for Finance Abul Maal Abdul Muhith, MP at his Secretariat office on 8 January, 2017.



## Meeting with Dignitaries



BUILD Chairman Mahbulul Alam made a courtesy visit to BUILD premise on February 6, 2018. This is the first visit as the Chairman of BUILD. During the meeting, he met BUILD CEO and other officials of BUILD and discussed various activities of BUILD and other issues including trade and investment of the country.



On the occasion of the visit of Brigitte Oepfinger-Walchshofer, Austrian Ambassador (Designate) to Bangladesh, and Oskar Andesner, Austrian Commercial Counselor for Bangladesh, ANDRITZ hosted a Reception Dinner on 25th February 2018 in the framework of the first official Austrian Business Delegation to Bangladesh.



Asif Ibrahim, Adviser to BUILD joined the Panel discussion on 1st February 2018 at the launching of LightCastle Business Confidence Index 2017-2018 that underscored quick implementation of reforms and projects a must to stimulate investments.



BUILD Team led by BUILD CEO Ferdous Ara Begum made an excursion tour to Cox's Bazar and Saint Martin from 1-3rd February 2018. The team also visited the wide and long sandy beach which is considered as the world's longest natural sandy sea beach and other spots like Chera Deep, Pathuaghat and Innani Beach.

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