

EDITORIAL

National Logistics Development Policy — a priority for the country

Bangladesh — the economic miracle has secured sustainable economic growth for a decade. The country aspires to eradicate poverty by 2030, upper-middle-income-country by 2031, and developed-high-income-country by 2041. Bangladesh has ranked as the 41st economy in the world in 2022 based on the GDP size, while PwC predicted that the country's economy is expected to reach 28th by 2030 and 23rd by 2050.

The size of the economy of Bangladesh will endure about USD 2.5 trillion in 2041. To ensure massive momentum in economic growth, it requires 40.87% of investment to GDP on average by 2041. UNCTAD's LDC reports focused that Bangladesh needs USD 119.9 bn of investment every year from 2021 to 2030 to attain the SDGs target to reach consistent 7% annual GDP growth. The development of trade logistics and infrastructure has been treated as one of the talismanic to achieving SDGs by 2030. It revealed that out of 17 SDGs, about 11 would be completed by corresponding concentration on trade logistics and infrastructure.

From an investor's perspective, efficiency and effectiveness in the logistics management system have been treated as the key factors in considering an investment decision. Not surprisingly, an effective logistics sector is now recognised

almost everywhere as one of the core enablers of economic development.

World Bank Group's study titled 'Moving Forward: Connectivity and Logistics to Sustain Bangladesh's Success' discovered that reduction of container release time in CTG port by one day would increase export by 7.4% by ensuring minimum speed on National Highways to 40 km/hr 3.7% export growth can be achieved, and formulation of national logistics policy along with reducing the internal logistics cost by 17% will boost the export by 7.4%. The overall impact of the implementation of these will increase national export earnings by 19%. The study referred to inefficient logistics management systems rising costs of different industries by 4-48%.

Countries such as Ethiopia, India, Indonesia, Malaysia, Myanmar, South Korea, Sri Lanka, Thailand, Vietnam, etc. have their own national logistics strategy, masterplan, blueprint, act, strategic plan, action plan, etc. On 17 September 2022, The Ministry of Commerce and Industry of the government of India announced National Logistics Policy (NLP) to improve cost competitiveness and create jobs for millions. Government of India aims to reduce the cost of logistics to GDP to 9% by the next five years from the present 13-14%, as well as to reach the volume of the logistics market to USD 200 billion in forthcoming years from the current USD 160 billion. "Gati Shakti Project: National Master Plan for Multimodal Connectivity", launched by the Indian Prime Minister, has been treated as a pioneer direction to formulate the NLP. Most interestingly, 11 states of India have their own regional logistics policy that will be integrated with the NLP.

The Prime Minister's Office of Bangladesh and Business Initiative Leading Development (BUILD) established the first-ever public-private dialogue platform in 2020 under the name "Logistics Infrastructure Development Working Committee (LIDWC)" to work for the sector. This was done in recognition of the importance of logistics in generating economic momentum.

In accordance with the recommendations made by the committee, the Ministry of Industries (Mol) has included the logistics industry in the category of export-diversified and priority sectors, and it has included a total of 21 sub-sectors of the logistics industry in its listing in the National Industrial Policy 2022, recently approved by the cabinet and gazetted by Mol. Most crucially, in 2022, the LIDWC formulated the policy for logistics development by preparing the National Logistics Development Framework Policy. This was done by taking into consideration the worldwide best practices that were presented in the Prime Minister's Office on 31 August 2022. Now that the process of the crucial policy is well underway, the Mol will act as the parent ministry and take the initiative to finish the process.

The objectives of the policy are to achieve recognition for the nation as a regional multimodal logistics hub; this will allow for a reduction in the amount of time, money, and headaches associated with the movement of goods both within and beyond the borders of the country; and an increase in the degree to which businesses at both the national and international levels can compete with one another. Port development initiatives to fulfil the rising demand for 100 economic zones (EZs), multimodal transport strategies, and massive infrastructure development projects will make a substantial contribution toward the overall goal of attaining the objectives.

There will be a conference on global best practices held in order to collect feedback from professionals and specialists from all over the world, both at the national and international levels. The strategy's aims may be improved by conducting in-depth research and soliciting input from industry experts in the form of surveys; this will also encourage more investment and foreign direct investment (FDI). In light of the fact that the nation is now through a phase of transitional development, we believe that the policy should be given supreme importance. ■

Ferdaus Ara Begum
CEO, BUILD



Experts call for an amendment of Patent Law

The Bangladesh Patent Law 2022 should be amended in line with the changing scenario for the local pharmaceutical industry after the country's LDC graduation, experts said at a seminar on 10 August 2022. Simultaneously, they called for close collaboration between the concerned government agencies and the private sector in the amendment process. The observation came during a seminar titled "Preparedness of Pharmaceutical Sector for LDC Graduation", jointly organised by the Economic Relations Division (ERD) and Business Initiative Leading Development (BUILD) on 10 August 2022.

Hon'ble Adviser to the Prime Minister on Private Industry and Investment Salman F. Rahman was the chief guest of the seminar. Secretary of the Ministry of Industries Zakia Sultana, Chairperson of BUILD Nihad Kabir and the President of Dhaka Chamber of Commerce and Industry (DCCI) Rizwan Rahman, attended the event as special guests. ERD Secretary Sharifa Khan chaired the seminar.

The burgeoning pharmaceutical sector of Bangladesh has witnessed exponential growth over the last few decades. The TRIPS waiver for least developed countries (LDCs) under the WTO-TRIPS agreement is one of the key drivers of such impressive growth. The industry has strong potential to accelerate its growth and create a bold footprint in the global market. Appropriate measures following an action-oriented roadmap are critical to tapping these opportunities and shielding against the erosion of waivers under the TRIPS agreement in the wake of the LDC graduation of Bangladesh in November 2026. In this context, the seminar was organised to take stock of the initiatives and preparedness that are already underway to address the challenges of the loss of TRIPS waivers.

Salman F. Rahman spoke about engaging lobbyist firms in the World Trade Organization (WTO) for the continuation of the TRIPS waiver for Bangladesh after graduation. He also emphasised the quick operationalisation of API (Active Pharmaceutical Ingredients) parks. He called for closure of the mailbox system, created back in 2008 for submitting patent applications, as the system has lost its relevance in the present context.

ERD Secretary Sharifa Khan, in her speech, called for a strengthened partnership between the public and private sectors to prepare the pharmaceutical industry for the post-graduation phase.

Secretary of the Ministry of Industries Zakia Sultana, in her speech, assured that the government would work in close collaboration with the private sector in amending the current patent law of the country.

Speaking during the event, the President of BAPI, Nazmul Hassan MP, said that the issues of affordability and public health should be considered while granting patents under the country's patent law.

Nihad Kabir, in her speech, emphasised enhancing the country's legal expertise for the effective formulation and implementation of intellectual property rights-related provisions. "A strong partnership among the public and private sectors and industry actors focusing on preparing the pharma sector to sustain post-graduation is a must. As BUILD remains heavily engaged with public and private sector engagements, we can identify the challenges of this sector for helping the government consider policy reforms to create a more enabling environment," she said.

President of DCCI Rizwan Rahman said that the government should set up "Biotech Park" and "Genome Valley" to facilitate biotechnological research. He also called for incentives for the pharmaceutical sector, like the RMG sector.

Senior Vice President of Bangladesh Association of Pharmaceutical Industries (BAPI) and Managing Director of Incepta Pharmaceuticals Ltd. Abdul Mukhtar, in his presentation, called for negotiating with WTO to extend the TRIPS transition period relating to pharmaceutical products for Bangladesh until 01 January 2033, even if the country graduates from the LDC status.

In his presentation, Prof. Dr Mohammad Towhidul Islam from the Department of Law, University of Dhaka, said that Bangladesh might request the WTO for a country-specific TRIPS waiver for Bangladesh.

Farid Aziz, Additional Secretary of ERD and Project Director of SSGP, welcomed the participants, while Ferdaus Ara Begum, CEO of BUILD, gave the vote of thanks.

Having underscored vital research and the need for skilled human resources, BUILD CEO Ferdaus Ara Begum expressed, "We need to strengthen this sector before LDC graduation. The government may look into the challenges and consider policy interventions in patent laws and relevant areas. From BUILD, we are very much

open to assisting the sector in attaining sustainability."

Representatives from BAPI, high-level officials of leading pharmaceutical companies, as well as key stakeholders across the government, private sector, and think-tank, participated in the event. ■



BUILD presents the National Logistics Development Policy Framework at PMO

Business Initiative Leading Development (BUILD) presented the National Logistics Development Policy (NLDP) Framework on 31 August 2022 at the third meeting of the Logistics Infrastructure Development Working Committee co-chaired by Md. Tofazzel Hossain Miah, Senior Secretary of Prime Minister's Office, and Abul Kasem Khan, Former Chairperson of BUILD. Zakia Sultana, Secretary, Ministry of Industries, was also present.

Welcoming the stakeholders from the public and private sectors, Md. Tofazzel Hossain Miah appreciated the role of the Ministry of Industries for including logistics as the thrust sector, which was approved in the cabinet recently and is holistically a new component following the recommendations of the committee secretarial services of which is being given by BUILD. The benefits of including logistics as a Thrust Sector will theoretically work out, and this would be a future paradigm shift for the country.

We would like to draft the logistics policy as the next step, and once the policy is in place, we will go for implementation, boosting the growth, said he.

Ferdaus Ara Begum, CEO, BUILD, in her keynote presentation, informed that there is no alternative to the development of a synchronised multimodal logistics management system to reach USD 2.5 trillion economy size and USD 1.02 trillion in investment by 2041 as logistics has been treated as the key factor to take investment decisions. Besides, implementing the National Logistics Development Policy could be a way to ensure sustainable growth of the logistics sub-sectors.

Md Jashimuddin, President, FBCCI, informed that once the draft is shared with them, they will work to gather their comments on the policy and will be ready to extend all support.

Underscoring more engagement from both public and private sectors, Abul Kasem Khan, Co-Chair of the committee, extended thanks to everybody for working together on the policy, which is very much required as logistics is the number one issue for supporting business.

Mahbubul Alam, President of CCCI, suggested establishing a Truck Terminal in each and every port so that transportation and communication are more accessible.

Chairperson, BUILD Nihad Kabir viewed that we need to be more ambitious in fixing the target of logistics cost reduction so we can challenge ourselves. She suggested bringing NBR on board from the beginning and taking care of WTO-related issues as we graduate by 2026.

Rizwan Rahman, President of DCCI, said there would be a need to organise sub-sectoral FGDs, and responsibilities can be shared in that respect. Bonded ware facilities are different for different sectors which can be linked with the policy.

Dr Masrur Reaz, Chairman, Policy Exchange, thanked BUILD for developing a policy and suggested an integrated angle for each subsector.

Additional Secretary, Ministry of Commerce suggested including land ports along with seaports for planning strategies.

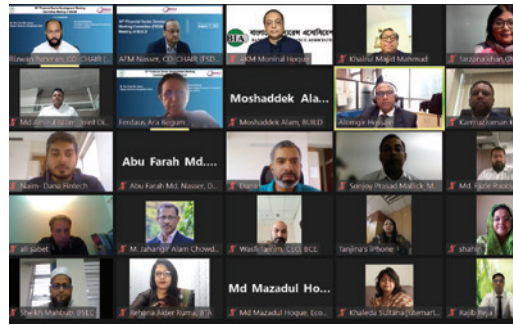
Naquib Khan, President, Supply Chain Management, suggested including the lead time issue along with the cost calculation.

Nusrat Baby, Transport specialist World Bank emphasised bringing convergence in all sectoral logistics issues and expressed their desire to extend all support for research and development in having a good logistics sector.

Mohammad Lutfullah, a Senior Private Sector Specialist of IFC, said that the formal inclusion of the logistics sector by the cabinet in the industrial policy is much-appreciated recognition from the government. For this, we from the LIDWC would like to extend our sincerest gratitude to the Government and Prime Minister's Office in particular.

A number of government officials from the Ministry of Industries, civil aviation, planning, railways, shipping, PPP authority, BIDA, and Bridge Division, among others, were present. While private sector representatives from the Shipper Council of Bangladesh, Freight Forwarder

Association, etc., committee members, were present and interacted in the meeting. ■



Call for enhanced support for CMSME financing for sustenance after COVID-19

Deputy Governor, Bangladesh Bank Abu Farah Md. Nasser said that our key focus is to control both the import and inflation and promote local production for generating employment, and for this, we have announced a new Credit Guarantee Scheme (CGS) on Refinancing against a Term Loan of BDT 250 billion, of which 75% for cottage micro and small and remaining for medium enterprises.

The Deputy Governor spoke at the 10th Financial Sector Development Working Committee (FSDWC) Meeting organised by Business Initiative Leading Development (BUILD) on 17 August 2022. Abu Farah Md. Nasser, Deputy Governor of Bangladesh Bank (BB), and Rizwan Rahman, President of Dhaka Chamber of Commerce and Industry (DCCI), co-chaired the meeting.

He further said that an open interest cap will pile more stress yet on small-business owners struggling with debt and will add more cost to production, thus highly influencing the cost of business. He said that Bangladesh Bank is trying to combat inflation while ensuring employment generation, where CMSMEs play a vital role.

DCCI President Rizwan Rahman said that WEs should be aware of all policy changes of the regulators, and the women chambers should shoulder responsibilities to come forward in educating their members about all existing regulatory benefits they can avail. He recognised that we need to change our focus from collateral-based finance to cash flow-based finance which BB is doing now.

BUILD CEO Ferdaus Ara Begum delivered two presentations on Constraints of Awaiting Financial Support of Women Entrepreneurs and Overseas Equity Investment Rules 2022. The studies covered four refinancing schemes and four

financial schemes by BB. It also analysed several schemes by Banks and Financial institutions in collaboration with Fintech firms. The study also covered several CGS facilities announced by the Central Bank.

She urged the central bank to enhance support for the CMSMEs after COVID-19 with collateral/individual collateral or third-party collateral or social collateral since they do not have assets for collaterals. She also said that under the CMSME Loan Categorization of Bangladesh Bank, trading and some non-traditional sectors come up so that the financial institutions can fund them. They cannot find funds since they are not under CMSME Loan Categorisation.

For the ease of financing, she underscored the need for advisory support, documentation support, format for financial reports etc. Earlier, she informed the audience that eight of the 13 policies recommended in the last meeting had already been implemented.

Md. Amirul Islam, Deputy Director of Bangladesh Bank, appreciated the study on Equity Investment of BUILD and informed that BB has already given permission for USD 70 million and repatriated USD 40 million and stated some policies of BB for supporting investments other than exporters.

SMEF GM Farzana Khan said that SMEF has already identified 177 clusters, and a definition will be included in the upcoming industrial policy, which is aligned with BB definitions. Wasfi Tamim, CEO of the Bangladesh Centre of Excellence, said that we need robust monitoring in place, and our focus should not be only on the total value but on the number of enterprises got benefited from the financial scheme of the central bank. Among other Md. Jahangir Alam Chowdhury of the University of Dhaka, Fauzia Hoque FCA, A. K. M. Monirul Hoque from Bangladesh Insurance Association, Khairul Majid Mahmud, Director, DCCI, Md. Mazdul Hoque, Kamruzzaman Khan from Lanka Bangla, and Naim Rahat of Dana Fintec spoke.

The working committee meeting was participated by the members of the committee, representatives of the central bank, ICAB, BSEC, Ministry of Finance, a number of scheduled banks, academicians, business chambers and associations, entrepreneurs from the private sector, and so on.

The Financial Sector Development Working Committee (FSDWC) of BUILD aims to hear from the private sector and demonstrate the financial industry with the commitment to providing a conducive business environment. FSDWC endeavours to meet the needs of an evolving financial sector in the country. ■



Stakeholder consultations with MSMEs on food processing and agro machinery

Food and Agricultural Organisation (FAO) has undertaken a project titled “Background Paper and National Stakeholder Dialogue on Private Sector Engagement in Climate Actions: Focus on Private Sector Investment in AFOLU Sector” to prepare a background paper to focus on private sector MSMEs’ engagement in climate actions and investments in Bangladesh and organise a National Stakeholder Dialogue to catalyse private sector investments in the AFOLU, specifically Food Processing, Agro-machineries, Livestock, and Fisheries sector.

As an implementing partner of this project, Business Initiative Leading Development (BUILD), in collaboration with the Centre for Climate Change and Environmental Research (C3ER), BRAC University, and Bangladesh Centre for Advanced Studies (BCAS), organised two stakeholder consultation workshops with the MSMEs of Food Processing and Agro Machineries Sector during August 2022 (11 and 22 August 2022) at NEC-2 Conference Room, Economic Relations Division (ERD) under the title “Stakeholder Consultation (Food Processing) on Private Sector Engagement in Climate Actions: Focus on Private Sector Investment in AFOLU Sector”. The chief guest of the workshops was Kabir Ahamed, Joint Secretary, Wing Chief (UN), ERD.



The workshop’s purpose was to understand better how MSMEs in the food processing and agro machinery sector were involved and their knowledge about climate change adaptation, climate finance, and climate change policy. Thus, it would help to prepare a background

paper to focus on private sector MSMEs’ engagement in climate actions and investments in Bangladesh and organise a national stakeholder dialogue to catalyse private sector investments in the AFOLU sector.

Crispus Njeru, International Climate Change Specialist, FAO Bangladesh, spoke about the activities taken by FAO in his speech. He said FAO supports the government of Bangladesh in serving the citizens. FAO work through partners, and right now, they are working with a consortium of C3ER, BRAC University, BUILD, and BCAS to ensure that the private sectors are a part of the food and aggregated agenda. He also conveyed on behalf of Robert Simpson, country representative, FAO Bangladesh, that FAO is currently engaged in supporting private sector investment. FAO feels proud to associate with C3ER, BRAC University, and the consortium partners, he added.

Ferdaus Ara Begum, CEO of BUILD, discussed the impact of climate change on the private sector. She discussed the role of private sectors, i.e., how they can adopt the green pathways to mitigate the effects of climate change and how we can take adaptive measures to reduce the loss and damage. Ferdaus also outlined the project objectives and methodological framework, and the results of some study team exercises like stakeholder mapping, policy analysis, etc. ■



Discussion on NLDP Framework at Mol

On 7 August 2022, there was a discussion held at the Ministry of Industries (Mol) regarding the Framework of National Logistics Development Policy (NLDP). The meeting was presided over by Zakia Sultana, the Secretary of the Ministry of Industries.

Ferdaus Ara Begum, CEO, BUILD; Sheikh Faezul Amin, Additional Secretary, Mol; and Nusrat Nahid Babi, Transport Specialist, World Bank, attended the meeting. BUILD CEO shared the draft and the Mol Secretary commented on it. ■



Meeting with UNIDO

A discussion on Resource Efficiency and Cleaner Production (RECP) between Business Initiative Leading Development and UNIDO Bangladesh was held on 7 August 2022 at the BUILD Conference room. UNIDO Bangladesh country director Zaki Uz Zaman and National Project Coordinator Syed Anwar Hossain joined the meeting.

BUILD CEO Ferdaus Ara Begum conducted the discussion. Participants of the meeting discussed the use of RECP in the RMG and Plastic sector to maximise efficient use of resources, minimise the generation of all wastes and improve the wellbeing of workers and communities for competitive advantage and reduced environmental footprint. ■



Meeting between Bangladesh Bank and BUILD

A meeting with Khondkar Morshed Millat, Director (Sustainable Finance Department), Bangladesh Bank, was held on 21 July 2022 at Bangladesh Bank premises. Ferdaus Ara Begum, CEO, BUILD; Md. Mehedi Hasan, Sr. Research Associate, BUILD; and Julker Nine Ahmed, Research Associate, BUILD, were present at the meeting.

The purpose of the meeting was to discuss the recommendations that were brought up in the dialogues and discussions that were undertaken under the Textile Sustainability Platform with the RMG stakeholders and relevant government organisations (TSP). During the years 2021 and 2022, these dialogues and conversations were organised by BUILD and the Policy Research Institute. Within the context of the Partnership for Cleaner Textile (PaCT) initiative, the IFC-WBG provides funding for the TSP. The purpose of the TSP is to encourage environmentally sustainable practices and efficient use of resources in the business sector.

In response to the question about green finance attainment of Banks and FIs, Khondkar Morshed Millat said that 5% of all Term Loan Disbursement must be green financing. 20% of Total loan disbursement must be sustainable finance. He informed that Bangladesh Bank would recognise top-performing banks and FIs based on sustainability rating. Besides, Bangladesh Bank will consider other incentives for top-performing banks and FIs in due course of time.

In the years 2020 and 2021, the Bangladesh Bank conferred its awards on the top five financial institutions based on the following considerations: A total of 100 marks (sustainable finance 40%, core banking issues 45%, banking service 10%, CSR and refinance 5%). A minimum of BDT 50 thousand green finance is required for any bank to be selected. He told the audience that the industry average of green financing is now 3.55%. The industry average of sustainable finance is 9.96%. Training and awareness programmes pertaining to operations involving sustainable finance have been organised by 33 banks and five FIs. ■



New challenges in the economy of Bangladesh

State Minister for Planning Dr Shamsul Alam said that there is no crisis in the country's economy as Bangladesh is moving ahead in a planned way while there is no weakness in the planning process. "Bangladesh is under discomfort to some extent due to the global situation, but the country is under no crisis," he said. The state minister was speaking at a

discussion titled "New Challenges in the economy of Bangladesh" as the chief guest organised by the Economic Reporters' Forum (ERF) held on 21 August 2022.

Chief Economist of Bangladesh Bank Dr Md Habibur Rahman, Executive Director of Policy Research Institute (PRI) Dr Ahsan H Mansur, Executive President of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) Mohammad Hatem, Chairperson of Business Initiative Leading Development (BUILD) Nihad Kabir and BUILD Trustee Abul Kashem Khan attended the programme as panellists.

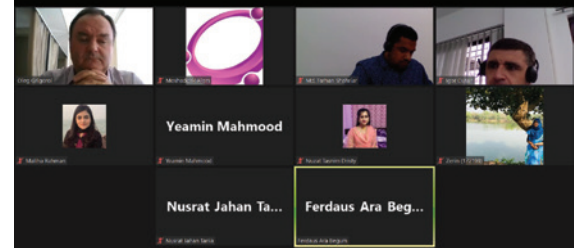
BUILD Chairperson Barrister Nihad Kabir said there is sufficient stock of coal in the country, and there is a need to ensure maximum utilisation of the country's natural resources. "Staying competitive is the first challenge. Besides, various obstacles are being created in doing business owing to policies and regulations and thus raising the business cost. This is also a challenge," she added. Nihad said that the common people are now feeling the heat as the price of essentials like rice, fish, and chicken has increased in the market, which needs to be adjusted in line with the declining trend of fuel oil prices in the global market.

Former Chairperson of BUILD Abul Kashem Khan noted that energy security is critical while there has been a discernible revolution in the country's energy over the years. "Energy has a crucial role in the dynamism that has been infused in the country's economy. But the country is now import-dependent on energy, and there is a need to categorically rethink the issue. There should be a primary plan to ensure optimum use of coal and gas in the country so that it could become self-reliant on energy within the next 10 to 15 years," he mentioned. ■



ICAB organises discussion on Monetary Policy

The Institute of Chartered Accountants of Bangladesh (ICAB) on 7 July 2022 organised the discussion titled 'Monetary Policy 2022-23 in the Context of Ongoing Economy' at the CA building. Dr Shamsul Alam, Hon'ble State Minister, Ministry of



5th Business Confidence Survey launched

Business Initiative Leading Development (BUILD) first proposed the idea of carrying out a Business Confidence Survey (BCS) in 2013, with the goal of gaining a deeper comprehension of the perspectives held by various business companies on the current condition of the business environment.

Since 2013, BUILD has conducted four BCSs in 2013, 2014, 2015 and 2019. The previous BCSs conducted by BUILD collected qualitative information, which helped monitor the country's current business situation and predicted short-term development.

This regular reading of the pulse of the private sector provided indicators about turning points in the business cycle and deeper problems and guided businesses for contraction or expansion.

In 2022, BUILD started conducting the 5th BCS. USAID Feed the Future Bangladesh Trade Activity provides technical assistance for the 5th BCS. The objective of the 5th BCS is to anticipate turning points in economic activities so businesses can get an early signal to take preparation and plan accordingly for expansion or contraction of their business plans.

The survey will gather enterprises' perceptions about general business conditions in the past six months and their expectations in the upcoming six months. In addition, the BCS will collect information from companies on their current operating capacity, cost of doing business, and factors limiting business activity and investment.

The primary purposes of the BCS are to:

- ▶ obtain qualitative information for use in monitoring the current business situation and forecasting short-term developments;
- ▶ determine the challenges faced by entrepreneurs;
- ▶ provide necessary guidance in developing macro and micro-economic policies

The data collection was launched on 11 September 2022 in presence of BUILD CEO Ferdaus Ara Begum; Igor Gutan, Deputy Team Leader, USAID Trade Activity, and enumerators. ■

Planning, GoB, was present as Chief Guest.

BUILD CEO Ferdaus Ara Begum attended the seminar as the Resource Speaker and said it is important to formulate an acceptable monetary policy to accelerate economic growth in industry and agriculture in addition to employment. ■



BUILD CEO in roundtable

A roundtable on the outcome of the 12th WTO Ministerial Conference was held at the ICAB for a global impact analysis of the proper functioning of the World Trade Organisation (WTO). Sharifa Khan, Secretary, ERD, was present as Chief Guest. Md Shahadat Hossain FCA, President, Md Humayun Kabir FCA, Past President and Council Member, N. K. A. Mubin, Vice President, and Shubhashish Bose, CEO, ICAB were present.

Referring to a World Bank study, BUILD CEO Ferdaus Ara Begum, speaking as the panellist, said if cargo loading and unloading time at the country's ports can be reduced by one day, exports will increase by more than 7%. Similarly, she added that if logistics costs were 17% less and traffic speed on the highways at 40 km, the country's overall export would have increased by 19%. ■



Seminar on nation branding

BUILD CEO Ferdaus Ara Begum attended the "Nation Branding: Attracting New Talent and Investment Worldwide" seminar on 25 July 2022. The Bangladesh Securities and Exchange Commission (BSEC) organised the seminar in

Reforms

The Stimulus Package of CMSMEs Has Been Extended

The 9th Meeting of the Financial Sector Development Working Committee (FSDWC) of BUILD was held on 18 August 2020 at 11 am on Zoom, co-chaired by Abu Farah Md. Nasser, Deputy Governor, Bangladesh Bank and N. K. A. Mobin FCA, FCS, Sr. Vice President, Dhaka Chamber of Commerce and Industry. The meeting suggested that the stimulus package for CMSMEs be increased depending on each sector's labour force and GDP contribution. Bangladesh Bank increased CMSME stimulus packages in the second round to revive the country's CMSMEs.

- In the second round of the CMSME package, BDT 20,000 crores were extended up to June 2022 (SMESPD circular no. 09, 9 September 2021). Third phase of the CMSME package has also been extended through June 2023 (SMESPD Circular letter no. 04, 24 July 2022).
- A new refinancing scheme term loan of 25,000 crores for CMSME (SMESPD Circular letter no. 04, 19 July 2022) has been introduced for three years.
- BUILD also recommended that the Government of Bangladesh (GoB) provide a stimulus package for active export-oriented enterprises to secure staff retention and employment. For the large industries, the third round of SP of BDT 30,000 crore has been allocated (BRPD circular letter no. 31 on 28 July 22) up to June 2023.
- The industry and service sectors (except CMSME) have been allocated BDT 27,000 crores.

The Loan Moratorium Period Extension Has Been Extended

The 9th Meeting advocated extending the loan moratorium period since it is one of the CMSME's primary concerns during this COVID time.

Bangladesh Bank extended the time of loan classification to December 2021. If the entrepreneurs have paid a 15% loan by December 2021, it cannot be considered classified (BRPD circular letter no. 53, 30 December 2021).

On account of COVID, flood and relevant issues, the period was further extended to

collaboration with Bloomberg LP. The program's chief guest was Prime Minister's Private Industry and Investment Adviser Salman F. Rahman. "From a branding standpoint, you clearly have to speak about good aspects and how we can manage risks," he remarked.

Exploring choices and coordinating efforts, among other things, said Senior

22 December 2022 in three slots considering different rates for Large and SMEs and the agro sector (BRPD circular letter no. 14, 22 June 2022). ■

Scope

Study on Decarbonisation and Circularity in RMG Sector

RMG dominates Bangladesh's exports with a share of 81.82%. However, Bangladesh has experienced an average of 8% annual growth in CO₂ emissions over the past two decades. The continued release of carbon dioxide into the atmosphere poses a significant risk not only to the state of the global environment but also to the economy's expansion. The topic of climate change is a significant concern on a worldwide scale. The fundamental contributor to climate change is the unabated rise in emissions of greenhouse gases, such as carbon dioxide, that result from using energy sources that do not replenish themselves.

Considering the importance of decarbonisation and circularity in the RMG sector, Business Initiative Leading Development (BUILD), in collaboration with IFC-WBG, started policy research and consultations with the stakeholder to make the ready-made garment sector more sustainable. ■

Articles

Integrated approach needed for sustainable use of plastic • *The Business Post* cutt.ly/buildconnect224-01

Geneva Package giving a new life to WTO • *The Daily Star* cutt.ly/buildconnect224-02

Import Policy Order 2021-2024: An analysis • *The Business Post* cutt.ly/buildconnect224-03

Inflation control and backup priorities • *The Business Post* cutt.ly/buildconnect224-04

খরার ঝুঁকি মোকাবেলায় আমাদের প্রস্তুতি [Our readiness to deal with drought] • *Bonik Barta* cutt.ly/buildconnect224-05

MPS needs to encourage private sector investment along with containing inflation • *The Business Standard* cutt.ly/buildconnect224-06

Foreign Secretary Masud Bin Momen, were essential for country branding. Nation branding strategy is not the same as corporate or different types of advertising or public relations initiatives. He also said that the core marketing notion is vital in conveying the vision for a country's image. He added that the agencies in charge of investment and marketing, tourism, health, and even law

Partners' Corner



DCCI DCCI presents outlook of Bangladesh economy

The Bangladesh economy and the entire world is going through a tough time in terms of economic stress, inflation, fuel price hike and supply chain disruptions. Bangladesh is not an exception to this global economic chain. Still, we are not in a position to be panicked at all, said State Minister for Planning Dr Shamsul Alam as the chief guest at a seminar titled "Bi-annual Economic State and Future Outlook of Bangladesh Economy: Private Sector Perspective" organised by Dhaka Chamber of Commerce and Industry (DCCI) on 14 August 2022. He said that government should take a loan from foreign sources to ease pressure on dollar.

DCCI President Rizwan Rahman presented the keynote paper at the seminar. He highlighted that energy, inflation, food security, logistics and the financial sector are some of the major areas we should look into. Recently, liquid fuel prices have been hiked nearly by 50%, and natural gas prices rose by 22.78%, whereas inflation was recorded at 7.48% on 22 July. Moreover, disruption in global trade affected essential food supply and the reserve crisis forced to increase in external borrowing. However, from January to June FY2022, our export was USD 27.39 billion, but the import was USD 48.16 billion in the same period, which shows positive growth. During the same period, inflation was 7.56%, private sector credit growth was 13.66%, remittance was USD 10.79 billion, and the reserve was USD 41.8 billion.

Special guest of the seminar Md. Shafiqul Islam (Mohiuddin) MP and former President, FBCCI, said that during the Covid times, Bangladesh Bank played an effective role, especially for the CMSME sector. He said countries are facing fuel crises worldwide. He added that we need to strengthen BAPEX for more onshore gas exploration.

Chief Economist of Bangladesh Bank, Dr Habibur Rahman, said that any policy issue has conflicting sides. But the Bangladesh Bank is always looking into the best balancing of policy guidelines to

control the normal money circulation and market. He said that we are also thinking of options for currency swaps with a few countries like India and China. ■



MCCI MCCI organises discussion on licences

The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) organised a discussion titled "Ease of Doing Business: Issuance/Renewal of Licences for 5 Years" on 11 August 2022 at MCCI Motijheel office. Barrister Sheikh Fazle Noor Taposh, Hon'ble Mayor, Dhaka South City Corporation (DSCC), graced the event as the Chief Guest. The event was attended by representatives of the business community and the media.

Discussing trade licences, fire licences, environmental licences, and others, MCCI President Md Saiful Islam said the ease of doing business greatly contributes to expanding investment in any country. "Foreign investors decide to invest in any country, scrutinising the parameters of trade and investment characteristics. They also look for indexes of business facilitation and various activities before investing," he said during his welcome speech.

BUILD Chairperson Nihad Kabir pointed out that a prerequisite for trade licences for e-commerce companies was to operate from commercial premises. She believed a waiver of this condition would help many small e-commerce businesses.

Md Shahidullah Azim, acting president of Bangladesh Garment Manufacturers and Exporters Association, mentioned that the ready-made garment sector was eyeing USD 100 billion in export volume by 2030. The sector would very much welcome a five-year licence period.

The event's chief guest, Dhaka South City Corporation (DSCC), Barrister Sheikh Fazle Noor Taposh, said, "We have no objection to issuing licences for 5 to 10 years. However, we must collect the AIT and Vat of the trade licences and inform the National Board of Revenue on how the charge will be taken." He added that the trade licence fee for most businesses in the DSCC area was between BDT 500-1,500,

and Advance Income Tax (AIT) was BDT 3,000 with the VAT added. ■



CCCI CCCI signs MoU with IIMK, India

The Chittagong Chamber of Commerce and Industry (CCCI) and the Indian Institute of Management Kozhikode (IIMK) have agreed to share their respective bodies of expertise by signing a memorandum of understanding (MoU).

On 29 July 2022, the signing ceremony for the MoU took place at the World Trade Centre's hall room inside the CCCI.

Joining the occasion digitally, on behalf of the CCCI and BCI, the President of the CCCI, Mahbubul Alam, and the Director of IIMK, Prof. Devashish Chatarjee, signed the MoU.

Attending the ceremony as a special guest, the Assistant High Commissioner of India, Dr Rajib Ranjan, delivered an address to the people in attendance at the event. Vice President of CCCI Syed Mohammed Tanvir, Dean of Executive Education of IIMK Prof. Sri Dhar, and Chairperson of IIMK's MDP Prof. Surya Prakash Pati were also present at the signing event.

"The bond between India and Bangladesh is a historic one," Dr Rajib Ranjan stated. "Since the Bangladesh Liberation War in 1971, India has been a reliable and trustworthy ally to Bangladesh. The participation of stakeholders from both nations in exchanging information is encouraging," he added.

CCCI President Mahbubul Alam expressed his delight at being associated with India's premier management school, describing the India-Bangladesh connection as a textbook example of fraternity and camaraderie. "Improving the management capabilities of our company leaders and managers is critical to realising Bangladesh's Vision 2041. Our knowledge capacity development collaboration with IIM Kozhikode will not only provide the greatest information and training resources for our aspiring leaders but will also complement our increasing partnership with India," he stated. ■

and enforcement have a part in branding a country. "Bangladesh has become a development role model in the eyes of foreign institutions, and our consistent increase in economic and social indices is a miracle," BSEC chairman Prof Shibli Rubayat Ul Islam remarked. ■



Conference by BIBM

BUILD CEO Ferdaus Ara Begum joined the two-day Annual Banking Conference organised by the Bangladesh Institute of Bank Management (BIBM) at its auditorium on 27 August 2022 as the speaker in the session titled "Mobilising Climate Smart Investment for Sustainability in the Banking Sector". She said businesses could lead in integrating and promoting sustainability and climate change concerns. She emphasised the need to learn how to make climate-smart provisions and what tactics to use. ■



Visit to the API Park

BUILD CEO accompanied the Secretary, Ministry of Industries and others

concerned for a visit to the API (Activated Pharmaceutical Ingredients) Park in Munshigong on 8 August 2022 to get an idea about the present situation and development of the API Park. After the visit, a meeting discussed building new enterprises there. BAPI members and pharma representatives were present to interact with the concerned government officials. BSEC Chairman was also present at the meeting. BUILD CEO was requested to raise the importance and changing role of the pharma sector when intellectual property rights (IPR) for the pharma products will be effective after LDC graduation by November 2026. ■



Discussion on NAP

On 29 August 2022, at the Ballroom of Hotel InterContinental, Dhaka, a discussion session on sharing and reviewing the final draft of the National Adaptation Plan (NAP) was held where Dr Farhina Ahmed, Secretary Ministry of Environment Forests and Climate Change (MOEFCC) was present as the chief guest. Dr Abdul Hamid, DG, Department of Environment, was a special guest. A meeting was also held between the BUILD CEO and the Secretary of MOEFCC. ■

Seminar on WTO MC-12

BUILD CEO Ferdaus Ara Begum attended the seminar entitled "WTO MC-12: Implications for Graduating LDCs" held on 26 July 2022 at the BIAM Foundation in the capital. Support for Sustainable Graduation Project (SSGP) under Economic Relations Division (ERD) organised the seminar.

As the speaker, she emphasised internal capacity building, export diversification, foreign direct investment and skill enhancement for preparing the country for the post-graduation scenario.

Former Member of Bangladesh Trade and Tariff Commission (BTTC) Dr Mostafa Abid Khan, CEO of International Trade Expert of SSGP, ERD Nesar Ahmed were the panellists of the session. ERD Secretary Sharifa Khan moderated the session. ■

Founding Organisations



Affiliations



DCCI Building, 9th Floor, 65-66 Motijheel C/A, Dhaka 1000, Bangladesh
 info@buildbd.org ☎ +88 0222 33 81388, +88 0222 33 89961

© 2022 Business Initiative Leading Development (BUILD). All rights reserved.