Press Release

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Attn: News Editor/ Chief Reporter/ Assignment Editor /Business Page-in-Charge:

**5-Year Trade licence in the offing**

The Ministry of Commerce has accepted the proposal of Business Initiative Leading Development (BUILD) for issuing trade licences for at least five years instead of one-year renewal culture to improve the ease of doing business.

BUILD came up with the proposal at the 9th Trade and Investment Working Committee (T&IWC) Meeting of BUILD. Ministry of Commerce and BUILD jointly organised the meeting at the Bangladesh Secretariat on September 28, 2022. Tapan Kanti Ghosh, Senior Secretary to Ministry of Commerce and Md. Saiful Islam, President of the Metropolitan Chamber of Commerce and Industry (MCCI), co-chaired the working committee meeting.

BUILD CEO Ferdaus Ara Begum said that we had studied the City Corporation Ideal Tax Schedule 2016 and Municipal Taxation Rules and saw no legal bar in issuing trade licences for five years.

Echoing the proposal, Mohammed Nora Alam Siddique, Joint Secretary of the Local Government Division, said it could be implemented for municipalities and city corporations. However, we need to review if Union Parishad can issue it under its present status.

Addressing the event, Tapan Kanti Ghosh, Senior Secretary to the Commerce Ministry, said that we need to focus more on the recommendations of the previous meeting which are yet to be implemented. Following the call of non-RMG sectors, we can formulate the sectoral sub-contracting rules, and we will engage with the National Board of Revenue to increase the de-minimis value.

Taking part in the discussion, MCCI President called for introducing NID as the singular document for trade licence issuance following global practices.

Referring to BUILD’s study on Improved Business Environment and Simplification of Company Registration Process, BUILD Chairperson Nihad Kabir suggested to formulate a policy for availing certified copies from Registrar of Joint Stock Companies And Firms (RJSC&F). The fill-up process of Model AOA (Article of Association) and MOA (Memorandum of Association) can be more simplified to make company registration process business friendly.

Citing the process of issuing a sub-contracting order, Mohammad Hatem, Executive President of BKMEA, said that we need more engagements and consultations with the regulators before formulating any trade policies to ensure private sector representations.

Mentioning the proposal of BUILD for establishing dedicated scanners for agro products in all ports, Dr Sayed Rafiqual Amin, Director, Plant Quarantine Wing, Department of Agricultural Extension, said that the Civil Aviation Authority had established terminal scanners which are not fully equipped for covering all agro items. Therefore we need more specialised scanners for agro items and proper coordination with the relevant agencies for export growth.

He further said that we have formed a committee to conduct a need analysis for establishing a National Plant Quarantine Authority, he added that a committee had been formed to analyse the importance of establishing the proposed Authority.

BUILD CEO Ferdaus Ara Begum delivered the presentation on “Trade License-Needs Rationalization and Simplification” urging the government for issuing trade license for maximum 5 years as per the need of the businesses, and reduction of renewal fees. The study also highlighted for a digitalized trade license (TL) issuance and renewal process including online payment system, a single unified & simplified Trade License Form (Bilingual format) for all City Corporation/Union Parishad, Municipalities, revisiting discriminated fees, and resolving additional permission requirement from local regulatory authority which were endorsed in the meeting.

The Commerce Secretary requested BUILD to study the Union Parishod Rules and support MOC and LGRD in order to formulate a uniformed policy for all trade license issuers.

BUILD CEO also made another brief presentation titled “DFQF Market Access to China-Policies and Measures Maximize the Benefits” and said that BUILD analyzed the top 20 exporting items from Bangladesh to China, its status in the 98% DFQF list and how export can be increased and out of 294 (8 Digit HS Code) exported products from top 20 (2 Digit HS Code) analyzed items, 194 products are in the DFQF list. Realizing the importance of the topic Sr. Secretary suggested to have a detail discussion on this topic discuss shortly with BUILD and other concerned chambers.

Commerce Secretary thanked BUILD for coming up with these important policy papers for reforms and informed that government is also seriously thinking for simplification and renewal of important business startup licenses and in this respect private sector points of views is highly appreciated.

Representatives from MOC, RJSC, DAE, EPB, SME Foundation, CCI&E, BEIOA, BKMEA, BGMEA, BFTI, BASIS, LFMEAB, DCCI, USAID, DSCC, among others spoke in the meeting.

Sincerely



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