



## EDITORIAL

### Balancing logistics development for accelerated growth

Bangladesh's trade is expected to reach about a trillion dollars by 2041. However, developing an efficient logistics system is of utmost importance to achieve this level of business expansion. Bangladesh spends about 20 per cent of its GDP on logistical costs, whereas it is 10 per cent or less in developed countries. The country needs massive logistics investment to cut its costs drastically, ensure quality, as well as integrate and speed up the delivery process, making exports and domestic products more competitive.

Bangladesh must leverage modern technologies in logistics to make its operations more effective, cost-efficient and sustainable. The logistics technologies that can shape the economy of Bangladesh are the Internet of Things (IoT) which allows the integration of data under one network system; Automation can be used for increasing speed, tracking, storage, distribution, and preventing human errors. Blockchain Technology can provide digital ledgers to track the entire product journey, increasing security and making audits more transparent. Artificial Intelligence and Machine Learning will automatically choose the most efficient

option and route. Transportation Management Systems (TMS) is a helpful tool for tracking and tracing delivery drivers and vehicles.

Most developed countries embraced a more ICT-based Integrated Logistics System. Germany, Japan, Singapore, South Korea, the USA and China have successfully reduced their logistics costs by adopting advanced technologies across the logistics and supply chain- from planning and procurement to receiving, warehousing, in-land distribution and the last mile. Vietnam started using an e-procurement platform that offers an end-to-end procurement process. India has adopted a single national window that stakeholders can use to manage their documentation of customs and logistics online; China implemented a system that brought sea, air and land transportation tracking under a single digital platform.

Bangladesh is poised to graduate to a developing country in 2026 and will lose the preferential treatment that the country's exports enjoy right now. To cope with the post-LDC graduation, there is an urgent need to strengthen, modernise and integrate the logistics management system to ensure international and domestic trade competitiveness. Furthermore, studies have shown that a 19 per cent reduction in logistics costs will boost export by 20 per cent. The private sector is of the opinion that an efficient policy for the development of logistics is tremendously

helpful in attracting investment and lowering costs.

Public-private collaboration can bring speedy development, and in view of this, a Logistics Infrastructure Development Working Committee (LIWDC) has been formed by BUILD in collaboration with the Prime Minister's Office. A draft Framework of Logistics Policy has already been prepared and presented to the Prime Minister's Office (PMO). As per the committee's advocacy, in the Industrial Policy 2022, logistics was recognised as a thrust sector for the first time.

A series of workshops and meetings will be required to frame a policy aligning with the need of the country and following the global best practices and knowledge. A number of issues have emerged in a recent workshop organised by BUILD in collaboration with the Ministry of Industries and World Bank Group under the supervision of PMO.

Various government agencies are working on logistics, but their work and policies must be aligned under a single system. The government must streamline regulations and processes that slow down the logistics process. Modernisation of railways, shipping and river connections must be implemented on a priority basis to reduce over-dependency on roads. Logistics infrastructure must also include developing warehousing spaces, cold chain facilities, packaging and security. The cumbersome process of procurement, customs, clearing and forwarding and tax-related work can be simplified by digitising the system. The promotion and integration of technical and vocational education and training of human resources in the logistics sector must support the digital transformation of the logistics system.

BUILD is working on a logistics industry development policy in collaboration with the concerned government ministries and organisations to develop an integrated logistics management system in the country. ■

**Ferdaus Ara Begum**  
CEO, BUILD



## Workshop on the formulation of National Logistics Industry Development Policy for Bangladesh: Experience from good global practices

To gather inputs from national and international experts, government officials and private investors to develop an integrated and efficient Logistics Industry Development Policy and to frame a holistic system both in terms of infrastructure and service development, a workshop on “Formulation of National Logistics Industry Development Policy for Bangladesh: Experience from Global Good Practices” was organised by the Ministry of Industries (MoI), Business Initiative Leading Development (BUILD), and the World Bank Group (WBG) at the InterContinental on November 16-17, 2022 in Dhaka.

The Prime Minister’s Office (PMO) and Business Initiative Leading Development (BUILD) developed the first public-private interaction forum termed “Logistics Infrastructure Development Working Committee (LIDWC)” in 2020 to overcome the logistics barrier to the economic development of the country. With the request of PMO, LIDWC, under the leadership of the Ministry of Industries (MoI), prepared a draft National Logistics Development Policy Framework this year.

The inaugural session titled ‘Importance of Logistics — Philosophy’ set the tone of the two-day workshop and the need for an effective logistic development policy. Dr Shomik Raj Mehndiratta, Practice Manager, Transport, South Asia, World Bank, assured that WBG, in collaboration with PMO, BUILD, and other relevant stakeholders from the public and private sectors, will work closely to formulate the NLIDP of Bangladesh by considering the good policy initiatives practised by the developing countries.

Nurul Majid Mahmud Humayun MP, Hon’ble Minister of the Ministry of Industries, emphasised ensuring trade competitiveness and export earnings, as well as the domestic and FDI flow in the economy, for a balanced multimodal logistics management system, adding that it has been treated as one of the key decision-making factors for investment. □

Nihad Kabir, Chairperson, BUILD, emphasised that NLIDP would be one of the key instruments to attain the national socio-economic targets for the years 2026,

2030, 2031, and 2041. Most importantly, formulating the policy will be a step forward to making Bangladesh a regional multimodal integrated logistics and transport hub at a global height.

Dr Shomik Raj Mehndiratta, Practice Manager, Transport, South Asia, World Bank, assured that WBG, in collaboration with PMO, BUILD, and other relevant stakeholders from the public and private sectors, will work closely to formulate the NLIDP of Bangladesh by considering the good policy initiatives practised by the developing countries.

Md Jashim Uddin, President of FBCCI, urged that policymakers should focus on minimising coordination gaps among government agencies, digitalisation of the logistics system, modernisation of port management system, and smoothening the intermediate trade activities to improve the overall logistics support system.

Zakia Sultana, Secretary, Ministry of Industries, stated that MoI had included logistics as an export-diversified and priority sector in the NIP 2022, and the rest of the policy formulation process will be facilitated by her ministry with utmost care.

Md Tofazzel Hossain Miah, Senior Secretary, Prime Minister’s Office, assured the participants that the PMO, as the centre of excellence, would take the lead to ensure coordination and harmonisation among the relevant ministries and agencies to make a comprehensive NLIDP for Bangladesh to attain the targets set by HPM.

Kamal Ahmed Mojumder MP, Hon’ble State Minister, Ministry of Industries, suggested that to reduce the national logistics cost, logistic policy should be designed in such an inclusive manner that all tangible and intangible movement of goods or services can be ensured effectively on time under a structured policy framework.

Nurul Majid Mahmud Humayun MP, Hon’ble Minister of the Ministry of Industries, emphasised ensuring trade competitiveness and export earnings, as well as the domestic and FDI flow in the economy, for a balanced multimodal logistics management system, adding that it has been treated as one of the key decision-making factors for investment. □

### Day 1 — Session 2 Balancing Logistics Development for Accelerated Growth Through Export Diversification

The session was moderated by Sharifa Khan, Secretary, Economic Relations Division, Ministry of Finance, while Dr M. Masrur Reaz, Chairman, Policy Exchange of Bangladesh; and Syed Nasim Manzur, President, LFMEAB, presented the keynotes. Dr Reaz recommended that land port development, inland water transport



sector, and rail freight modernisation be adequately addressed to ensure a holistic approach in formulating the NLIDP. Effective governance, efficient board clearance, ease of financing and hinterland connectivity should get the highest priority while developing the policy. To have a multimodal logistics management system, it is necessary to focus on an integrated network, One-Stop Service, modernisation of customs, bonded facility, etc. Nasim Manzur underscored the importance of considering inventory costs, road congestion, warehouse, lead time, etc., in preparing the national logistics policy in Bangladesh.

President of FICCI Naser Ezaz Bijoy urged to modernise the air transport management system to global height and facilitate sustainable growth of the agriculture industry, including live and chilled fish and food processing.

Selma Rasavac, Manager of South Asia-IFC, assured that IFC, as the development partner of Bangladesh, is committed to improving the business-enabling logistics scenario. The World Bank estimated that Bangladesh needed approximately \$100bn investment in the logistics sector by 2026 to achieve the target growth by 2030 and 2041, respectively.

WTO provisions need to be addressed while formulating policy to cope with the post-LDC graduation era, as mentioned by Md Hafizur Rahman, Additional Secretary of the Ministry of Commerce.

“Two government projects are under process (located in Shyambajar and Purbachal) to improve the post-production management and export scenario of agribusiness in Bangladesh. SPS and other compliance issues will be completed in these stations”, added the ERD Secretary. □

### Day 1 — Session 3 Formulating Logistics Policy — Learnings from Global Experience

#### Segment 1: Formulating and Implementing Logistics Policy and Improving Logistics Performance

Nihad Kabir, Chairperson, BUILD as the session moderator, proposed the establishment of a regulatory authority to ensure the proper formulation and implementation of the NLIDP.





In his keynote speech, Dr Charles Kunaka, Lead Transport Specialist, World Bank Group, presented ten messages to the audience that create room to think while formulating the NILDLP by considering these as the priority issues.

Angshuman Mitra Mustafi, Country Manager of Maersk Bangladesh Ltd., requested policy enablers to consider good global experience to ensure logistics cost efficiency through responsive service. A multimodal transport system should be developed by coordinating road, rail, air, sea, and inland waterways.

"Parameters should be set to evaluate the performance of these modes", suggested Ziaur Rahman, Regional Country Manager, H&M Bangladesh.

Sheikh Faezul Amin, Additional Secretary of the Ministry of Industries, informed the audience at the workshop that the Industry Ministry is committed to extending policy assistance to have a balanced development of the logistics sector. □



## Segment 2: Formulating and Implementing Logistics Policy — Learning from Good Practice

Several South and South Asian countries have already prepared their logistics policy/act/strategy/masterplan, etc., to ensure harmonised development of the logistics industry to facilitate holistic economic development. To reach the global benchmark and competitiveness, logistics is one of the key enablers, pointed out by Asif Ibrahim, Chairman, Chittagong Stock Exchange.

Dr Surendra Kumar Ahirwar, Joint Secretary, Ministry of Commerce and Industry, Government of India, said that India had formulated National Logistics Policy aimed at boosting economic growth, providing employment

opportunities, and making Indian products more competitive in the global market.

The strategy for the modal shift from road to rail and waterways should address the climate resilience logistics perspective. Moreover, as recommended by Shamim ul Haque, Country Director, DP World Bangladesh, upskilling and reskilling of the workforce needs to be addressed.

Md Miarul Haque, Managing Director, DHL Express Bangladesh, urged to establish regulatory reform and development strategy for the air express transport system to create momentum in export growth.

Facilitating the freight forwarding sector as the economic backbone would lead to the ultimate development of the logistics industry, emphasised Kabir Ahmed, President of BAFFA.

Muhammad Safiur Rahaman, First Secretary of NBR, stated that modernisation and automation of NBR and Customs procedure is the key to expediting the shipment clearance and risk management system.

Concentrating on holistic and comprehensive logistics philosophy is the demand to facilitate the logistics sector to reach socio-economic targets set in perspective plan 2041, emphasised by Nafiul Hasan, DG-1, Prime Minister's Office. □

## Day 2 — Session 1 Balancing Multimodal Transport System for Logistics Competitiveness

NBR and Customs should be considered the fifth pillar of success to ensure a multimodal logistics management system in Bangladesh. Harmonised coordination among the public, private, and development partners is the single key to reaching the multimodal logistics management system to a global height, addressed by the session chair Md Mostafa Kamal, Secretary, Ministry of Shipping. A B M Amin Ullah Nuri, Secretary of Road Transport and Highways Division, in his keynote address, informed of Road Transport and Highways Division's decision to update the National Integrated Multimodal Transport Policy 2013 in line with SDGs, 8th Five Year Plan, Perspective Plan, Delta Plan, etc.

Martha B. Lawrence, Global Lead of the Regional Connectivity and Logistics Knowledge Group at the World Bank, in her presentation, hoped that the harmonisation of the road transport mechanism by reducing road congestion and trucking system modernisation in Bangladesh would reduce the logistics cost that will ultimately ensure price and production cost competitiveness.

Abul Kasem Khan, Chairperson (Former), BUILD and Co-chair, LIDWC, urged the



policy enablers to remove inconstancy between Customs Rules and ICD Policy along with other regulatory issues to ensure business and regulatory confidence among entrepreneurs.

Captain Kamrul Islam Mazumder, Director, BICDA, requested the government to focus on the development of inland waterways transportation. To reduce the congestion and the over-dependency on the DHK-CTG highways, he added that southern river routes should be utilised with the utmost care.

Md Ariful Hoque, Director of BIDA, highlighted the government's target to reach \$300 bn of export earnings and to attract FDI inflow worth at least 3% of GDP by 2041. To facilitate the targets, Bangladesh needs an efficient logistics management system.

BIWTA Chairman Commodore Golam Sadeq pointed out that navigation, upgradation, and utilising waterways are crucial ways to have a modal shift and balanced multimodality. Port logistics, hinterland connectivity, port community system, port greening, and maritime tourism would promote subregional waterborne trade.

Sukesh Kumar Sarker, Additional Secretary of the Ministry of Civil Aviation and Tourism, mentioned that the freight modernisation system is highly prioritised to boost the export growth of agro, fisheries, and pharmaceutical industries in Bangladesh.

Rail freight and passenger transportation get the highest priority from Bangladesh Railways to ensure Trans-Asia Rail connectivity, expressed by Dharendra Nath Mazumder, DG, Bangladesh Railways.

In the first session of the closing day on 17 November 2022, titled "Balancing Multimodal Transport System for Logistics Competitiveness", two keynotes were presented by A. B. M. Amin Ullah Nuri, Secretary of Road Transport and Highways Division, and Martha B Lawrence, Global Lead of the Regional Connectivity and Logistics Knowledge Group at the World Bank while Md Mostafa Kamal, Secretary of the Ministry of Shipping, graced the session as chair.

The Secretary of RTHD reiterated the need for updating and implementing the National Integrated Multimodal Transport



Policy 2013 by portraying dedicated development strategies for different modes of transportation addressing.

The government has taken several mega projects by considering improving the logistics scenario as one of the most priority issues. But, without the complete automation of the Customs and NBR procedures, all the initiatives will fail. Harmonised coordination among the public, private, and development partners is the single key to reaching the multimodal logistics management system to a global height, pointed out by Md Mostafa Kamal, Secretary, Ministry of Shipping.

The government of India has invested 99,000 crore rupees through the Sagarmala PPD Model Project to ensure port-led economic growth by considering the potentials of coastal areas, informed by Abul Kasem Khan, Co-chair of LIDWC, BUILD. ■



### Closing Session

Md Nurul Islam Sujan MP, Hon'ble Minister, Ministry of Railways, graced the workshop's closing session as chief guest. There is no alternative to ensure transport cost efficiency without the modern railway system. Ongoing projects of the Ministry of Railways will connect Bangladesh to Trans-Asian Railway Network, leading to exploring new export markets with diversified products. To make Bangladesh a multimodal logistics hub of the South Asian region, the Ministry of Railways will extend all possible assistance in a coordinated manner, assured by the Hon'ble Railways Minister.

Chair of the closing session, Nihad Kabir, BUILD Chairperson, highly appreciated the initiatives of the Ministry of Railways for taking several policy reforms and projects to improve the freight and

passenger transportation management system in Bangladesh.

Dr Shomik Raj Mehndiratta, Practice Manager, Transport, South Asia, World Bank, informed the audience that as the development partner of Bangladesh Government, they have been assisting in the infrastructure development of rail, road, waterways, bay terminal, land port modernisation, etc.

Martin Holtmann, Country Manager (Bangladesh, Bhutan, and Nepal), IFC, highly appreciated the improvement of the logistics environment of Bangladesh in the last few years by implementing policy reforms and infrastructure projects that will ultimately put tremendous momentum in GDP and economic growth of the nation by reducing the logistic cost. IFC will be glad to provide all sorts of assistance to formulate a national logistics industry development policy, he added.

An outcome report of the workshop will be prepared and presented by BUILD at the upcoming meeting of the Logistics Infrastructure Development Working Committee at the Prime Minister's Office very soon when all the speakers of the two-day workshop will be invited to validate the placed recommendations and way forward to formulate a visionary National Logistics Industry Development Policy of Bangladesh, addressed by Ferdaus Ara Begum, CEO of BUILD as the wrap-up remarks of the workshop. ■

## International Women Entrepreneurs' Summit (IWES) 2022

International Women Entrepreneur's Summit (IWES)-2022 was held on 23-24 November 2022 at the Radisson Blu hotel. It was jointly organised by the Bangladesh Investment Development Authority (BIDA), Bangladesh India Business Council (BIBC) and the Association of Fashion Designers of Bangladesh (AFDB). Business Initiative Leading Development (BUILD) was one of the strategic partners in charge of facilitating the summit successfully.

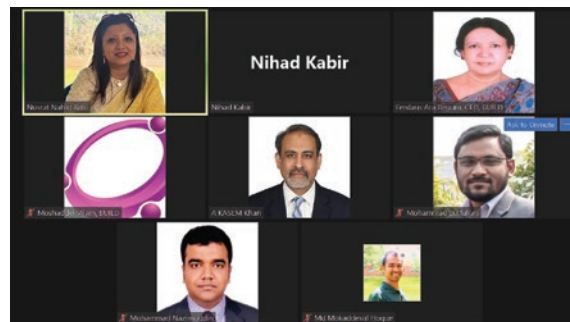
Hon'ble Speaker of the Parliament Shirin Sharmin Chaudhury inaugurated the event, while a number of women entrepreneurs, professionals, and experts from different countries participated in the summit. This IWES-2022 showcased the success of women-led businesses to further drive their growth by sharing knowledge of new opportunities and best practices.

Barrister Nihad Kabir, Chairperson, BUILD, delivered the keynote on the 'Graduation of SMEs' in the summit's first session. This session aimed to inspire entrepreneurs and establish full access to financial support and other services from the government so that they can scale their businesses in sustainable ways.



Md Sirajul Islam, Former Executive Chairman, BIDA was the Chief Guest in the session, while Syed Nasim Manzur, MD, and Co-founder of Apex Footwear Ltd; Tamara Hasan Abed, Managing Director, Aarong; Dr Mafizur Rahman, Managing Director of SME Foundation and, Dato Tom Abang Saufi, Chairman of the National Art Gallery, Malaysia were present as the guest speakers. HE Robert Chatterton Dickson, British High Commissioner for Bangladesh, was the Guest of Honour of the session. Farzanah Chowdhury, Managing Director of Green Delta Insurance Ltd, moderated the session.

Nihad Kabir, Chairperson of BUILD, emphasised regulatory and documentation compliance and financial constraints of SMEs as two major issues in her keynote presentation. WCMSMEs present scenario in Bangladesh and South Asia, Policy and financial benefits offered by the government of Bangladesh, Best Practices-WE-CMSMEs, Challenges SMEs and WEs faced in terms of growth and development etc., were also highlighted in the paper. ■



## BUILD Trustee Board and World Bank to reach the NLIDP next level

A meeting between BUILD and World Bank was held on 13 December 2022, entitled "Designing Future Course of Action and Way Forward to Formulating National Logistics Industry Development Policy (NLIDP)". The meeting was chaired by Nihad Kabir, Chairperson, BUILD, while Ferdaus Ara Begum, CEO of BUILD, in her presentation, elaborated on the initiatives BUILD took in collaboration with the World Bank Group to formulate the NLIDP as well as portrayed the way forward in that respect.



Nusrat Nahid Babi, Transport Specialist, World Bank, expressed cordial gratitude to the BUILD Trustee Board and the BUILD Team for their valuable leadership and enormous effort to do the workshop entitled “Formulating National Logistics Industry Development Policy for Bangladesh: Experience from Global Good Practices” a great success.

As BUILD has taken the initiative to design the NLIDP, Abul Kasem Khan, Co-chair of the LIDWC at BUILD, suggested that BUILD, with the backing of DCCI, MCCI, and CCCI, should be in the lead to aid the government in that regard.

BUILD Chairperson pointed out to consider macro issues like inland port development and modernisation of container handling issues while formulating the policy. Besides, the supply chain of significant, potential, and promising sectors like RMG, agriculture, etc., should be portrayed. BUILD’s CEO informed that the workshop’s outcomes would be presented in the next meeting of LIDWC and the 14th meeting of PSDPCC at Prime Minister’s Office by early 2023. ■



## National dialogue on private sector engagement in climate action held

Business Initiative Leading Development (BUILD), in association with the Centre for Climate Change and Environmental Research (C3ER), BRAC University and Bangladesh Centre for Advanced Studies (BCAS) with support from the Food and Agriculture Organization (FAO) and Economic Relations Division (ERD) organised a National Dialogue on ‘Private Sector Engagement in Climate Action’ focusing on the MSMEs of AFOLU sector on 24 November 2022 at NEC Auditorium, Planning Commission. The chief guest of the workshop was Sharifa Khan, Secretary, Economic Relations Division (ERD).

Sharifa Khan, Secretary of the Economic Relations Division, said that we are the victim of climate change. However, our contribution to Green House Gas (GHG) emissions is meagre. Climate change has started impacting our lives and livelihood

as well. She emphasised taking the initiative immediately to fight against climate change.

Dr Ainun Nishat, Advisor, Professor Emeritus and Advisor of the Centre for Climate Change and Environmental Research (C3ER), BRAC University, highlighted the impacts of climate change on agriculture, food production and the private sector.

Dr Kristopher Johnson, Team Head and Environment, Forestry and Climate Change Consultant of FAO Bangladesh, expressed his happiness for the partnership with C3ER, BCAS and BUILD. He said the topic of engaging the private sector in climate action is not a straightforward thing.

Ferdaus Ara Begum, CEO, BUILD, in her presentation titled ‘Private Sector Engagement in Climate Actions: Focus on Private Sector Investment in AFOLU sector’, said that public resources would not be enough to meet climate adaptation needs, private sector investment will be critical to closing the adaptation funding gap. She informed that some of the policies and plans taken by the Bangladesh Government, such as SME Policy 2019, Light Engineering Policy 2022, Import Policy Order 2021-24, Plan of Action (2008-15) and Bangladesh Investment Handbook, etc. lack specific directives for MSMEs of AFOLU sector for tackling climate change. She said that MSMEs’ hazard-specific climate change vulnerability needs to be explored. ■

## Austrian business delegation reception

The Austrian business delegation was headed by Austrian Ambassador HE Katharina Wieser, and Hans-Jörg Hörtnagl, the Austrian Commercial Counsellor for Bangladesh, who visited Bangladesh from 13 to 16 November 2022. The delegation kicked off the programme with a networking dinner at the Pan Pacific Sonargaon Hotel.

HE Katharina Wieser stated that The Republic of Austria and the People’s Republic of Bangladesh had maintained friendly relations since the beginning of Bangladesh’s independence in 1971. The launch of economic talks in April 1997 led to the first official visit by an Austrian delegation since Bangladesh’s independence. The following years saw continuous efforts to strengthen the economic relations between the two countries.

Having welcomed the guests, Hans-Jörg Hörtnagl, Austrian Commercial Counsellor for Bangladesh, said that Austria is an export-oriented country as more than 50 per cent of the gross domestic product (GDP) is contributed by exports. This high rate of exports could not have been



achieved had the Austrian companies not been the world-class partners they are today. This is why they termed their companies surprisingly ingenious.

BUILD CEO Ferdaus Ara Begum said that the difference between Bangladesh and Austria’s export and import data is enormous. As per the Bangladesh trade statistics, the import value from Austria is higher than the export to the country. But as per Austria’s trade statistics, the scenario is entirely the opposite. The reason is Bangladesh calculates country-wise export — not the re-export data.

The Austrian company representatives who visited Bangladesh are from various fields like railways, health, education, energy, banking and machine building. A good number of B2B (business-to-business) and B2G (business-to-government) meetings were arranged during the visit. The Austrian delegation also had meetings with several ministries, including Economic Resource Divisions, the Ministry of Health, the Ministry of Youth and Sports, the Ministry of Food, the Ministry of Railways, the Ministry of Industries, the Bangladesh Food Safety Authority, Bangladesh Standards and Testing Institute and donor organisations such as Asian Development Bank and International Finance Corporation etc. for getting economic overviews. The Austrian Companies are Vamed, Odelga, Christof, MUT, Red Bull and Alpla. Some companies are planning to invest in Bangladesh. ■



## Promoting Blended Financing

A workshop on blended finance to promote green growth was held at the NEC Conference Room, Bangladesh Planning Commission, on 23 November. It

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## REFORMS



### Launch of financial literacy website in Bangla

BUILD presented a policy paper titled “Financial Constraints of Women/SME Entrepreneurs” at the 10th Meeting of the Financial Sector Development Working Committee (FSDWC) of BUILD, which was held on 17 August 2022 and was co-chaired by Abu Farah Md Nasser, Deputy Governor, Bangladesh Bank, and Rizwan Rahman, President, Dhaka Chamber of Commerce and Industry (DCCI). The paper proposed one recommendation for publishing a book in Bengali by Bangladesh Bank that contains financial guidelines to educate and raise awareness among entrepreneurs.

Bangladesh Bank has launched a financial literacy website ([finlit.bb.org.bd](http://finlit.bb.org.bd)) in Bangla to educate people from all walks of society about the financial services, products, and other operations of various commercial banks and financial organisations, including the Central Bank. This programme’s primary purpose is to promote public awareness and increase people’s ability to use these goods or services by teaching financial themes related to banking products and services in simple language. ■

## SCOPES

### Introduction of effective transaction value

The valuation of export and import is an essential economic factor in calculating the trade balance and current account balance, which is obtained from the Balance of Payments (BOP) maintained by Bangladesh Bank. This current account balance reflects Gross Domestic Product (GDP), national savings, and investment.

Export and import data and other statistical data published in the country show dissimilarity with international data sources like International Trade Centre (ITC) and The Organization for Economic Co-operation and Development (OECD). It has also been reported that there are over-invoicing and under-invoicing in

practice, which impacts domestic industries, revenue collection and other economic activities.

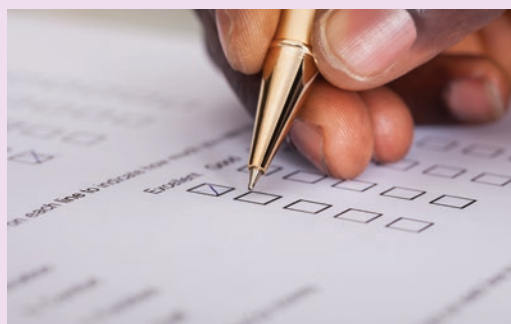
To observe the issue closely, Business Initiative Leading Development (BUILD) has taken up a brief study for assessing the concern policies for implementing the custom valuation agreement of WTO. ■

### BUILD supports National Tariff Policy 2023

For a smooth transition to a developing country, under the supervision of the Prime Minister’s Office (PMO), seven working committee has been formed based on the working scope to address internal and international issues. One of the key committees is “Internal Resource Mobilisation and Tariff Rationalization (IRM&TR)”, undertaken by the Ministry of Finance. This committee deals with three aspects, i.e., income tax, the tariff on imports and subsidies.

A sub-committee for tariff rationalisation has been formed where several initiatives have been taken, and a study has been conducted by Bangladesh Trade and Tariff Commission (BTTC) for preparing a Tariff Rationalisation Policy.

BUILD, as a study group member, attended the consultation meeting on “National Tariff Policy 2023” on 28 November 2022 at the conference room of BTTC. BUILD has prepared a set of initial comments and sent them to BTTC, now training the detailed statements in consultation with private sector stakeholders, including the Federation of Chamber of Commerce and Industries (FBCCI). ■



### Survey at 10th National SME Fair 2022

The 10th National SME Product Fair 2022 was held from 24 November 2022, until 3 December 2022, at the initiative of the SME Foundation at the Bangabandhu International Conference Centre in Dhaka. The fair aims to promote SME entrepreneurs and their products. BUILD conducted a survey between 29 November to 3 December 2022. A standard questionnaire was developed to

collect responses from the entrepreneurs. Around 75 entrepreneurs responded to the survey questions.

The objective of the survey was to examine the status of participating entrepreneurs, analyse SMEs’ access to the formal source of funds, understand the impact of various Government policies on SMEs, technological adaptability among SMEs, the effectiveness of SME fairs and suggest some specific recommendations for the future. ■

## ARTICLES

PTPR for advanced digitalisation in Bangladesh • *The Daily Observer* ■ [cutt.ly/buildconnect226-01](https://cutt.ly/buildconnect226-01)

PTPR for advanced digitalisation and FDI for Bangladesh • *The Business Post* ■ [cutt.ly/buildconnect226-02](https://cutt.ly/buildconnect226-02)

Increasing the tax net in Bangladesh • *The Business Standard* ■ [cutt.ly/buildconnect226-03](https://cutt.ly/buildconnect226-03)

Can Bangladesh benefit from MC12? • *The Business Post* ■ [cutt.ly/buildconnect226-04](https://cutt.ly/buildconnect226-04)

Capitalising on the duty-free, quota-free market access to China • *The Business Standard* ■ [cutt.ly/buildconnect226-05](https://cutt.ly/buildconnect226-05)

was jointly organised by General Economic Division(GED), and United Nations Development Programme (UNDP) and British High Commission.

M. A. Mannan MP, Hon’ble Minister, Ministry of Planning, GoB, and Dr Shamsul Alam, Hon’ble Minister for State, Ministry of Planning, GoB, were present as Chief Guest and Special Guest, respectively. Dr Fahmida Khatun, Executive Director, CPD, presented the keynote paper.

During the workshop, participants examined difficulties related to the institutional set-up needed to mobilise green development in areas where public and private financing may help advance green growth.

BUILD CEO Ferdaus Ara Begum participated in the discussion and highlighted the regulatory gaps to see if there is any potential for crowd financing to work for blended finance, she added. She enquired about de-risking private finance and creating an enabling environment for private sector support.

She said that Bangladesh’s tax-to-GDP ratio is low and that there is a need to investigate how tax waiver for green development may work. She also proposed boosting green growth employment, resolving governance concerns, climate migration, and developing sub-sectoral strategies. ■



## PARTNERS' CORNER



### DCCI BUILD welcomes Md Sameer Sattar to the Trustee Board

Md Sameer Sattar, Head of Sattar&Co., has been elected as the President of Dhaka Chamber of Commerce and Industry (DCCI) for 2023, while S. M. Golam Faruk Alamgir (Arman) has been elected as the Senior Vice President and Md Junayed Ibna Ali has been elected as the Vice President for 2023. The new Board of Directors took over the charge at the 61st Annual General Meeting (AGM) of DCCI held in its auditorium on 21 December 2022.

The newly elected Directors are Engr. M. A. Wahab; Razeed H. Chowdhury; Taskeen Ahmed; M. Shafiqul Alam, FCA; Kamrul Hasan Tuhin, and M. Mosharraf Hossain.

The newly elected President of DCCI Md Sameer Sattar is the Head of Sattar&Co., a legal consultancy firm in Bangladesh. Sattar is a Barrister and an Advocate of the Supreme Court of Bangladesh. He is recognised by Chambers and Partners: Asia Pacific and The Legal 500 as one of the leading corporate lawyers in Bangladesh.

Newly elected Senior Vice President S. M. Golam Faruk Alamgir Arman is the Managing Director of BDCOM Online Ltd. Besides, the Vice President Md Junaed Ibna Ali is the Chairman of Hitech Steel and Plastic Industries (Pvt.) Ltd., Chairman of Zaber Steel, Proprietor of JN Corporation and Trade Land International.

BUILD would like to extend a warm welcome to Md Sameer Sattar on his membership to the Trustee Board of BUILD as well as the Financial Sector Development Working Committee of BUILD in the role of Co-Chair from the private sector. ■



### MCCI BUILD welcomes Saiful Islam to the Trustee Board

The Metropolitan Chamber of Commerce and Industry (MCCI) has chosen Md Saiful Islam for another term as president till 2023.

The MCCI board of directors unanimously decided to re-elect Islam at a meeting on 27 November. Then the decision was approved at an annual general meeting on 14 December, the MCCI said in a press release.

Islam, a leading entrepreneur and commercially important person since 1998, is now serving as managing director of Picard Bangladesh.

Besides, Kamran T Rahman, chairman and managing director of Pubali Jute Mills and Kapna Tea Company, and Habibullah N Karim, managing director and CEO of Technohaven Company, have been re-elected senior vice-president and vice-president, respectively.

The members of the board of directors include Tanvir Ahmed, Managing Director of Sheltech; Syed Tareque Md Ali, Managing Director of Modern Industries (BD); Mohammad Naser Ezaz Bijoy, Chief Executive Officer of Standard Chartered Bank, Bangladesh; Tapan Chowdhury, Managing Director of Square Pharmaceuticals, and Uzma Chowdhury, Director of Agricultural Marketing Company.

Arif Dowla, Managing Director of Advanced Chemical Industries; Nihad Kabir, Senior Partner at the Syed Ishtiaq Ahmed & Associates; Anis A Khan, Director of the W&W Grains Corporation; Adeeb Hossain Khan, Senior Partner at Rahman Rahman Huq; Golam Mainuddin, Chairman of British American Tobacco Bangladesh Company; Hasan Mahmood, Partner at the MJ Abedin & Co.; Syed Nasim Manzur, Managing Director of Apex Footwear, and Simeen Rahman, Managing Director of Transcom, are also members of the board of directors.

BUILD welcomes Md Saiful Islam to the Trustee Board of BUILD and the Trade and Investment Working Committee of BUILD as the Co-Chair from the private sector. ■



### CCCI CCCI president Mahbubul Alam made CG of Japan

Mahbubul Alam, who currently serves as the President of the Chittagong Chamber of Commerce and Industry (CCCI) and the Chairman of the Bangladesh Center of Excellence (BCE), will begin his new role as the Honorary Consul General of Japan in Chattogram in December 2022. His promotion to CG was greeted with congratulations from BUILD.

During his remarks at a farewell reception held at his house in Dhaka, the Japanese Ambassador to Bangladesh, Ito Naoki, made this announcement. The event was attended by a number of ministers, secretaries, ambassadors, and business executives.

At this time, Mahbubul Alam serves on the Trustee Board of BUILD as well as the SME Development Working Committee of BUILD as the Co-chair representing the private sector.

Currently, he holds the position of Vice President of both the SAARC Chamber of Commerce and Industry and the Federation of Bangladesh Chambers of Commerce and Industry. He served in the role of Chairman of BUILD in the past. In addition to that, the Bangladesh Economic Zone Authority (BEZA) and the Bangladesh Investment Development Authority (BIDA), both under the purview of the Prime Minister's Office, include him among their board members.

In addition to these roles, Mahbubul Alam is a board member of the Chittagong Development Authority (CDA), director of the International Chamber of Commerce (ICC) Bangladesh, executive board member of the Bangladesh Foreign Trade Institute, and vice-president of the Confederation of Eastern Chambers of Commerce and Industries (CECCI) of India. ■



BUILD CEO Ferdaus Ara Begum, and World Bank Group representatives joined the meeting. ■

simplifying access to climate financing as well as cheaper access to relevant technologies. ■

## BUILD for full implementation of trade facilitation provision before graduation

Bangladesh will graduate as a developing country by 2026; it is transitioning from a least developed country (LDC) to an upper-tier economy determined by the United Nations (UN). As LDC, it was availing some economic advantage based on priority (trade quota, GSP, availing international soft loans or grants and aid) since it joined the UN after its independence. It is also enjoying the trade-related advantage as LDC under the General Agreement on Trade and Tariff (GATT) 1994 and the trade facilitation Agreement (TFA) protocol of the World Trade Organisation (WTO) such as subsidy, bound tariff, other duties at import level was under a soft binding by rules-based trading system of WTO.

As a private sector stakeholder and think tank BUILD attended the sixth consultation meeting of the Tariff Rationalization study group on 24 October 2022 at the National Board of Revenue conference room, where BIDS, BTTC, PRI, and FBCCI representatives were present.

BUILD opined on some specific points regarding the issue as follows. Existing tariffs or minimum value possess the same policy status that is strictly followed in case of customs valuation apart from abiding by Customs valuation rule 2000. Phasing out of Minimum Value and customs valuation process need to be well consulted with the export-import related stakeholders.



## Dev partners should strongly support climate change-related actions of LDCs

"Development partners should strongly and decisively support the climate change-related action and ambitions of the world's Least Developed Countries (LDCs)", experts said at a workshop entitled "UNCTAD LDC Report 2022: Implications for Bangladesh", organised by Support to Sustainable Graduation Project of Economic Relations Division (ERD) on 19 December 2022.

BUILD CEO Ferdaus Ara Begum attended the meeting as a speaker.

The Hon'ble State Minister of the Ministry of Planning, Shamsul Alam, who was there as the chief guest, stated that Bangladesh is attempting to have international climate financing split evenly between adaptation and mitigation.

BUILD CEO said that although LDCs had set ambitious emission-reduction targets for themselves, international support for adaptation and sustainable development of LDCs had so far fallen remarkably short of what is needed, both in terms of climate finance and access to environmentally-sound technologies. She called for

## Preparatory meeting with PMO

On 3 November 2022, a preparatory meeting with the Hon'ble Senior Secretary of the Prime Minister's Office was held to map out plans and strategies for the forthcoming programme titled "Formulating National Logistics Development Policy for Bangladesh: Experience from Global Good Practices".

## National Seminar on LDC Graduation

The Economic Relations Division of the Ministry of Finance organised a daylong seminar on LDC Graduation on 17 November 2022 at the Grand Ballroom, Pan Pacific Sonargaon, Dhaka. The programme was directed by Prime Minister's office, where concerned ministries (Finance Division and ERD, Commerce, PMO) have actively contributed to the seminar. The Ministry of Planning also supported the seminar.

BUILD CEO Ferdaus Ara Begum joined as the speaker at the national programme and she emphasised IPR — one of the most important agreements that may require more comprehensive simplification to support pharmaceutical sector development. ■

## Founding Organisations



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## Affiliations



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

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